

Thailand Morning Cuppa

Top Story

CH Karnchang (CK TB, BUY, TP: THB20.30)

New Jobs Around The Corner; Keep BUY

Company Update

Keep BUY and SOP-based THB20.30 TP, 7% upside and >1% yield. After its long-running low orderbooks cycle, we expect CH Karnchang's high-tide cycle to come around soon – this is post its recent successful bids for double-track railway construction works. Going forward, we believe there are several infrastructure construction project launch bids in the pipeline that are advantageous to CK.

Analyst: Chatree Srismacharoen +66 2088 9743

Today's Report: [CH Karnchang : New Jobs Around The Corner; Keep BUY \(27 May 2021\)](#)

Previous Report: [CH Karnchang : On a Recovery Trend; Keep BUY \(20 Apr 2021\)](#)

Global Economics & Market Strategy

Exports Recovery Will Remain Robust In 2Q21

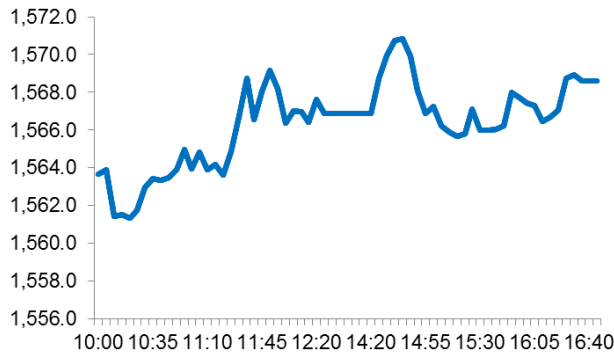
Economics View

- We expect the strong recovery of exports to continue for the rest of 2Q21, mainly due to the low base effect, higher oil prices, and the sustained demand in the electronics and automotive sectors.
- April exports printed 13.1% YoY vs Bloomberg consensus estimate of 10.4% and March's growth of 8.5%. The stronger-than-estimated growth was led by the recovery in the shipments of the electronics and automotive sectors, while agriculture exports were sustained by rubber and tapioca products.
- Imports recorded 29.8% YoY growth in March vs Bloomberg consensus estimate of 22.6% and March's print of 14.1%. The strong imports are led by oil-related products, raw materials, and capital goods.

Economist: Billy Toh +603 9280 2184

Today's Report: [Exports Recovery Will Remain Robust In 2Q21 \(25 May 2021\)](#)

Previous Report: [We Revise Our 2021 GDP Growth Forecast Down To 2% \(17 May 2021\)](#)

Chart 1: SET intra-day graph


SET	2019	2020	2021F	2022F
PE (x)	18.02	25.96	18.98	16.49
P/BV (x)	1.71	1.61	1.74	1.66
Yield (%)	3.28	3.26	2.65	2.91

SET Value by investor Type: Daily	Buy	Sell	Net
	(THBm)	(THBm)	(THBm)
Institution	7,304.56	5,528.41	1,776.15
Proprietary	8,654.82	8,062.60	592.22
Foreign	33,640.76	34,854.11	-1,213.35
Retail	39,351.17	40,506.19	-1,155.02

SET Value by investor Type	MTD	YTD
	(THBm)	(THBm)
Institution	-5,114.58	-42,113.17
Proprietary	-2,673.65	805.42
Foreign	-30,648.54	-63,677.09
Retail	38,436.77	104,984.83

SET50 Index Future	Long	Short	Net	MTD	YTD
Institution	29,780	36,449	-6,669	4,246	39,990
Foreign	77,892	58,748	19,144	23,381	1,564
Local	75,426	87,901	-12,475	-27,627	-41,554

Foreign Fund Flows (USDm)	MTD	YTD	YoY
Thailand	-38.7	-103.0	-980.2
			-2074.0
			3086.5

Note: *As at 25 May 2021 closing

Table 1: Key market indices (27 May 2021)

	Index	Chg	Chg (%)	YTD (%)
Thailand (SET)	1568.58	16.73	1.08%	8.2%
Thailand (SET50)	948.06	13.23	1.42%	4.1%
Thailand (SET100)	2158.33	27.12	1.27%	6.0%
USA (Dow Jones)	34323.05	-70.93	-0.21%	12.1%
USA (S&P500)	4195.99	-1.06	-0.03%	11.7%
USA (Nasdaq)	13738.00	76.83	0.56%	6.6%
UK (FTSE)	7026.93	-24.66	-0.35%	8.8%
Singapore (FSSTI)	3146.09	22.48	0.72%	10.6%
Hong Kong (Hang Seng)	29166.01	753.75	2.65%	7.1%
Japan (Nikkei)	28642.19	277.58	0.98%	4.4%
Malaysia (KLCI)	1577.82	6.00	0.38%	-3.0%
China (SHANGHAI SE)	3593.36	96.07	2.75%	3.5%
Indonesia (JCI)	5815.84	52.21	0.91%	-2.7%

