

Vietnam

ADD (no change)

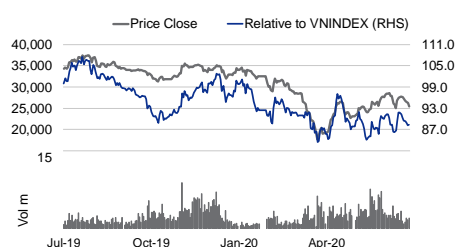
Consensus ratings*: Buy 10 Hold 2 Sell 0

Current price:	VND25,400
Target price:	VND38,000
Previous target:	VND42,600
Up/downside:	49.6%
CGS-CIMB / Consensus:	16.7%
Reuters:	VRE.HM
Bloomberg:	VRE VN
Market cap:	US\$2,489m
	VND57,716,888m
Average daily turnover:	US\$3.51m
	VND81,906m
Current shares o/s:	2,272m
Free float:	45.0%

*Source: Bloomberg

Key changes in this note

- FY20F core EPS decreased by 27.8%.
- FY21F core EPS decreased by 23.4%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-7.6	24.5	-24.9
Relative (%)	-3.5	5.3	-12.2

Major shareholders	% held
Vingroup JSC	50.7
Hanoi South City Dev LLC	8.3

Analyst(s)



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Vincom Retail JSC

Recovery ahead

- Vincom Retail's (VRE) 1QFY20 revenue fell 26.2% yoy to VND1,686bn, while net profit decreased by 19.5% yoy to VND492bn, short of our expectations.
- Footfall at Vietnam's shopping centres has recovered significantly after social distancing ended in Apr, according to Google's data and VRE's information.
- Reiterate Add with a lower TP of VND38,000.

Pandemic has weighed on 1QFY20 financial results

With the outbreak of Covid-19 in Feb - Mar 20, 1QFY20 net revenue slumped 26.2% yoy on the back of a 66.6% yoy decrease in property inventory sales and a 9.4% yoy drop in leasing revenue. VRE's total gross floor area (GFA) rose 9.7% yoy in 1Q, but occupancy rate eased 4.3% pts yoy following VinPro's closure at end-2019. We estimate average leasing price to be subdued at 9.9% yoy in 1Q20 as VRE launched a VND300bn package to support tenants who were affected by Covid-19. 1QFY20 net profit fell 19.5% yoy to VND492bn, making up only 13.7% of our FY20F forecast.

VRE launched a VND600bn supporting package in 1HFY20

VRE had proactively proposed an epidemic prevention and support programme for tenants, with a total VN600bn supporting package in 1HFY20 (VN300bn each in 1Q and 2Q), mainly by temporarily reducing rental rates to fix-rate contracts, as well as offering huge promotions and marketing events to lure customers back to the shops.

Vietnam's mobility has recovered after social distancing

Google's mobility report showed that the number of people returning to shopping centres in Jun 20 has recovered to between 90% and 100% of the pre-pandemic level. VRE also reported that footfall at shopping centres during weekdays in Jun 20 reached 65-70% of the Jun 19 level, rising to 90-100% of 2019's level at weekends.

Where we differ from consensus

We cut our FY20F/21F revenue by 15.8%/12.5% and lower our NP by 33.3%/26.9%. We cut our FY20/21F core EPS by 27.8%/23.4% due to the effect of Covid-19. Our new FY20F EPS is 7% below Bloomberg consensus, while FY21F/22 EPS are above consensus by 4%/16%. With Vietnam's success in containing Covid-19 and its fast retail mobility recovery, we are more positive than consensus on FY21F rental rate growth (+13.6% yoy) and GFA expansion pace (+18.3% yoy) via new mall openings.

Reiterate Add with DCF-based TP of VND38,000

We reiterate Add rating with a lower TP of VND38,000 (WACC: 12.6%) after adjusting for the Covid-19 impact. Our TP based on a conservative forecast at 3.5m sqm GFA in 2026F, while VRE has released new pipeline of expanding their total GFA to 5.0m sqm in 2026F that will be updated in our next report. Potential upside catalyst: faster-than-expected mall openings. Downside risks include another wave of the Covid-19 outbreak.

