

Malaysia

REDUCE (no change)

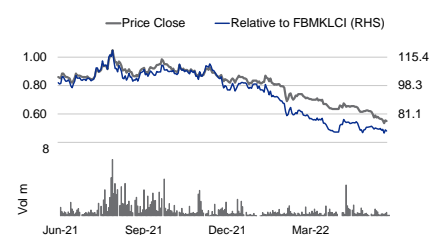
Consensus ratings*: Buy 3 Hold 5 Sell 1

Current price:	RM0.55
Target price:	RM0.33
Previous target:	RM0.50
Up/downside:	-40.0%
CGS-CIMB / Consensus:	-54.1%
Reuters:	MYNE.KL
Bloomberg:	MNHB MK
Market cap:	US\$85.18m
	RM375.2m
Average daily turnover:	US\$0.06m
	RM0.26m
Current shares o/s:	682.1m
Free float:	26.0%

*Source: Bloomberg

Key changes in this note

- ▶ Projecting FY23F to be another loss-making year on higher operating cost assumption.
- ▶ Change valuation method to P/NTA multiple from P/E multiple.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-10.6	-24.1	-37.9
Relative (%)	-3.6	-13.8	-30.1

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

Analyst(s)
KHOO Zhen Ye

T (60) 3 2635 9278

E zhenye.khoo@cgs-cimb.com

Walter AW

T (60) 3 2635 9255

E walter.aw@cgs-cimb.com

Mynews Holdings Berhad

Tougher times ahead from CU transition

- 1HFY10/22 core net loss of RM16.0m was wider than our and Bloomberg consensus expectations due to higher-than-expected operating costs.
- We now project Mynews to remain in losses in FY22-23F before turning a profit in FY24F, as CU's gestation period could be further prolonged.
- Reiterate Reduce with a lower TP of RM0.33 (1.0x P/NTA) as we now value Mynews using P/NTA due to its loss-making profile (FY22-23F).

2QFY10/22: Ninth consecutive loss-making quarter at RM8.9m

Mynews Holdings Berhad's (Mynews) 2QFY10/22 revenue increased by 35.7% yoy to RM141.1m, mainly driven by a higher store count (556, +37 yoy including 26 new CU outlets), higher footfall and longer operating hours on easing of lockdown measures. GP margin improved to 33.9% (2.2% pts yoy) on better margin from CU operations and better control over inventory wastages. Nonetheless, the higher revenue growth was more than offset by the increase in operating costs (+37.7% yoy), finance costs (+48.9% yoy) and depreciation (+21.4% yoy) due to its ongoing aggressive CU expansion plan. Also, its food processing centre remained in losses of RM2.5m in 2Q22. As a result, Mynews posted a core net loss (CNL) of RM8.9m, marking its ninth consecutive loss-making quarter.

1HFY10/22 core net loss of RM16m was larger than expected

1HFY22 CNL of RM16m was wider than our estimate and Bloomberg consensus at 82% and 142% of FY22 full-year loss forecasts, respectively. The underperformance was mainly due to a higher-than-expected jump in operating, finance and depreciation costs. Although Mynews's 1HFY22 revenue jumped 38.5% yoy to RM280.5m, it was not sufficient to mitigate the distribution/admin/depreciation expenses, which rose by 41%/16%/13% yoy to RM57m/RM17m/RM32m, and higher finance costs (+23.3% yoy) to expand its CU operations. YTD, the group has 463 myNEWs outlets and 95 CU stores.

We now project Mynews to remain in losses in FY23F

Owing to the underperformance, we widen our FY22F loss estimate by 53% to RM29.9m and forecast FY23F to plunge into a loss-making position as a protracted CU gestation period could signal tough times ahead. This is due to a weakening operating environment amidst a minimum wage hike, rising building material prices, intensifying competition in the CVS space and persistent labour shortage, which could result in elevated operating costs and lower sales demand, and further delay profitability to FY24F.

Reiterate Reduce with a lower TP of RM0.33

We slash our FY22-24F EPS forecasts and now project Mynews to be loss-making for FY23F as its aggressive CU expansion proves tougher than expected on elevated operating costs. Hence, we reiterate Reduce on Mynews with a lower TP of RM0.33 (1.0x P/NTA, 2 s.d. below its 5-year mean of 2.9x) (Fig 7). We now value Mynews using P/NTA methodology given its loss-making profile in FY22/23F. The discount is to reflect the intensifying competition in the CVS space and its weakening business fundamentals.