Foreign Exchange Rates / Oil Market

USD	Closed	Chg	Chg (%)
Baht (Onshore)	31.27	0.02	-0.08
Yen	109.14	-0.01	0.01
Euro	1.22	0.00	0.00

Oil Price (USD/barrel)		Chg	Chg (%)
Brent	68.17	0.21	0.31
Nymex-Crude Light	66.10	-0.11	-0.17

Note: *As at 25 May 2021 closing

Bulletin

STOCK/SECTOR	NEWS	COMMENT	RATING
Bangkok Expressway and Metro (BEM TB)	<p>The Bangkok Mass Transit System (BTSC) and Krungthep Thanakom (KT) are looking for ways to solve the THB30bn debt problem related to the extension of the BTS Green Line and expects to come to an agreement within two weeks. BTSC CEO Surapong Laoha-Unya said the two sides had not reached any agreements during negotiations on Monday.</p> <p>“During the discussion, we proposed ways of cutting down operating expenses and boosting KT’s revenue, such as reducing the number of trips outside rush hour and collecting fares from commuters using the BTS Green Line extension,” he said. Laoha-Unya added that the Bangkok Metropolitan Administration (BMA) had proposed three options for solving the debt problem: i) Seeking funds from the Government, ii) setting up a joint investment under the 2019 Public-Private Partnership Act, or iii) shifting the debt back to the Mass Rapid Transit Authority.</p> <p>Note: BTSC is planning to sue both KT and BMA over the THB30bn it is owed for the extension of the BTS Green Line if there was no conclusion on this issue. Of this figure, THB10bn is owed for the operation of the BTS network with the remainder for the installation of the train line’s electrical & mechanical systems. (<i>The Nation</i>)</p>	<p>This controversial issue has become more complicated and may affect BTS passenger numbers in case of trip-frequency reductions. This should help BTS save on operating costs while the company shoulders the debt burden and pays the finance costs. Whatever the options proposed by BMA – which is the debtor in this case – we do not expect BTS to desire any of them. We believe BTS most desires the concession extension for another 30-year period after the expiration of its existing concession, with the option that it will absorb all this debt.</p> <p>Although this debt problem has become a long-running issue, we believe it will not be solved in the foreseeable future, as the Ministry of Transport seems to disagree with the concession extension for now. Therefore, we are of the view that this will be a series of episodes for all parties involved in this case. We believe BTS will become more disadvantaged the longer this overhang is prolonged.</p> <p>Compared between BTS Group Holdings (BTS TB, NR) and Bangkok Expressway & Metro (BEM), the latter is in a much less risky situation in terms of conducting its business. This is because BEM’s expressway business under the concession model was renewed in Feb 2020 while its Blue Line Mass Rapid Transit (MRT) network has been operating its full loop since late FY19. Post COVID-19 vaccinations, we expect Blue Line MRT ridership to recover strongly – this will be a major catalyst for BEM. We maintain our call and TP on this stock.</p>	BUY, TP: THB10.40