Financial Summary	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Total Net Revenues (VNDb)	9,124	9,259	9,089	11,545	13,911
Operating EBITDA (VNDb)	4,048	5,032	4,788	6,424	7,869
Net Profit (VNDb)	2,404	2,848	2,405	3,535	4,528
Core EPS (VND)	1,444	1,522	1,393	1,932	2,434
Core EPS Growth	53.4%	5.4%	(8.5%)	38.7%	26.0%
FD Core P/E (x)	21.43	17.11	18.24	13.15	10.44
DPS (VND)	0	2	0	1,500	1,500
Dividend Yield	0.00%	0.01%	0.00%	5.91%	5.91%
EV/EBITDA (x)	10.77	9.99	9.35	7.55	6.31
P/FCFE (x)	64.83	17.81	20.86	26.69	18.64
Net Gearing	1.20%	5.20%	0.90%	7.00%	9.50%
P/BV (x)	1.75	2.14	1.97	1.97	1.90
ROE	11.2%	12.6%	11.3%	15.0%	18.5%
CGS-CIMB/Consensus EPS (x)			0.91	1.01	1.08

SOURCES: VND RESEARCH, COMPANY REPORTS

Recovery ahead

Pandemic has weighed on 1QFY20 financial results

VRE's 1QFY20 net revenue dropped 26.2% yoy, mostly due to a 66.6% yoy decrease in property inventory sales, while leasing revenue fell 9.4% yoy mostly due to the supporting packages of VND300bn for tenants impacted by Covid-19. VRE's total gross floor area (GFA) rose 9.7% yoy in 1QFY20, but occupancy rate eased 4.3% pts yoy following VinPro's closure at end-2019. VRE's net profit dropped 19.5% yoy to VND492bn, making up only 13.7% of our FY20F net profit forecast.

VRE's end-1Q20 retail GFA area stood at 1.6m sqm, unchanged from end-2019 as no new retail malls were launched in the first quarter. The occupancy ratio decreased to 84.9% in 1Q20, from 89.2% in 1Q19, mainly due to the impact of VinPro's closure at end-2019.

Figure 1: 1Q20's results comparison

FYE (VNDbn)	1Q19	1Q20	% yoy	vs. FY20 forecast	Comments
Net revenue	2,284	1,686	-26.2%	15.6%	
Leasing activities	1,600	1,449	-9.4%	17.4%	Below our expectations
Sales of inventory properties	601	201	-66.6%	9.0%	
Gross profit	972	759	-21.9%	14.1%	Blended gross margin expanded from 42.6% in 1Q19 to 45% in 1Q20 thanks to the change in products mix with a higher gross margin of sales of inventory properties (67% in 1Q20 vs. 23% in 1Q19), while gross margin of leasing activities dropped from 54.4% in 1Q19 to 46.1% in 1Q20 due to the supporting package of VND300bn for tenants
Gross profit margin	42.6%	45.0%	+2.4% pts	+1.3% pts	
Selling expenses	92	61	27.1%	14.9%	
as % of revenue:	8.5%	8.7%	+0.2% pts	+4.9% pts	
G&A expenses	116	90	22.3%	15.6%	
as % of revenue:	3.0%	2.9%	-0.1% pts	-2.4% pts	
Net profit	611	492	-19.5%	13.7%	Below our expectations
Net margin	26.8%	29.2%	+2.4% pts	+2.7% pts	

SOURCES: VND RESEARCH, COMPANY REPORTS

VRE launched supporting packages of VND600bn to aid tenants in 1HFY20

Due to Covid-19 outbreaks in Vietnam, the traffic to VRE's retail malls drop 30% yoy/54% yoy in Feb/Mar 2020. VRE proactively proposed an epidemic prevention and support programme for tenants by making available a supporting package worth VND600bn in 1HFY20 (VND300bn each in 1Q and 2Q) for tenants, mainly by temporarily reducing rental rates to fix-rate contracts and offering huge promotions to lure customers back to shops after the pandemic was essentially contained in Vietnam.

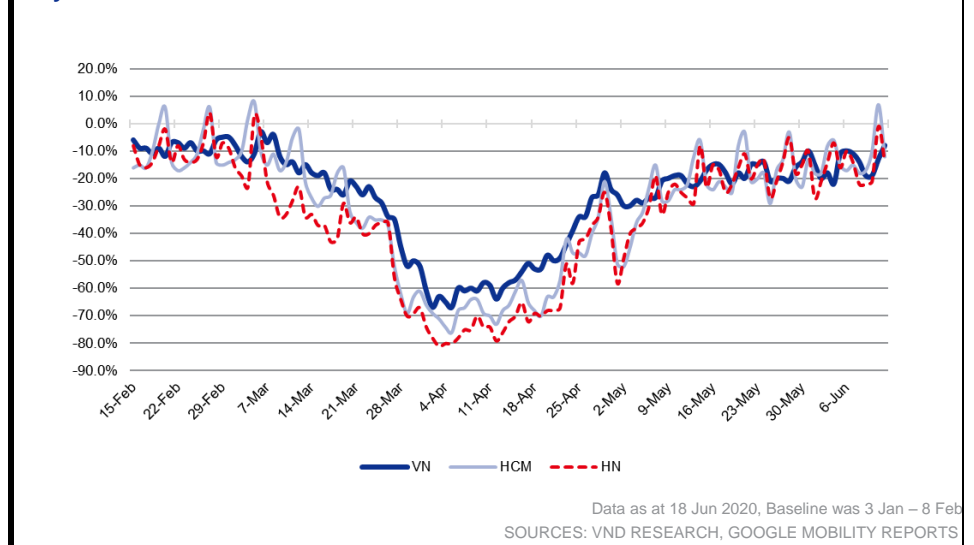
Vietnam's mobility recovered after social distancing