Financial Summary	Oct-20A	Oct-21A	Oct-22F	Oct-23F	Oct-24F
Revenue (RMm)	489.4	400.6	550.2	678.1	728.1
Operating EBITDA (RMm)	107.9	13.0	31.4	64.4	83.7
Net Profit (RMm)	78.52	-39.89	-29.85	-11.87	1.91
Core EPS (RM)	0.12	-0.06	-0.04	-0.02	0.00
Core EPS Growth	176%	(151%)	(25%)	(60%)	
FD Core P/E (x)	4.8	NA	NA	NA	195.9
DPS (RM)	-	-	-	-	-
Dividend Yield	0%	0%	0%	0%	0%
EV/EBITDA (x)	3.84	33.32	16.51	8.37	6.43
P/FCFE (x)	12.6	106.3	23.4	9.4	9.8
Net Gearing	9.5%	22.5%	63.9%	77.4%	75.6%
P/BV (x)	1.37	1.57	1.82	1.91	1.88
ROE	28.2%	(15.5%)	(13.4%)	(5.9%)	1.0%
% Change In Core EPS Estimates			(53%)	(218%)	(90%)
CGS-CIMB/Consensus EPS (x)			4.38	-0.64	0.07

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Tougher times ahead from CU transition

Key de-rating catalysts and upside risks:

- Key de-rating catalysts: lower-than-expected CU store count and weaker-than-expected footfall recovery, higher-than-expected marketing, selling & distribution expenses, and labour costs.
- Key upside risks: faster-than-expected turnaround of its food processing centre (FPC) on strong CU store outperformance and expansion plans, lower-than-expected operating costs, and better-than-expected earnings recovery from existing stores.

Figure 1: Results Comparison

FYE Oct (RM m)	2QFY22	2QFY21	yoy % chg	qoq % chg	1HFY22 cum	1HFY21 cum	yoy % chg	Prev. FY22F	Comments
Revenue	141.1	103.9	35.7%	1.2%	280.5	202.6	38.5%	544.5	Revenue increased yoy in 1HFY22 mainly driven by higher footfall on lifting of lockdown measures and higher store count
Cost of sales	(93.2)	(70.9)	31.5%	-3.1%	(189.4)	(138.1)	37.1%	(367.0)	
Gross Profit	47.9	33.0	45.0%	10.7%	91.1	64.5	41.3%	177.5	
GP Margins %	33.9%	31.8%	2.2%-pts	2.9%-pts	32.5%	31.8%	0.6%-pts	32.6%	Increase in gross margins possibly due to lesser food discount and higher sales contributions from higher-margin fresh food items from higher CU store count
Operating costs	(38.3)	(27.8)	37.7%	10.8%	(72.9)	(53.6)	36.0%	(132.9)	Due to increase in admin expenses (+16% yoy) on additional manpower and marketing materials and in selling and distribution expenses (+41.4% yoy) due to aggressive expansion of CU outlets and longer operating hours.
EBITDA	9.6	5.2	84.0%	10.0%	18.2	10.9	67.4%	44.6	
EBITDA margin	6.8%	5.0%	1.8%-pts	-1.2%-pts	6.5%	5.4%	1.1%-pts	8.2%	
Depn & amort.	(17.0)	(14.0)	21.4%	12.1%	(32.1)	(28.4)	13.2%	(66.4)	Due to expansion of CU outlets
EBIT	(7.4)	(8.8)	-15.5%	15.0%	(13.9)	(17.5)	-20.5%	(21.8)	
Interest expense	(2.3)	(1.5)	48.9%	40.6%	(3.9)	(3.2)	23.3%	(6.1)	
Interest & invt inc	0.0	0.0	161.1%	4.4%	0.1	0.1	55.9%	0.3	
JV contribution	(0.3)	(0.6)	-45.5%	-556.9%	(0.3)	(0.3)	1.2%	2.0	
Exceptionals & revaln	(1.4)	(0.5)	161.9%	72.7%	(2.1)	(0.7)	215.8%	-	Exceptionals include PPE written off and loss on disposal of PPE.
Pretax profit/(loss)	(11.4)	(11.5)	-0.7%	29.7%	(20.1)	(21.6)	-6.6%	(25.6)	
Tax	(0.1)	(0.4)	-84.3%	-1.5%	(0.1)	(0.9)	-85.0%	6.1	
Tax rate (%)	-0.6%	-3.6%	3.1%-pts	-2.9%-pts	-0.7%	-4.0%	3.4%-pts	24.0%	
Minority interests	(1.2)	(1.6)	-21.5%	24.3%	(2.2)	(3.2)	-31.3%	-	
Net profit	(10.2)	(10.3)	-0.9%	30.1%	(18.1)	(19.3)	-6.1%	(19.5)	
Core net profit/ (loss)	(8.9)	(9.8)	-9.5%	25.4%	(16.0)	(18.6)	-14.1%	(19.5)	Below expectations.
EPS (sen)	(1.5)	(1.5)	-0.9%	30.1%	(2.7)	(2.8)	-6.1%	(2.9)	
Core EPS (sen)	(1.3)	(1.4)	-9.5%	25.4%	(2.3)	(2.7)	-14.1%	(2.9)	

