

## China

### ADD (no change)

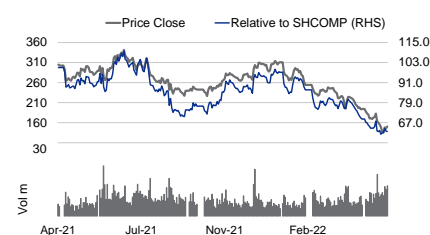
Consensus ratings\*: Buy 39 Hold 2 Sell 0

Current price:	Rmb150.5
Target price:	Rmb221.0
Previous target:	Rmb345.0
Up/downside:	46.8%
CGS-CIMB / Consensus:	-13.5%
Reuters:	603501.SS
Bloomberg:	603501 CH
Market cap:	US\$19,948m
	Rmb131,975m
Average daily turnover:	US\$227.0m
	Rmb1,456m
Current shares o/s:	875.7m
Free float:	51.8%

\*Source: Bloomberg

### Key changes in this note

➤ No changes.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-23.5	-40.8	-50.7
Relative (%)	-18.6	-31.4	-38.4

Major shareholders	% held
Yu Renrong (Chairman)	31.9
Zhaoqing Will Semiconductor Equity	9.2
Qingdao Rongtong Minhe	7.1

### Analyst



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# Will Semiconductor Ltd-A

## Strong auto CIS and TDDI business

- 1Q22 net profit fell 14% yoy to Rmb896m due to pandemic challenges. We expect strong earnings recovery in 2Q22F on easing Omicron in China.
- We expect overall revenue to rise c.22% yoy to Rmb29bn in FY22F, driven by auto CIS, TDDI and recovery of handset CIS.
- Reiterate Add. We lower our TP to Rmb221.0 to reflect weakened China smartphone market, now based on 32x FY23F P/E (previously 50x FY22F).

### Sluggish market sentiment dragged down 1Q22 revenue

Will Semi announced weaker than expected 1Q22 results due to the sluggish China smartphone market and supply chain constraints amid the Omicron outbreak in China. Revenue decreased c.11% yoy to Rmb5.54bn in 1Q22 as it was dampened by low smartphone CIS demand and ongoing pandemic challenges. Gross profit margin (GPM) expanded by 290bp yoy to 35.3%, thanks to higher proportion of auto CIS and TDDI. 1Q22 net profit dropped c.14% yoy to Rmb896m, formed 17% of our full-year FY22F forecast. We deem it as in line as we expect a strong earnings recovery in 2Q22F (+50% qoq to Rmb1.3bn) due to robust shipments on high-margin auto CIS and high-end smartphone CIS. This is thanks to improving supply chain constraints amid decreasing Omicron cases.

### Recovering high margin segments could be potential catalysts

Market research company Yole estimates global auto CIS market size at US\$1.6bn in 2021. Will Semi's auto revenue jumped 130% yoy to Rmb2.3bn in FY21, making Will Semi the 2<sup>nd</sup> biggest auto CIS producer in the global market. We expect Will Semi auto CIS revenue to rise over 50% in FY22F, driven by the fast-growing ADAS market and rapidly-growing Chinese EV market. Will Semi now offers a wide range of applications, from VGA to 8MP in-cabin CIS and front-view CIS to cater to the US and EU tier-1 automakers. Meanwhile, Touch and Display Driver integration (TDDI) segment revenue rose 160% yoy to over Rmb1.8bn in FY21. We expect TDDI business revenue to rise over 50% in FY22F with a stable GPM of c.55% due to production for BOE and Tianma commencing in 4Q21, and mass production of Display Driver IC (DDIC) for OLED displays in 2H22F.

### Dependable profitability in FY22F from auto CIS and TDDI

We expect total revenue to rise c.22% yoy to Rmb29bn in FY22F, driven by 1) robust auto CIS shipment output, 2) new customers and new product launches in TDDI business, and 3) recovering handset CIS in 2H22F. We expect overall GPM to stay at c.34% in FY22F, supported by better product mix in handset CIS and higher contribution from auto CIS and TDDI.