Google's mobility report showed that the number of people returning to shopping centres in Jun 20 has recovered to between 90% and 100% of the pre-Covid-19 levels, which is Google's mobility baseline (which used data from 3 Jan to 6 Feb 2020). Specifically, on 12 Jun, the nationwide ratio of people visiting shopping centres decreased 8% from the baseline, following a sharp fall of 70% in Apr compared to the baseline. Also on 12 Jun, the mobility ratio in Hanoi and Ho Chi Minh City, the country's economic centres, were below the nationwide ratio, falling 14% and 12% from the baseline, respectively, as the two cities had a larger number of infected cases compared with the nationwide average.

VRE reported that the footfall at retail malls during the weekdays of Jun 2020 reached 65-70% of the Jun 2019 level, rising to 90-100% of last year's level at the weekends. A few retail malls on some days even recorded numbers that

were 200% of those a year earlier, thanks to the launch of the 2020 Summer Festival, with its attractive programmes and events.

Figure 2: Vietnam's retail and recreation mobility recovered to pre-Covid-19 levels in May and Jun 2020



FY20-21F earnings revision

We revise down our FY20F/21F revenue projections by 15.8%/12.5% to reflect 1) VRE's suspension of the opening of new Vincom+ and Vincom Plazas, while it only plans to open three new Vincom Megamalls in FY20F, 2) the supporting packages offered by VRE of VND600bn to aid tenants in 1H20, 3) lower FY20F contract rental rate growth assumption (decreasing to 3% from 9% in our previous forecast) due to the Covid-19 impact, and 4) lower occupancy ratio after VinPro's closure and VRE taking time to refill the area in FY20F. Thus, we lower our FY20F/21F NP by 33.3%/26.9% and FY20F/21F core EPS by 27.8%/23.4%.

Figure 3: Forecast changes

	2020F			2021F			2022F	Comments
	Old	New	%Δ	Old	New	%Δ		
Net revenue	10,791	9,089	-15.8%	13,191	11,545	-12.5%	13,911	We revise down our forecast for FY20-21F revenue mainly due to 1) only 3 mega malls will be launched in 2020F and 2) lower average leasing price and occupancy ratio than previous forecast due to the COVID-
Leasing	8,335	6,633	-20.4%	10,501	8,855	-15.7%	10,964	19.
Sales of property	2,230	2,230	0.0%	2,453	2,453	0.0%	2,698	
Net revenue growth	16.5%	-1.8%		22.2%	27.0%		20.5%	
Gross profit	5,396	3,970	-26.4%	7,042	5,526	-21.5%	6,944	We adjust downward our forecast for FY20-21F gross profit margin due to COVID-19 tenant support packages in 1H20
Gross profit margin	50.0%	43.7%	-6.3% pts	53.4%	47.9%	-5.5% pts	49.9%	
Selling expenses	409	398	-2.7%	472	438	-7.2%	502	
as % of revenue:	3.8%	4.4%	+0.6% pts	3.6%	3.8%	+0.2% pts	3.6%	
G&A expenses	577	564	-2.3%	662	643	-2.9%	767	
as % of revenue:	5.3%	6.2%	+0.9% pts	5.0%	5.6%	+0.6% pts	5.5%	
Operating profit	4,410	3,008	-31.8%	5,908	4,445	-24.8%	5,675	
EBT	4,560	3,044	-33.2%	6,119	4,476	-26.9%	5,733	
Net profit	3,602	2,405	-33.2%	4,833	3,536	-26.8%	4,529	
Net margin	33.4%	26.5%	-6.9% pts	36.6%	30.6%	-6.0% pts	32.6%	
Core EPS	1,928	1,393	-27.8%	2,521	1,932	-23.4%	2,434	

SOURCES: VNDIRECT RESEARCH, COMPANY REPORTS

Valuation: Reiterate Add with a TP of VND38,000

We reiterate our Add rating with a lower target price (TP) of VND38,000, as we lower our FY20F/21F net revenue projections by 15.8%/12.5% from our previous forecasts. The FY20F/21F net profit forecasts have also been cut by 33.3%/26.9% and FY20F/21F core EPS by 27.8%/23.4%, after adjusting for the Covid-19 impact on VRE's business.