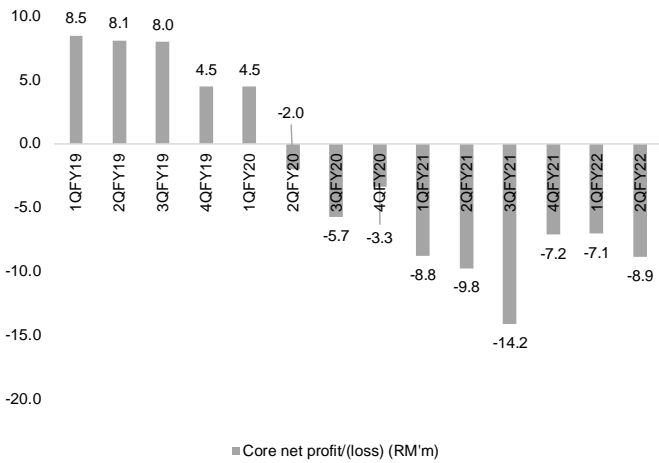
SOURCES: CIMB, COMPANY REPORTS

Figure 2: Earnings revision

RM m	FY21	FY22F			FY23F			FY24F		
		Old	New	%chg	Old	New	%chg	Old	New	%chg
Revenue	400.6	544.5	550.2	1.0%	736.1	678.1	-7.9%	840.3	728.1	-13.4%
EBITDA	13.0	44.6	31.4	-29.7%	92.7	64.4	-30.5%	105.0	83.7	-20.3%
Core pretax profit	-50.5	-25.6	-39.3	53.4%	15.9	-13.0	-181.9%	26.9	5.2	-80.9%
Core net profit	-39.9	-19.5	-29.9	53.4%	10.1	-11.9	-218.1%	18.4	1.9	-89.6%

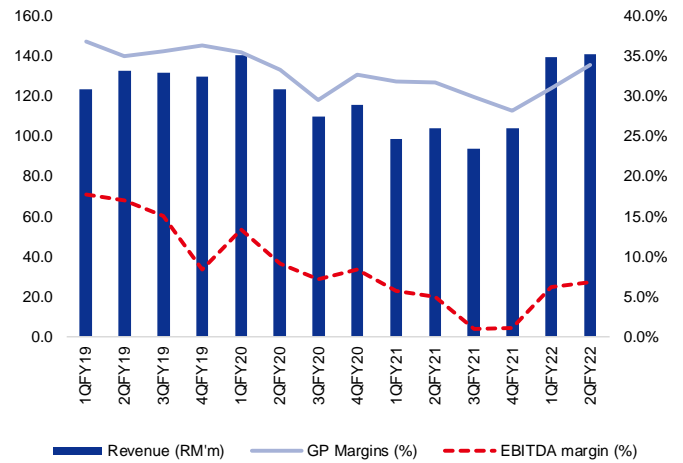
SOURCES: CGS-CIMB, COMPANY REPORTS

Figure 3: Quarterly trend of core net profit/(loss)