Top BUYs

	TP (THB)	Upside (%)	Catalysts
Airports of Thailand (AOT TB)	74.00	21.31	<ul style="list-style-type: none"> 2QFY21F's performance may be the weakest of the year, before gradually improving with smaller losses throughout 2HFY21, while an earnings turnaround in FY22 may also support AOT's long-term outlook. Local aviation sees favourable recovery: its domestic recovery may approach pre-pandemic levels by FY23, a year ahead of the international side. The Government's latest approval for Phase 3 of the "We Travel Together" local tourism stimulus campaign, from May to August, may be a catalyst and boost flight numbers. As the first-tier tourism player, AOT may strongly underpin the revival of the tourism industry, while the weakening short-term sentiment and earnings present investors with an opportunity to BUY.
Bangkok Bank (BBL TB)	153.00	33.62	<ul style="list-style-type: none"> One of Thailand's large banks which operates its business conservatively but surely. BBL has less NPL risks than peers due to its high exposure to corporate customers (c.40% of total loans) which are robust than other groups. This is also the reason why the bank has lowest proportion of customers under debt relief measures among peers. BBL's strong capital ratio and manageable NPL level are enable it to ready to pay normal dividend without any concerns except the BoT's regulations. FY21 earnings is expected to recover strongly YoY, underpinned by a decrease in provisions, improved cost structure, continued loan growth (mainly from corporate and international loans), and a rebound in fee incomes. Undemanding valuation with current P/BV at 0.5x.
Central Pattana (CPN TB)	61.00	25.77	<ul style="list-style-type: none"> Improving sentiment for its retail mall operations, based on indirect benefits from the year-end tax rebate for shopping campaigns Rental rate discounts may marginally improve, with no material impact from temporary political rallies, on store traffic Efficient cost control measures have lowered its variable and fixed costs, mainly utility and marketing expenses, while profit margins are likely on the uptrend on the back of reviving retail mall operations Residential business sees stronger sales momentum in 4Q20 – the industry's high season – based on more high-rise unit transfers, along with low-rise projects in Bangkok and upcountry
Charoen Pokphand Foods (CPF TB)	38.00	39.45	<ul style="list-style-type: none"> The uptrend of its core business should be prolonged, given the tighter supply conditions due to the African Swine Fever outbreak in Asia, with relatively low feed costs that remain in place – although Charoen Pokphand Foods should benefit from lower policy rates and a weakening THB Upside from the acquisition of Tesco Thailand and Tesco Malaysia. While we expect the company to enhance its fresh products distribution channel by tapping into the hypermarket network, we think CPF could also ramp up its food services in Tesco's retail space, going forward Other positive synergies include cost savings on logistics network sharing, inventory turnover, and cross-selling between retail trading formats
CP All (CPALL TB)	75.00	29.31	<ul style="list-style-type: none"> V-shaped earnings recovery, with continued opening of new stores, while Siam Makro's operations remain solid As it has the most extensive store network, CPALL may strongly benefit the new normal in terms of facilitating delivery of products and services through its developing omni-channel platform Still the best-in-class retailer with intact new store opening plan. Expect full-year earnings returning to pre-pandemic levels in 2021 To finance the acquisition of Tesco Lotus with a combination of debt and perpetual debentures to balance its leverage
Home Product Center (HMPRO TB)	17.00	25.93	<ul style="list-style-type: none"> Expecting normalising earnings in FY21 – to be supported by full-year operations of all stores and retail malls vs a temporary closure from late March to mid-May, with profit margins approaching pre-pandemic levels HMPRO's investment in Vietnam may strongly benefit growing urbanisation and a potential rise in the construction sector Quarterly earnings momentum will continue its upward trajectory in 1Q21 Rapid improvement in sustainability development may allow the stock to continue trading at a premium

Top BUYs

	TP (THB)	Upside (%)	Catalysts
Krung Thai Bank (KTB TB)	14.30	33.64	<ul style="list-style-type: none"> The laggard of the sector with undemanding valuation plus an earnings recovery. Outstanding loan proportion from corporate and Gov.&SoEs customers (43% of total loans). Public investment via Gov.'s disbursement scheme should help to drawdown loans from KTB. FY21F earnings is set to rebound like other banks, mainly on lower set of provisions, improved fee incomes, while its NII is likely to maintain following a gradual rise in loan offsetting lower NIM. The valuation is compelling with current P/BV at 0.4x.
Muangthai Capital (MTC TB)	73.00	17.74	<ul style="list-style-type: none"> One of the leaders in microfinance market which provides a variety of loan products. Ample opportunities to grow through the ocean of untapped customers who cannot reach credits from traditional banks. Management's extensive experiences, aggressive new branch expansion, well-known brand will be the keys to drive robust earnings over other players. FY21-23 earnings is expected to grow CAGR of 20%, driven by a growth in loan, lower CIR, sustained NIM, and controlled asset quality. The continued economic recovery should gradually help to improve loan demand, credit cost, and asset quality. TIDLOR's IPO plan in early-May 21 would be the short-term catalyst to drive MTC's share price.
PTT (PTT TB)	51.50	32.90	<ul style="list-style-type: none"> We expect strong earnings rebound in 2021 in tandem with economic recovery, on the back of gradual global vaccination rollout. E&P arm will benefit from higher oil prices while the refineries and petrochemical arms will see pick-up in refined product spreads and wider petrochemical spreads. PTT is targeting to increase its renewable energy capacity to 3GW by 2025, with the primary focus on solar and wind in countries such as China, Vietnam, Taiwan and India.
Siam Cement (SCC TB)	500.00	14.68	<ul style="list-style-type: none"> Petrochemicals is currently in an upcycle. HDPE-naphtha spread in 1Q21 should remain as high as levels recorded in 4Q20, while the polypropylene-naphtha spread reached another high in 1Q21. SCC's polyolefin sales volumes returned to normal levels after the turnaround of the Map Ta Phut olefin cracker was completed in 4Q20. The improvement in cement & building materials business should be noticeable in 1Q21, with cement demand growing 1-2% in Thailand. This would be due to stronger demand from the residential property sector in provincial areas, and continuously solid demand stemming from government infrastructure projects. FY21 will start out with strong earnings growth in 1Q21, while the petrochemical division may be driven by higher production volume after de-bottlenecking the Map Ta Phut olefin cracker finishing 2Q21. For 2H21, we expect a brighter outlook for the cement & building materials business especially in ASEAN countries, when construction activities resume to normal.