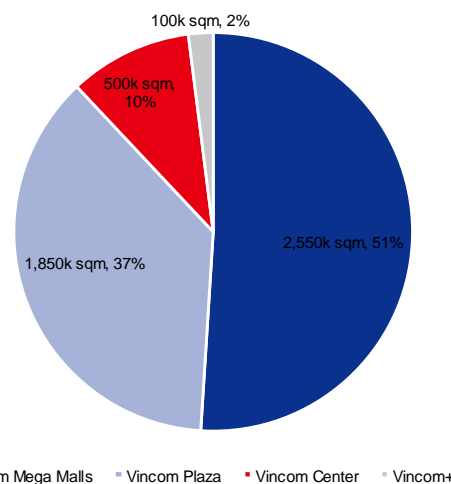
Our TP based on an conservative forecast at 3.5m sqm GFA until 2026F, while VRE has released new pipeline planned to expand their total GFA to 5.0m sqm

in 2026F, anchored around marque mega mall projects. As new pipeline of VRE, they will operate more than 158 malls in 2026F (CAGR 2020-26F at 12%), with the GFA is 3.13x compared with Mar-20 GFA (equal to CAGR 2020-26F at 19%) and cover nationwide in 63 provinces. Due to the COVID-19 effect and economic regression may delay their expansion, we are still on the conservative forecast at total GFA of VRE until 2026F at 3.5m sqm and will reflect their new pipeline in our next report.

Figure 4: New pipeline of VRE's mall until 2026F

	2017 (IPO)	2019	2020	...	2026F
Number of malls	40	79	82	...	158
	CAGR = 27%		CAGR = 12%		
GFA('000 sqm)	1,120	1,600	1,770	...	5,000
	CAGR = 17%		CAGR = 19%		
Number of cities / provinces covered	24	43	43	...	63
% nationwide coverd	38%	68%	68%	...	100%

SOURCES: VND RESEARCH, COMPANY REPORTS

Figure 5: VRE's expected GFA breakdown by 2026F


SOURCES: VND RESEARCH, COMPANY REPORTS

At the current price (29 Jun 2020, CP VND25,400), VRE still offers a 49.6% upside compared to our TP. We believe that VRE deserves to trade at a premium over its peers, with a P/E of 20.9x and P/BV of 2.2x, above the peer average P/E of 16.6x and P/BV of 2.2x, thanks to Vietnam's success in containing the Covid-19 pandemic and its fast recovery after the social distancing period. Potential upside catalysts include: VRE opening malls more quickly than we expect. Downside risks include another wave of Covid-19 outbreak.

Figure 6: Discounted Cash Flow (DCF Valuation)

DCF Method	Amount	Unit
PV of Free Cash Flows	32,616	VNDbn
PV of Terminal Value (4.0% growth)	54,306	VNDbn
Enterprise value	86,922	VNDbn
Cash and cash equivalents	2,177	VNDbn
Total debts	(2,785)	VNDbn
Equity Value	86,314	VNDbn
Shares	2,272	million
Price per share	38,000	VND/share

SOURCES: VNDIRECT RESEARCH

Figure 7: Assumptions

Cost of Capital	
Beta	1.00
Market Risk Premium	10.1%
Cost of Equity	14.1%
Cost of Debt	5.0%
WACC	12.6%

SOURCES: VNDIRECT RESEARCH, COMPANY REPORTS

Figure 8: Discounted Cash Flows

(VNDbn)	2020F	2021F	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F
EBIT	3,008	4,445	5,675	6,995	8,498	9,727	11,959	13,702	15,313	16,664	17,936
Tax	-639	-940	-1,204	-1,499	-1,846	-2,137	-2,641	-3,041	-3,412	-3,733	-4,100
Depreciation	1,772	1,970	2,183	2,406	2,649	2,908	3,164	3,444	3,738	4,054	4,076
Capex	-3,257	-4,015	-4,285	-4,691	-4,754	-5,009	-5,097	-5,689	-5,861	-6,683	-7,273
Change in work capital	1,215	707	524	619	1,310	904	659	1,021	974	1,347	1,388
Free Cash Flows	2,107	2,176	2,904	3,840	5,868	6,813	8,059	9,455	10,772	11,671	12,051