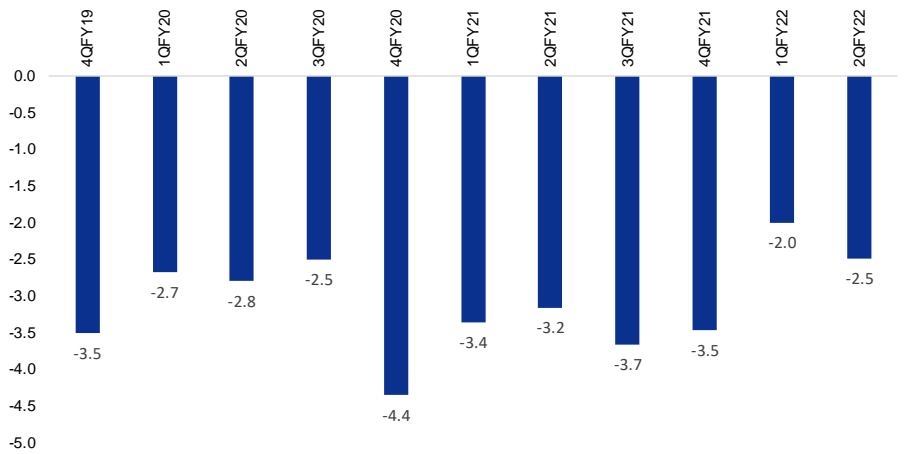
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 4: Quarterly revenue and margin trend



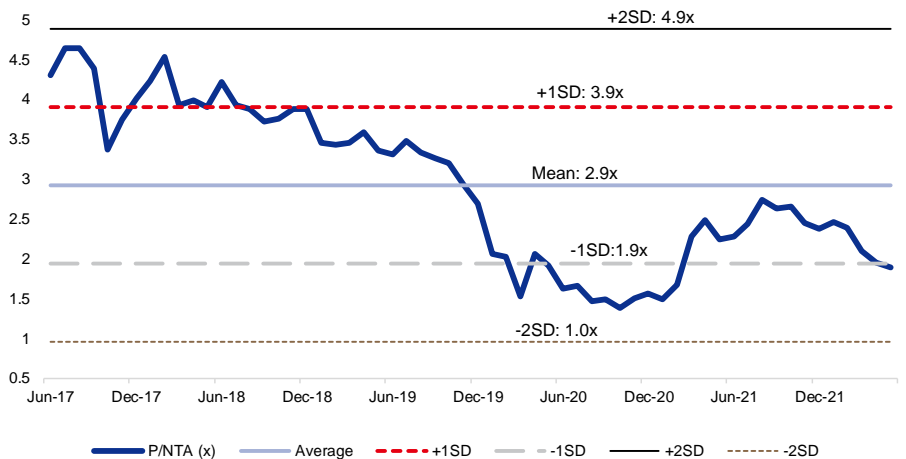
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 5: Food Processing Centre's (FPC) quarterly losses (RM m)



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 6: Mynews's P/NTA (x) valuation chart (5-year)



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 7: Price to net tangible assets (P/NTA) valuation

P/NTA valuation	
Net tangible assets as at 30 Apr 2022 (RM'm)	225.7
P/NTA target multiple (x)	1.0
Market cap (RM'm)	225.7
No. shares (m)	682.2
Target price (RM)	0.33

SOURCES: CGS-CIMB RESEARCH, 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.

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.