### Reiterate Add with a lower target price of Rmb221.0

We keep our Add call due to sustainable market share gains in handset and auto CIS, thanks to new product launches and significant semi-localisation trend. Our EPS forecasts are intact as we expect strong earnings recovery in 2Q22F due to Omicron easing in China and accelerating automotive CIS demand in 2H22F due to chip supply improving. We cut our target price to Rmb221.0, now based on 32x FY23F P/E (previously 50x FY22F) to reflect the weakened smartphone demand and supply chain disruption in China caused by Omicron infections. Re-rating catalysts include fewer Covid cases in China, sustained auto CIS market share gains and stable GPM in CIS and TDDI businesses. Downside risks: higher production costs and keener competition in CIS.

### Financial Summary

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Revenue (Rmbm)	19,824	24,104	29,080	33,023	37,551
Net Profit (Rmbm)	2,706	4,476	4,940	6,049	7,144
Normalised EPS (Rmb)	3.13	5.11	5.64	6.91	8.16
Normalised EPS Growth	481%	63%	10%	22%	18%
FD Normalised P/E (x)	48.03	29.46	26.68	21.79	18.45
Price To Sales (x)	6.56	5.47	4.53	3.99	3.51
DPS (Rmb)	0.32	0.52	0.57	0.70	0.83
Dividend Yield	0.21%	0.35%	0.38%	0.47%	0.55%
EV/EBITDA (x)	34.88	23.09	18.94	15.11	12.41
P/FCFE (x)	65.53	67.61	37.00	25.47	21.57
Net Gearing	6.5%	12.1%	(3.6%)	(18.8%)	(30.1%)
P/BV (x)	11.57	8.14	6.22	4.90	3.91
ROE	28.2%	32.6%	26.4%	25.2%	23.6%
% Change In Normalised EPS Estimates			0.031%	0.031%	
Normalised EPS/consensus EPS (x)			0.89	0.85	0.84

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

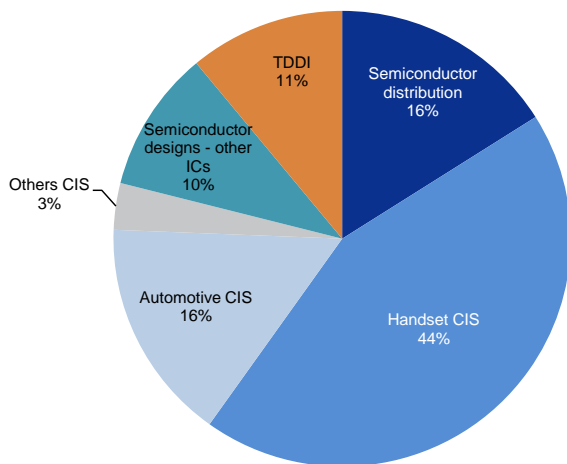
## Strong auto CIS and TDDI business

**Figure 1: Results comparison**

FYE 31 Dec (Rmb m)	1QFY22	1QFY21	yoy % chg	qoq % chg	Prev. FY22F	Comments
Revenue	5,538	6,212	(10.8)	(4.3)	30,780	1Q22 revenue decreased 11% yoy, impacted by the sluggish smartphone market and the ongoing pandemic challenges.
Operating costs	(4,319)	(4,892)	(11.7)	(4.7)	(24,200)	
EBITDA	1,220	1,320	(7.6)	(3.1)	6,580	
EBITDA margin (%)	22.0	21.3			21.4	1Q22 GPM expanded 290bp yoy (-120bp qoq) to 35.3%, driven by the increased proportion of high margin products (auto CIS and high-ended smartphone CIS).
Depn & amort.	(93)	(84)	10.4	130.2	(425)	
EBIT	1,127	1,236	(8.8)	(7.5)	6,155	
Interest expense	(92)	(102)	N/M	(17.0)	(301)	
Interest & invt inc	(102)	43	(339.3)	347.3	207	
Associates' contrib	-	-	N/M	N/M	-	
Exceptionals	-	-	N/M	N/M	-	
<b>Pretax profit</b>	<b>933</b>	<b>1,176</b>	<b>(20.7)</b>	<b>(14.5)</b>	<b>6,061</b>	
Tax	(44)	(98)	(54.8)	(65.1)	(727)	
Tax rate (%)	4.7	8.3			12.0	
Minority interests	7	(38)	N/M	N/M	(189)	
<b>Net profit</b>	<b>896</b>	<b>1,041</b>	<b>(13.9)</b>	<b>(6.4)</b>	<b>5,144</b>	1Q22 net profit decreased 14% yoy to Rmb896m due to weak handset CIS.
<b>Core net profit</b>	<b>896</b>	<b>1,041</b>	<b>(13.9)</b>	<b>(6.7)</b>	<b>5,144</b>	1Q22 net profit formed 17% of our full-year FY22F forecast.
EPS (Rmb cts)	103.8	120.5	(13.9)	(6.4)	595.6	We deem this to be in line as we expect strong results in 2Q22F and 2H22F.
Core EPS (Rmb cts)	103.8	120.5	(13.9)	(6.7)	595.6	