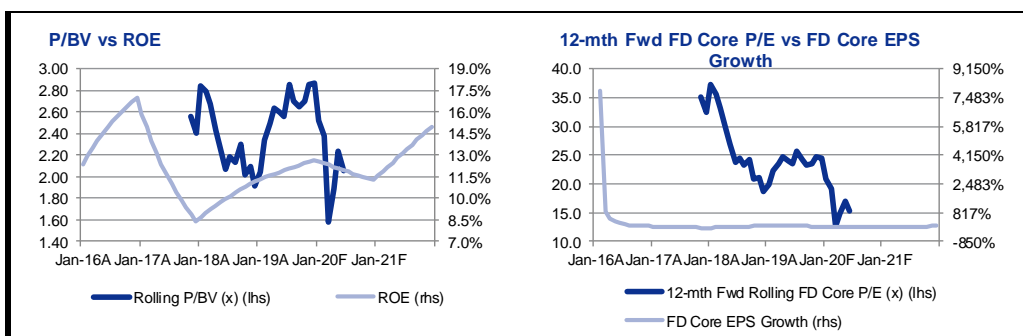
SOURCES: VNDIRECT RESEARCH

Figure 9: Peer comparison

Company	Bloomberg Ticker	Recom.	Share Price (local curr)	Target Price (local curr)	Market Cap (US\$ m)	P/E (x)			3-year EPS CAGR (%)	P/BV (x)			ROE (%)			ROA (%)		
						TTM	FY20F	FY21F		TTM	FY20F	FY21F	TTM	FY20F	FY21F	TTM	FY20F	FY21F
Retail real estate companies																		
Vincom Retail JSC	VRE VN	ADD	25,400	38,000	2,489	20.9	22.1	16.6	5.6%	2.2	2.0	1.9	10.3%	9.4%	11.9%	7.7%	7.2%	8.4%
SM Prime Holdings Inc	CPN TB	na	31.90	na	18,502	24.4	33.5	24.2	16.9%	3.1	2.8	2.6	12.8%	8.6%	11.2%	5.6%	4.1%	5.4%
Central Pattana PCL	CAPL SP	ADD	49.00	63.25	7,090	16.4	31.7	20.1	11.4%	3.3	3.0	2.7	19.9%	9.7%	13.6%	7.1%	4.0%	5.6%
Pakuwon Jati Tbk PT	ROBINS TB	ADD	426.0	700.0	1,429	9.9	10.0	9.0	18.3%	1.5	1.2	1.1	15.2%	11.5%	12.2%	7.9%	7.9%	8.2%
Platinum Group PCL	SF TB	na	3.08	na	279	15.8	na	na	1.6%	0.9	na	na	5.9%	na	na	4.3%	na	na
Average - Retail real estate peers					6,825	16.6	25.1	17.8	12.0%	2.2	2.3	2.1	13.8%	11.5%	13.3%	6.9%	6.7%	7.4%

SOURCES: VNDIRECT RESEARCH, BLOOMBERG, DATABASE

*DATA AS AT 29 JUN 2020, ALL ESTIMATES FOR NON-RATED (NR) STOCKS ARE BASED ON BLOOMBERG CONSENSUS ESTIMATES

BY THE NUMBERS

Profit & Loss

(VNDb)	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Total Net Revenues	9,124	9,259	9,089	11,545	13,911
Gross Profit	3,641	4,405	3,970	5,526	6,944
Operating EBITDA	4,048	5,032	4,788	6,424	7,869
Depreciation And Amortisation	(1,157)	(1,447)	(1,780)	(1,979)	(2,194)
Operating EBIT	2,891	3,585	3,008	4,445	5,675
Financial Income/(Expense)	102	(37)	6	(7)	12
Pretax Income/(Loss) from Assoc.	0	0	0	0	0
Non-Operating Income/(Expense)	60	30	30	38	46
Profit Before Tax (pre-EI)	3,876	4,398	4,006	5,557	7,002
Exceptional Items					
Pre-tax Profit	3,053	3,578	3,044	4,476	5,733
Taxation	(640)	(729)	(639)	(940)	(1,204)
Exceptional Income - post-tax					
Profit After Tax	2,413	2,849	2,405	3,536	4,529
Minority Interests	(9)	(0)	(0)	(1)	(1)
Prof. & Special Div	0	0	0	0	0
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	2,404	2,848	2,405	3,535	4,528
Recurring Net Profit	3,055	3,501	3,164	4,389	5,530
Fully Diluted Recurring Net Profit	3,055	3,501	3,164	4,389	5,530