Recent Stories

To access the following reports, please click on the link:

[RHB | Thailand Morning Cuppa : 25 May 2021](#)

[Siam Cement : Diversification, a Boon To Siam Cement; Stay BUY](#)

[Krung Thai Bank : Slow Growth Trajectory Continues; Keep BUY](#)

[Exports Recovery Will Remain Robust in 2Q21](#)

[RHB | Thailand Morning Cuppa : 24 May 2021](#)

[RHB | Thailand Morning Cuppa : 21 May 2021](#)

[RHB | Thailand Morning Cuppa : 20 May 2021](#)

[Bangkok Expressway and Metro : If Not Today, Then Someday; BUY](#)

[Central Pattana : Headwinds Delay Recovery; Keep BUY](#)

[RHB | Thailand Morning Cuppa : 19 May 2021](#)

[RHB | Thailand Morning Cuppa : 18 May 2021](#)

[Construction : Time To Rev Up Revenue Growth; Still O/W](#)

[Central Pattana : In Line, Sluggish 1Q21 Core Earnings; BUY](#)

[RHB | Thailand Morning Cuppa : 17 May 2021 – Mid-Morning Edition](#)

[RHB | Thailand Morning Cuppa : 17 May 2021](#)

[Charoen Pokphand Foods : Robust And Sustainable Growth; Keep BUY](#)

[Bangkok Chain Hospital : Recovery Prospects Priced In; D/G To NEUTRAL](#)

[Ratch Group : Growth Is Steady And Sure; Reiterate BUY](#)

[Industrial Estate : Earnings Growth Ahead After a Slow Start](#)

[We Revise Our 2021 GDP Growth Forecast Down to 2%](#)

[RHB | Thailand Morning Cuppa : 14 May 2021](#)

[PTT : Earnings Remain Solid; Keep BUY](#)

[Muangthai Capital : The Sun Still Shines; Stay BUY](#)

[Land and Houses : On a Rising Trend In 2H21; BUY](#)

[Hospitality : Recovery Delays](#)

[RHB | Thailand Morning Cuppa : 13 May 2021](#)

[CP ALL : Weak 1Q21 Results; Keep BUY](#)

[PTT Global Chemical : Heading For a Rousing 1H21F; U/G To BUY](#)

[RHB | Thailand Morning Cuppa : 12 May 2021](#)

[Thai Oil : Refinery Spreads On The Mend; Stay BUY](#)

[Berli Jucker : Sluggish 1Q21 Results; Still BUY](#)

[AP \(Thailand\) : Hitting a Peak In 1Q, Aggressive Launches In 2H](#)

[Electricity Generating : Attractive Valuation With Steady Growth; Keep BUY](#)

[IRPC : Broad Improvement In Product Spreads](#)

[RHB | Thailand Morning Cuppa : 11 May 2021](#)

[Minor International : Faster Recovery Overseas; Keep TRADING BUY](#)

[Thai Union Group : Positives Largely Priced In; D/G To NEUTRAL](#)

[Bangkok Dusit Medical Services : Recovery Prospects Remain Intact; BUY](#)

[RHB | Thailand Morning Cuppa : 10 May 2021](#)

[Global Power Synergy : Hoping For Greater Things](#)

[RHB | Thailand Morning Cuppa : 7 May 2021](#)

[Berli Jucker : Estimating a Stronger Second Quarter; Keep BUY](#)