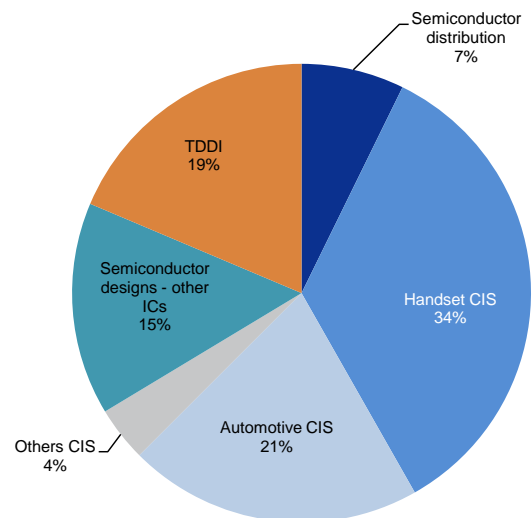
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 2: Revenue breakdown by product segment (FY22F)**



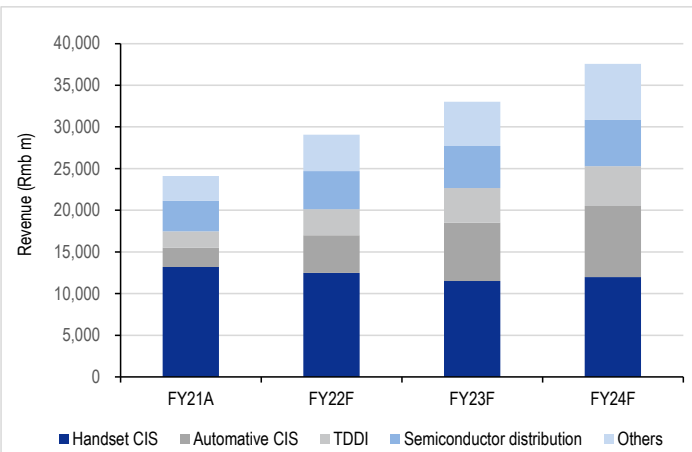
SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 3: Gross profit breakdown by product segment (FY22F)**



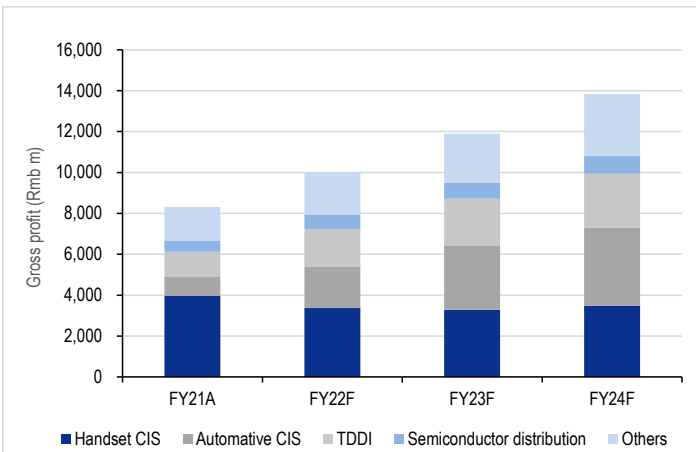
SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 4: Revenue breakdown by product segment (FY21F-24F)**



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 5: Gross profit breakdown by product segment (FY21-F24F)**










SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

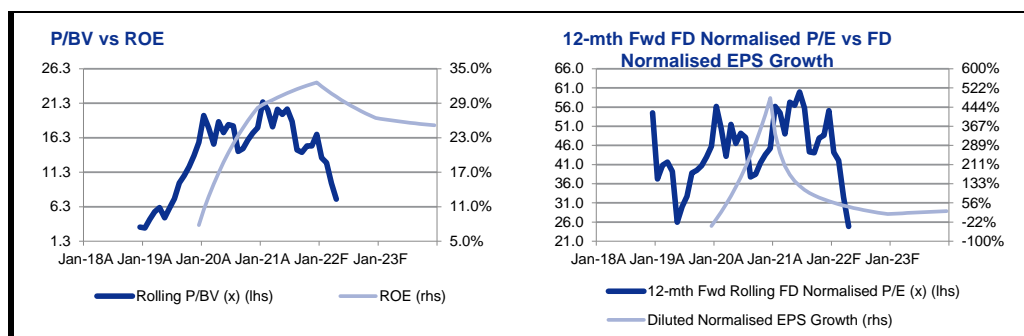
**Figure 6: Peer comparison**

Company	Bloomberg Ticker	Recom.	Price (local curr)	Target Price (local curr)	Market Cap (US\$ m)	P/E (x)		EPS CAGR (%)		P/BV (x)		Recurring ROE (%)		EV/EBITDA (x)		Dividend Yield (%)	
						CY2022F	CY2023F	CY21-24F	CY2022F	CY2023F	CY2022F	CY2023F	CY2022F	CY2023F	CY2022F	CY2023F	
<b>China IC design company</b>																	
GigaDevice	603986 CH	Not Rated	124.81	N/A	12,639	29.1	23.1	25.4%	5.4	4.5	19.6%	20.1%	23.7	18.4	1.0%	1.2%	
Guoxin Microelectronics	002049 CH	Not Rated	183.00	N/A	16,849	38.8	27.6	37.1%	11.5	8.2	29.5%	29.6%	N/A	N/A	0.2%	0.2%	
Maxscend	300782 CH	Not Rated	185.52	N/A	9,389	24.5	18.9	18.7%	7.4	5.5	32.8%	30.7%	20.7	15.6	0.7%	0.9%	
Montage Technology	688008 CH	Not Rated	58.05	N/A	9,977	48.5	33.9	52.7%	6.6	5.7	14.2%	17.1%	49.2	30.2	0.7%	1.0%	
Shenzhen Goodix Technolog	603160 CH	Reduce	56.49	92.00	3,927	20.9	18.0	N/A	2.4	2.1	12.5%	12.6%	19.2	14.5	0.6%	0.7%	
Will Semiconductor	603501 CH	Add	150.50	221.00	20,003	26.7	21.8	15.9%	6.2	4.9	27.0%	25.2%	18.6	15.2	0.4%	0.5%	
<b>Average</b>						<b>31.4</b>	<b>23.9</b>	<b>33.5%</b>	<b>6.7</b>	<b>5.2</b>	<b>21.7%</b>	<b>22.0%</b>	<b>28.2</b>	<b>19.7</b>	<b>0.6%</b>	<b>0.8%</b>	
<b>Global IC design company</b>																	
MediaTek	2454 TT	Not Rated	830.00	N/A	45,086	10.2	9.8	10.3%	2.9	2.8	30.3%	30.1%	7.6	7.1	8.8%	9.4%	
Infineon	IFX GR	Not Rated	27.82	N/A	38,420	16.4	15.3	21.5%	2.8	2.5	17.1%	16.4%	9.3	8.4	1.2%	1.3%	
AMD	AMD US	Not Rated	89.64	N/A	145,231	22.0	18.8	33.9%	14.1	8.5	54.5%	44.8%	18.4	15.9	0.0%	0.0%	
Intel	INTL US	Not Rated	46.84	N/A	191,515	13.5	13.2	-8.1%	1.8	1.8	14.2%	14.7%	6.8	6.4	3.1%	3.2%	
NVIDIA	NVDA US	Not Rated	197.82	N/A	495,344	45.5	34.8	40.4%	18.7	13.7	47.7%	43.3%	38.9	28.3	0.1%	0.1%	
Qualcomm	QCOM US	Not Rated	148.19	N/A	165,973	11.9	11.3	14.8%	9.9	6.5	98.2%	63.2%	9.1	8.8	1.9%	2.0%	
<b>Average</b>						<b>19.9</b>	<b>17.2</b>	<b>18.8%</b>	<b>8.4</b>	<b>6.0</b>	<b>43.7%</b>	<b>35.4%</b>	<b>15.0</b>	<b>12.5</b>	<b>2.5%</b>	<b>2.7%</b>	