Cash Flow

(VNDb)	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
EBITDA	4,048	5,032	4,788	6,424	7,869
Cash Flow from Inv. & Assoc.	0	0	0	0	0
Change In Working Capital	294	(588)	1,215	707	524
Straight Line Adjustment					
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	60	30	30	38	46
Other Operating Cashflow	151	58	(109)	(199)	88
Net Interest (Paid)/Received	(417)	(303)	(254)	(338)	(386)
Tax Paid	(561)	(663)	(639)	(940)	(1,204)
Cashflow From Operations	3,574	3,567	5,032	5,693	6,937
Capex	(2,578)	(3,942)	(3,257)	(4,015)	(4,285)
Disposals Of FAs/subsidiaries	585	1,611	14	16	18
Disposals of Investment Properties					
Acq. Of Subsidiaries/investments	(2)	0	0	0	0
Other Investing Cashflow	2,631	2,127	(732)	(249)	(250)
Cash Flow From Investing	636	(205)	(3,975)	(4,248)	(4,517)
Debt Raised/(repaid)	(3,200)	0	1,710	718	677
Proceeds From Issue Of Shares	0	0	0	0	0
Shares Repurchased	0	(1,954)	0	0	0
Dividends Paid	0	(2,451)	0	(3,493)	(3,493)
Preferred Dividends					
Other Financing Cashflow	0	0	73	248	262
Cash Flow From Financing	(3,200)	(4,405)	1,783	(2,527)	(2,554)

SOURCES: VND RESEARCH, COMPANY REPORTS

BY THE NUMBERS... cont'd

Balance Sheet

(VNDb)	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Total Cash And Equivalents	2,431	1,388	4,228	3,146	3,012
Properties Under Development					
Total Debtors	1,048	724	562	612	735
Inventories	902	986	1,084	1,192	1,311
Total Other Current Assets	2,742	1,270	1,451	1,843	2,220
Total Current Assets	7,123	4,368	7,324	6,793	7,278
Fixed Assets	282	450	418	394	380
Total Investments	28,261	28,764	30,257	32,497	34,775
Intangible Assets	505	430	430	428	432
Total Other Non-Current Assets	2,512	1,810	2,805	3,167	3,596
Total Non-current Assets	31,561	31,454	33,911	36,486	39,184
Short-term Debt	18	19	91	115	139
Current Portion of Long-Term Debt					
Total Creditors	6,218	4,721	5,943	6,974	8,177
Other Current Liabilities	24	27	29	33	38
Total Current Liabilities	6,260	4,768	6,063	7,123	8,355
Total Long-term Debt	2,762	2,765	4,404	5,097	5,751
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	1,152	1,340	1,413	1,661	1,923
Total Non-current Liabilities	3,915	4,105	5,817	6,758	7,674
Total Provisions	0	0	0	0	0
Total Liabilities	10,174	8,872	11,879	13,881	16,029
Shareholders' Equity	28,468	26,916	29,321	29,363	30,397
Minority Interests	42	34	34	35	36
Total Equity	28,509	26,950	29,355	29,398	30,433

Key Ratios

	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Revenue Growth	65.3%	1.5%	(1.8%)	27.0%	20.5%
Operating EBITDA Growth	28.4%	22.0%	(1.7%)	30.5%	21.8%
Operating EBITDA Margin	52.6%	63.2%	63.3%	65.0%	65.7%
Net Cash Per Share (VND)	(178)	(615)	(117)	(909)	(1,267)
BVPS (VND)	14,535	11,845	12,903	12,922	13,377
Gross Interest Cover	8.90	14.60	15.70	16.40	18.00
Effective Tax Rate	21.0%	20.4%	21.0%	21.0%	21.0%
Net Dividend Payout Ratio	NA	66.8%	NA	75.7%	60.3%
Accounts Receivables Days	20.30	17.30	17.30	15.30	15.70
Inventory Days	90.50	71.00	74.00	69.00	65.60
Accounts Payables Days	149.4	206.0	183.3	202.6	204.1
ROIC (%)	32%	202%	344%	569%	884%
ROCE (%)	13.4%	15.3%	13.3%	17.1%	20.7%
Return On Average Assets	8.2%	9.9%	8.7%	10.9%	12.9%