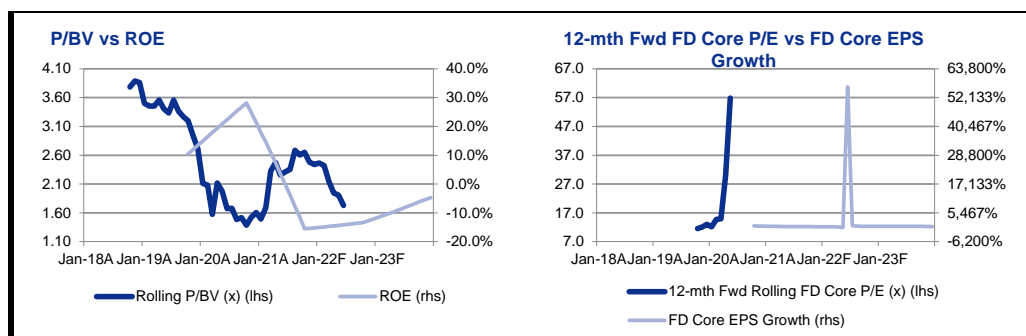
Trends

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
Total Net Revenues	489.4	400.6	550.2	678.1	728.1
Gross Profit	159.8	122.0	179.4	237.3	254.8
Operating EBITDA	107.9	13.0	31.4	64.4	83.7
Depreciation And Amortisation	(28.3)	(56.7)	(66.4)	(70.1)	(71.4)
Operating EBIT	79.6	(43.6)	(35.1)	(5.7)	12.3
Financial Income/(Expense)	(3.1)	(6.2)	(6.2)	(9.3)	(9.2)
Pretax Income/(Loss) from Assoc.	(0.3)	(0.7)	2.0	2.0	2.0
Non-Operating Income/(Expense)	0.0	0.0	0.0	0.0	0.0
Profit Before Tax (pre-EI)	76.2	(50.5)	(39.3)	(13.0)	5.2
Exceptional Items	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	76.2	(50.5)	(39.3)	(13.0)	5.2
Taxation	(0.9)	4.0	9.4	3.1	(1.2)
Exceptional Income - post-tax					
Profit After Tax	75.3	(46.6)	(29.9)	(9.9)	3.9
Minority Interests	3.2	6.7	0.0	(2.0)	(2.0)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	78.5	(39.9)	(29.9)	(11.9)	1.9
Recurring Net Profit	78.5	(39.9)	(29.9)	(11.9)	1.9
Fully Diluted Recurring Net Profit	78.5	(39.9)	(29.9)	(11.9)	1.9

Cash Flow

(RMm)	Oct-20A	Oct-21A	Oct-22F	Oct-23F	Oct-24F
EBITDA	107.9	13.0	31.4	64.4	83.7
Cash Flow from Invt. & Assoc.	1.4	0.7	(2.0)	(2.0)	(2.0)
Change In Working Capital	(9.4)	7.3	(7.8)	(12.1)	(5.2)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	(1.6)	0.0	2.0	2.0	2.0
Other Operating Cashflow	(81.5)	4.0	0.0	0.0	0.0
Net Interest (Paid)/Received	(2.9)	(6.2)	(6.2)	(9.3)	(9.2)
Tax Paid	(5.9)	(3.0)	9.4	3.1	(1.2)
Cashflow From Operations	7.9	15.9	26.8	46.1	68.1
Capex	(36.8)	(18.3)	(33.2)	(36.0)	(37.2)
Disposals Of FAs/subsidiaries	2.2	0.5	0.0	0.0	0.0
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	15.0	2.0	0.0	0.0	0.0
Cash Flow From Investing	(19.6)	(15.8)	(33.2)	(36.0)	(37.2)
Debt Raised/(repaid)	41.5	3.4	22.4	30.0	7.4
Proceeds From Issue Of Shares	0.0	0.0	0.0	0.0	0.0
Shares Repurchased					
Dividends Paid	0.0	0.0	0.0	0.0	0.0
Preferred Dividends					
Other Financing Cashflow	(32.1)	(26.7)	(27.9)	(31.2)	(30.2)
Cash Flow From Financing	9.4	(23.2)	(5.5)	(1.2)	(22.8)
Total Cash Generated	(2.3)	(23.1)	(11.8)	8.9	8.1
Free Cashflow To Equity	29.8	3.5	16.1	40.1	38.3
Free Cashflow To Firm	(8.5)	6.5	(0.1)	19.4	40.1