SOURCES: CGS-CIMB RESEARCH, BLOOMBERG (PRICE AS AT 29 APRIL 2022)

Refinitiv ESG Scores	
	
     	
<p><b>ESG in a nutshell</b></p> <p>In 2020, Will received an overall ESG score of 33.38 (Grade C) from Refinitiv, up 19.2% yoy. Among the pillars, use of materials, workplace satisfaction, and corporate governance contributed most to its ESG performance. Also, the company has a controversies score of 100 (Grade A+), implying no significant ESG controversies. In our view, Will is not involved in any environmentally-detrimental industry practices and takes the effort to minimise the environmental impact of its operations.</p>	
<p><b>Keep your eye on</b></p> <p>In the past two years, Will showed relatively greater performance in the Government pillar, compared to Environment and Social pillars.</p>	<p><b>Implications</b></p> <p>By category and on average, shareholders, management, and CSR strategy were its three best performing categories over the past two years while environmental innovation, community, and emissions were its three laggard categories over the same period.</p>
<p><b>ESG highlights</b></p> <p>Will's combined ESG score was mainly driven by its relative ranking against its peers, and changes in its underlying data as reported by the company.</p>	<p><b>Implications</b></p> <p>Will's ESG score changed from previous year's 14.18 to this year's 33.38, improving materially, driven by changes in nine of the 10 ESG categories.</p>
<p><b>Trends</b></p> <p>Will's Environmental pillar recorded a huge improvement in 2020, especially in energy and water use. Social and Governance pillars also achieved incredible performance with double-digit growth in over half of the metrics.</p>	<p><b>Implications</b></p> <p>Its best scores under the Environmental pillar were total energy use to revenues (in US\$ million) at 94.21 and water use to revenues (in US\$ million) at 99.46. Under the Social pillar, the metric with the highest score was salary Gap (87.07), followed by internal promotion (83.33). Under the Governance pillar, the best-performing metric was GRI report guidelines (82.11), followed by board gender diversity (77.35).</p>

SOURCES: CGS-CIMB RESEARCH, REFINITIV

**BY THE NUMBERS**

**Profit & Loss**

(Rmbm)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
<b>Total Net Revenues</b>	<b>19,824</b>	<b>24,104</b>	<b>29,080</b>	<b>33,023</b>	<b>37,551</b>
<b>Gross Profit</b>	<b>5,930</b>	<b>8,314</b>	<b>9,995</b>	<b>11,897</b>	<b>13,831</b>
<b>Operating EBITDA</b>	<b>3,755</b>	<b>5,795</b>	<b>6,922</b>	<b>8,389</b>	<b>9,806</b>
Depreciation And Amortisation	(718)	(815)	(891)	(994)	(1,095)
<b>Operating EBIT</b>	<b>3,037</b>	<b>4,980</b>	<b>6,030</b>	<b>7,394</b>	<b>8,711</b>
Financial Income/(Expense)	(36)	38	(322)	(412)	(469)
Pretax Income/(Loss) from Assoc.	(10)	(18)	0	0	0
Non-Operating Income/(Expense)	0	0	0	0	0
<b>Profit Before Tax (pre-EI)</b>	<b>2,991</b>	<b>5,000</b>	<b>5,709</b>	<b>6,983</b>	<b>8,242</b>
Exceptional Items	0	2	0	0	0
<b>Pre-tax Profit</b>	<b>2,991</b>	<b>5,002</b>	<b>5,709</b>	<b>6,983</b>	<b>8,242</b>
Taxation	(308)	(456)	(685)	(838)	(989)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>2,683</b>	<b>4,546</b>	<b>5,024</b>	<b>6,145</b>	<b>7,253</b>
Minority Interests	23	(70)	(84)	(95)	(109)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Preference Dividends (Australia)					
<b>Net Profit</b>	<b>2,706</b>	<b>4,476</b>	<b>4,940</b>	<b>6,049</b>	<b>7,144</b>
Normalised Net Profit	2,683	4,544	5,024	6,145	7,253
<b>Fully Diluted Normalised Profit</b>	<b>2,706</b>	<b>4,474</b>	<b>4,940</b>	<b>6,049</b>	<b>7,144</b>