Key Drivers

	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Unbooked Presales (m) (VND)	N/A	N/A	N/A	N/A	N/A
Unbooked Presales (area: m sm)	N/A	N/A	N/A	N/A	N/A
Unbooked Presales (units)	N/A	N/A	N/A	N/A	N/A
Unsold attrib. landbank (area: m sm)	N/A	N/A	N/A	N/A	N/A
Gross Margins (%)	39.9%	47.6%	43.7%	47.9%	49.9%
Contracted Sales ASP (per Sm) (VND)	N/A	N/A	N/A	N/A	N/A
Residential EBIT Margin (%)	N/A	N/A	N/A	N/A	N/A
Investment rev / total rev (%)	N/A	N/A	N/A	N/A	N/A
Residential rev / total rev (%)	N/A	N/A	N/A	N/A	N/A
Inv. properties rental margin (%)	N/A	N/A	N/A	N/A	N/A
SG&A / Sales Ratio (%)	N/A	N/A	N/A	N/A	N/A

SOURCES: VND RESEARCH, COMPANY REPORTS

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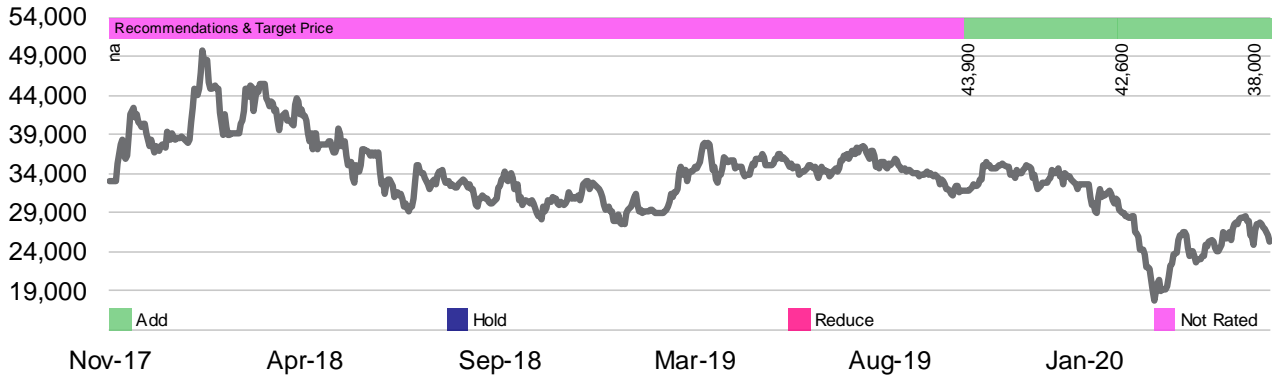
institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.

Distribution of stock ratings and investment banking clients for quarter ended on 31 March 2020		
811 companies under coverage for quarter ended on 31 March 2020		
	Rating Distribution (%)	Investment Banking clients (%)
Add	60.8%	0.1%
Hold	27.6%	0.0%
Reduce	11.6%	0.0%

Spitzer Chart for stock being researched (2 year data)

Vincom Retail JSC (VRE VN)

— Price Close



Corporate Governance Report of Thai Listed Companies (CGR). CG Rating by the Thai Institute of Directors Association (Thai IOD) in 2019, Anti-Corruption 2019