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	4.0	12.9	21.0
Total Debtors	38.9	37.2	46.4	48.8	49.8
Inventories	66.9	58.8	76.2	90.6	97.2
Total Other Current Assets	24.0	19.1	23.0	26.9	28.4
Total Current Assets	170.2	131.2	149.6	179.2	196.5
Fixed Assets	210.2	207.3	225.9	234.7	241.7
Total Investments	19.1	18.3	48.4	32.4	23.8
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
Total Non-current Assets	358.4	371.9	428.8	423.7	425.9
Short-term Debt	18.4	25.4	85.0	105.0	112.4
Current Portion of Long-Term Debt					
Total Creditors	75.2	81.2	104.3	112.7	116.6
Other Current Liabilities	33.8	30.7	40.1	38.9	37.8
Total Current Liabilities	127.4	137.3	229.5	256.6	266.8
Total Long-term Debt	49.2	45.6	55.0	65.0	65.0
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	65.9	76.2	81.1	78.4	83.8
Total Non-current Liabilities	115.1	121.8	136.1	143.4	148.8
Total Provisions	0.0	0.0	0.0	0.0	0.0
Total Liabilities	242.5	259.1	365.5	400.0	415.6
Shareholders' Equity	273.9	239.3	206.0	196.1	200.0
Minority Interests	12.3	4.7	6.8	6.8	6.8
Total Equity	286.1	244.0	212.8	202.9	206.8

Key Ratios

	Oct-20A	Oct-21A	Oct-22F	Oct-23F	Oct-24F
Revenue Growth	(5.5%)	(18.1%)	37.3%	23.2%	7.4%
Operating EBITDA Growth	42%	(88%)	140%	105%	30%
Operating EBITDA Margin	22.0%	3.3%	5.7%	9.5%	11.5%
Net Cash Per Share (RM)	-0.04	-0.08	-0.20	-0.23	-0.23
BVPS (RM)	0.40	0.35	0.30	0.29	0.29
Gross Interest Cover	24.90	-6.84	-5.58	-0.61	1.34
Effective Tax Rate	1.1%	0.0%	0.0%	0.0%	24.0%
Net Dividend Payout Ratio	NA	NA	NA	NA	NA
Accounts Receivables Days	7.15	3.34	3.96	6.34	6.78
Inventory Days	71.64	82.36	66.43	69.05	72.62
Accounts Payables Days	37.92	43.64	37.41	40.17	42.25
ROIC (%)	17.5%	(9.1%)	(7.4%)	(1.1%)	2.3%
ROCE (%)	23.4%	(13.0%)	(10.5%)	(1.6%)	3.3%
Return On Average Assets	15.4%	(8.1%)	(4.7%)	(0.5%)	1.8%

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	1.0
Avg revenue per store (CU)	-	1.2	1.3	1.1	1.1

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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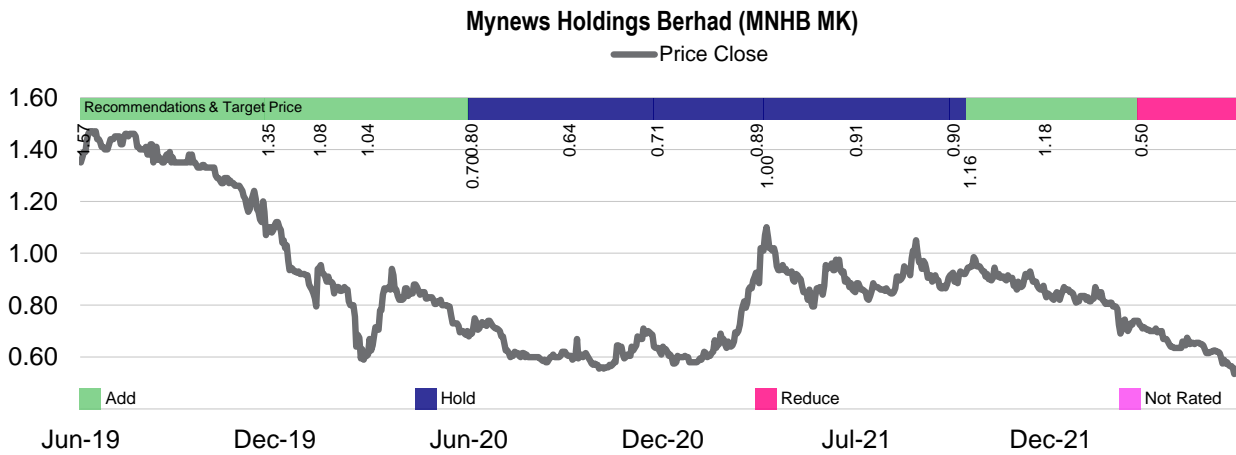
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Spitzer Chart for stock being researched (2 year data)



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.