**Cash Flow**

(Rmbm)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
<b>EBITDA</b>	<b>3,755</b>	<b>5,795</b>	<b>6,922</b>	<b>8,389</b>	<b>9,806</b>
Cash Flow from Inv. & Assoc.					
Change In Working Capital	(1,307)	(2,620)	(1,706)	(1,177)	(1,428)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	1,133	(569)	195	120	76
Net Interest (Paid)/Received	(297)	(410)	(528)	(548)	(569)
Tax Paid	(236)	(414)	(685)	(838)	(989)
<b>Cashflow From Operations</b>	<b>3,048</b>	<b>1,782</b>	<b>4,198</b>	<b>5,946</b>	<b>6,896</b>
Capex	(1,133)	(1,122)	(1,000)	(1,150)	(1,180)
Disposals Of FAs/subsidiaries	0	0	0	0	0
Acq. Of Subsidiaries/investments	(1,163)	(302)	0	0	0
Other Investing Cashflow	(335)	(1,475)	0	0	0
<b>Cash Flow From Investing</b>	<b>(2,631)</b>	<b>(2,899)</b>	<b>(1,000)</b>	<b>(1,150)</b>	<b>(1,180)</b>
Debt Raised/(repaid)	1,567	3,066	364	379	394
Proceeds From Issue Of Shares	0	0	0	0	0
Shares Repurchased					
Dividends Paid	(413)	(569)	(455)	(503)	(615)
Preferred Dividends					
Other Financing Cashflow	977	846	0	0	0
<b>Cash Flow From Financing</b>	<b>2,131</b>	<b>3,343</b>	<b>(91)</b>	<b>(123)</b>	<b>(221)</b>
Total Cash Generated	2,548	2,226	3,107	4,672	5,495
<b>Free Cashflow To Equity</b>	<b>1,984</b>	<b>1,949</b>	<b>3,563</b>	<b>5,175</b>	<b>6,111</b>
<b>Free Cashflow To Firm</b>	<b>713</b>	<b>(707)</b>	<b>3,726</b>	<b>5,344</b>	<b>6,285</b>

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## BY THE NUMBERS... cont'd

### Balance Sheet

(Rmbm)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Total Cash And Equivalents	5,469	7,686	10,793	15,466	20,961
Total Debtors	2,858	3,378	4,076	4,629	5,263
Inventories	5,274	8,781	10,614	11,749	13,192
Total Other Current Assets	313	450	450	450	450
<b>Total Current Assets</b>	<b>13,913</b>	<b>20,296</b>	<b>25,933</b>	<b>32,293</b>	<b>39,866</b>
Fixed Assets	1,995	2,045	2,674	3,351	3,957
Total Investments	40	51	51	51	51
Intangible Assets	4,308	4,602	4,602	4,602	4,602
Total Other Non-Current Assets	2,392	5,087	5,087	5,087	5,087
<b>Total Non-current Assets</b>	<b>8,735</b>	<b>11,784</b>	<b>12,414</b>	<b>13,090</b>	<b>13,696</b>
Short-term Debt	3,041	3,745	3,932	4,129	4,335
Current Portion of Long-Term Debt					
Total Creditors	2,544	3,952	4,777	5,288	5,937
Other Current Liabilities	1,260	1,003	923	1,193	1,394
<b>Total Current Liabilities</b>	<b>6,845</b>	<b>8,700</b>	<b>9,632</b>	<b>10,610</b>	<b>11,667</b>
Total Long-term Debt	3,182	5,908	6,085	6,268	6,456
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	817	864	1,042	1,183	1,346
<b>Total Non-current Liabilities</b>	<b>3,999</b>	<b>6,772</b>	<b>7,127</b>	<b>7,451</b>	<b>7,801</b>
Total Provisions	279	304	304	304	304
<b>Total Liabilities</b>	<b>11,123</b>	<b>15,776</b>	<b>17,064</b>	<b>18,365</b>	<b>19,772</b>
Shareholders' Equity	11,239	16,198	21,177	26,912	33,684
Minority Interests	286	106	106	106	106
<b>Total Equity</b>	<b>11,525</b>	<b>16,304</b>	<b>21,283</b>	<b>27,018</b>	<b>33,790</b>