ADVANC – Excellent, Certified, **AEONTS** – Good, n/a, **AH** – Very Good, n/a, **AMATA** – Excellent, Declared, **ANAN** – Excellent, Declared, **AOT** – Excellent, n/a, **AP** – Excellent, Certified, **ASP** – Very Good, Certified, **BAM** – not available, n/a, **BANPU** – Excellent, Certified, **BAY** – Excellent, Certified, **BBL** – Very Good, Certified, **BCH** – Good, Certified, **BGP** – Excellent, Certified, **BCPG** – Excellent, Certified, **BDMS** – Very Good, n/a, **BEAUTY** – Good, n/a, **BEC** – Very Good, n/a, **BGRIM** – Very Good, Declared, **BH** - Good, n/a, **BJC** – Very Good, n/a, **BJCHI** – Very Good, Certified, **BLA** – Very Good, Certified, **BPP** – Very Good, Declared, **BR** - Good, n/a, **BTS** - Excellent, Certified, **CBG** – Very Good, n/a, **CCET** – Good, n/a, **CENDEL** – Very Good, Certified, **CHAYO** - Good, n/a, **CHG** – Very Good, Declared, **CK** – Excellent, n/a, **COL** – Excellent, Declared, **CPALL** – Excellent, Certified, **CPF** – Excellent, Certified, **CPN** - Excellent, Certified, **CPNREIT** – not available, n/a, **CRC** – not available, n/a, **DELTA** - Excellent, Declared, **DEMCO** – Excellent, Certified, **DDD** – Very Good, n/a, **DIF** – not available, n/a, **DREIT** – not available, n/a, **DTAC** – Excellent, Certified, **EA** – Excellent, n/a, **ECL** – Very Good, Certified, **EGCO** - Excellent, Certified, **EPG** – Very Good, n/a, **ERW** – Very Good, n/a, **GFPT** - Excellent, Certified, **GGC** – Excellent, Certified, **GLOBAL** – Very Good, n/a, **GLOW** – Very Good, Certified, **GPSC** – Excellent, Certified, **GULF** – Very Good, n/a, **GUNKUL** – Excellent, Certified, **HANA** - Excellent, Certified, **HMPRO** - Excellent, Certified, **HUMAN** – Good, n/a, **ICHI** – Excellent, Declared, **III** – Excellent, n/a, **INTUCH** - Excellent, Certified, **IRPC** – Excellent, Certified, **ITD** – Very Good, n/a, **IVL** - Excellent, Certified, **JASIF** – not available, n/a, **BJC** – Very Good, n/a, **JMT** – Very Good, n/a, **KBANK** - Excellent, Certified, **KCE** – Excellent, Certified, **KKP** – Excellent, Certified, **KSL** – Excellent, Certified, **KTB** - Excellent, Certified, **KTC** – Excellent, Certified, **LH** - Excellent, n/a, **LPN** – Excellent, Certified, **M** – Very Good, Certified, **MACO** – Very Good, n/a, **MAJOR** – Very Good, n/a, **MAKRO** – Excellent, Certified, **MALEE** – Excellent, Certified, **MC** – Excellent, Certified, **MCOT** – Excellent, Certified, **MEGA** – Very Good, n/a, **MINT** - Excellent, Certified, **MK** – Very Good, n/a, **MTC** – Excellent, n/a, **NETBAY** – Very Good, n/a, **OSP** – Very Good, n/a, **PLANB** – Excellent, Certified, **PLAT** – Very Good, Certified, **PR9** – Excellent, n/a, **PSH** – Excellent, Certified, **PSTC** – Very Good, Certified, **PTT** - Excellent, Certified, **PTTEP** - Excellent, Certified, **PTTGC** - Excellent, Certified, **QH** – Excellent, Certified, **RATCH** – Excellent, Certified, **ROBINS** – Excellent, Certified, **RS** – Excellent, n/a, **RSP** – not available, n/a, **S** – Excellent, n/a, **SAPPE** – Very Good, Declared, **SAT** – Excellent, Certified, **SAWAD** – Very Good, n/a, **SC** – Excellent, Certified, **SCB** - Excellent, Certified, **SCC** – Excellent, Certified, **SCN** – Excellent, Certified, **SF** – Good, n/a, **SHR** – not available, n/a, **SIRI** – Very Good, Certified, **SPA** - Good, n/a, **SPALI** - Excellent, n/a, **SPRC** – Excellent, Certified, **STA** – Very Good, Certified, **STEC** – Excellent, n/a, **SVI** – Excellent, Certified, **SYNEX** – Excellent, Certified, **TASCO** – Excellent, Certified, **TCAP** – Excellent, Certified, **THANI** – Excellent, Certified, **TIPCO** – Very Good, Certified, **TISCO** - Excellent, Certified, **TKN** – Very Good, n/a, **TMB** - Excellent, Certified, **TNR** – Very Good, Certified, **TOP** - Excellent, Certified, **TPCH** – Good, n/a, **TPIPP** – Good, n/a, **TRUE** – Excellent, Certified, **TU** – Excellent, Certified, **TVO** – Excellent, Declared, **UNIQ** – not available, n/a, **VGI** – Excellent, Certified, **WHA** – Excellent, Certified, **WHART** – not available, n/a, **WICE** – Excellent, Certified, **WORK** – Good, n/a.

1 CG Score 2019 from Thai Institute of Directors Association (IOD)

2 AGM Level 2018 from Thai Investors Association

3 Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 30, 2018) are categorised into:

companies that have declared their intention to join CAC, and companies certified by CAC.

4 The Stock Exchange of Thailand : the record of listed companies with corporate sustainable development "Thai sustainability Investment 2018" included:

SET and mai listed companies passed the assessment conducted by the Stock Exchange of Thailand: THSI (SET) and THSI (mai)

SET listed companies passed the assessment conducted by the Dow Jones Sustainability Indices (DJSI) .

RECOMMENDATION FRAMEWORK

Stock Ratings

Definition:

Add	The stock's total return is expected to reach 15% or higher over the next 12 months.
Hold	The stock's total return is expected to be between negative 10% and positive 15% over the next 12 months.
Reduce	The stock's total return is expected to fall below negative 10% over the next 12 months.

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.

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.

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