### Key Ratios

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Revenue Growth	45.4%	21.6%	20.6%	13.6%	13.7%
Operating EBITDA Growth	147%	54%	19%	21%	17%
Operating EBITDA Margin	18.9%	24.0%	23.8%	25.4%	26.1%
Net Cash Per Share (Rmb)	(0.87)	(2.25)	0.89	5.79	11.61
BVPS (Rmb)	13.01	18.50	24.18	30.73	38.46
Gross Interest Cover	10.23	12.13	11.41	13.49	15.31
Effective Tax Rate	10.3%	9.1%	12.0%	12.0%	12.0%
Net Dividend Payout Ratio	10.1%	10.2%	10.2%	10.2%	10.2%
Accounts Receivables Days	46.76	40.92	39.86	40.98	41.07
Inventory Days	127.0	162.5	185.5	193.2	192.4
Accounts Payables Days	45.32	47.77	54.36	56.62	56.40
ROIC (%)	28.2%	37.3%	31.1%	33.9%	37.3%
ROCE (%)	19.7%	22.6%	20.9%	21.4%	21.1%
Return On Average Assets	13.6%	16.5%	15.2%	15.7%	15.6%

### Key Drivers

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Semiconductor distribution revenue (yoy %)	11.2%	47.3%	25.0%	10.0%	10.0%
Semiconductor designs revenue (yoy %)	45.6%	11.4%	15.6%	11.5%	14.3%
Gross profit margin - semiconductor distribution (%)	0.2	0.2	0.2	0.2	0.2
Gross profit margin - semiconductor designs (%)	28.9%	31.4%	34.9%	37.0%	38.0%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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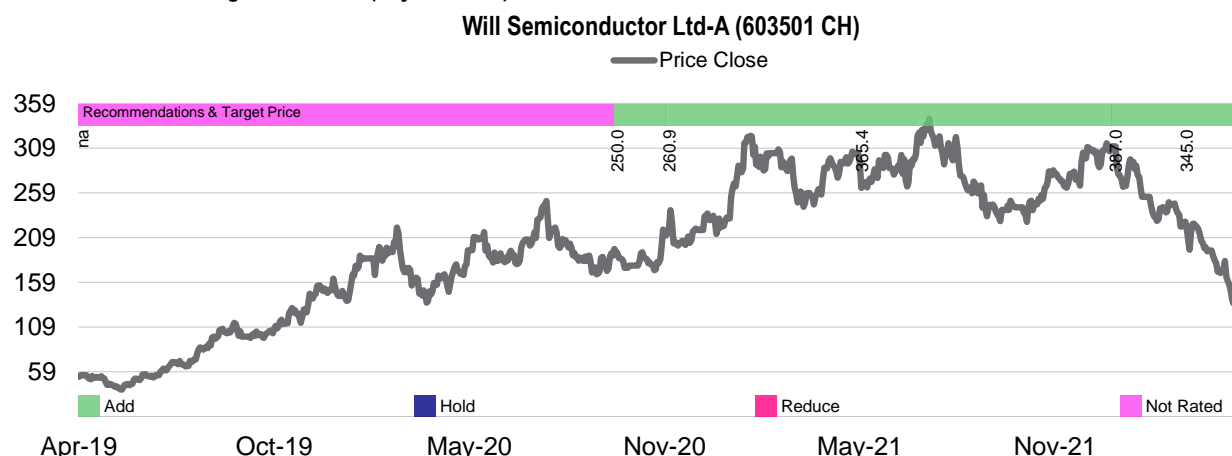
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Distribution of stock ratings and investment banking clients for quarter ended on 31 December 2021		
619 companies under coverage for quarter ended on 31 December 2021		
	Rating Distribution (%)	Investment Banking clients (%)
Add	71.1%	1.5%
Hold	21.8%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