[LPN Development : Weak Earnings Momentum Inevitable; SELL](#)

[RHB | Thailand Morning Cuppa : 6 May 2021](#)

[Amata Corp : Pricey With Growth Uncertainty; Keep SELL](#)

[BoT Will Keep Policy Rate At Record Low Of 0.5% In 2021](#)

[RHB | Thailand Morning Cuppa : 5 May 2021](#)

[RHB Top 20 Thailand Small Cap Companies Jewels 2021 \(2021 edition\)](#)

[Banks : Better 1Q21 Eclipsed By Rising New Infections](#)

[Advanced Info Service : 1Q21: Mobile Calls Back; Reiterate BUY](#)

[Spike in CPI Will Continue Over the Next Two Months](#)

RHB Guide to Investment Ratings

Buy:	Share price may exceed 10% over the next 12 months
Trading Buy:	Share price may exceed 15% over the next 3 months, however longer-term outlook remains uncertain
Neutral:	Share price may fall within the range of +/- 10% over the next 12 months
Take Profit:	Target price has been attained. Look to accumulate at lower levels
Sell:	Share price may fall by more than 10% over the next 12 months
Not Rated:	Stock is not within regular research coverage

Investment Research Disclaimers

RHB has issued this report for information purposes only. This report is intended for circulation amongst RHB and its affiliates' clients generally or such persons as may be deemed eligible by RHB to receive this report and does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. This report is not intended, and should not under any circumstances be construed as, an offer or a solicitation of an offer to buy or sell the securities referred to herein or any related financial instruments.

This report may further consist of, whether in whole or in part, summaries, research, compilations, extracts or analysis that has been prepared by RHB's strategic, joint venture and/or business partners. No representation or warranty (express or implied) is given as to the accuracy or completeness of such information and accordingly investors should make their own informed decisions before relying on the same.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to the applicable laws or regulations. By accepting this report, the recipient hereof (i) represents and warrants that it is lawfully able to receive this document under the laws and regulations of the jurisdiction in which it is located or other applicable laws and (ii) acknowledges and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of applicable laws.

All the information contained herein is based upon publicly available information and has been obtained from sources that RHB believes to be reliable and correct at the time of issue of this report. However, such sources have not been independently verified by RHB and/or its affiliates and this report does not purport to contain all information that a prospective investor may require. The opinions expressed herein are RHB's present opinions only and are subject to change without prior notice. RHB is not under any obligation to update or keep current the information and opinions expressed herein or to provide the recipient with access to any additional information. Consequently, RHB does not guarantee, represent or warrant, expressly or impliedly, as to the adequacy, accuracy, reliability, fairness or completeness of the information and opinion contained in this report. Neither RHB (including its officers, directors, associates, connected parties, and/or employees) nor does any of its agents accept any liability for any direct, indirect or consequential losses, loss of profits and/or damages that may arise from the use or reliance of this research report and/or further communications given in relation to this report. Any such responsibility or liability is hereby expressly disclaimed.

Whilst every effort is made to ensure that statement of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable and must not be construed as a representation that the matters referred to therein will occur. Different assumptions by RHB or any other source may yield substantially different results and recommendations contained on one type of research product may differ from recommendations contained in other types of research. The performance of currencies may affect the value of, or income from, the securities or any other financial instruments referenced in this report. Holders of depositary receipts backed by the securities discussed in this report assume currency risk. Past performance is not a guide to future performance. Income from investments may fluctuate. The price or value of the investments to which this report relates, either directly or indirectly, may fall or rise against the interest of investors.

This report may contain comments, estimates, projections, forecasts and expressions of opinion relating to macroeconomic research published by RHB economists of which should not be considered as investment ratings/advice and/or a recommendation by such economists on any securities discussed in this report.

This report does not purport to be comprehensive or to contain all the information that a prospective investor may need in order to make an investment decision. The recipient of this report is making its own independent assessment and decisions regarding any securities or financial instruments referenced herein. Any investment discussed or recommended in this report may be unsuitable for an investor depending on the investor's specific investment objectives and financial position. The material in this report is general information intended for recipients who understand the risks of investing in financial instruments. This report does not take into account whether an investment or course of action and any associated risks are suitable for the recipient. Any recommendations contained in this report must therefore not be relied upon as investment advice based on the recipient's personal circumstances. Investors should make their own independent evaluation of the information contained herein, consider their own investment objective, financial situation and particular needs and seek their own financial, business, legal, tax and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as "believe", "estimate", "intend" and "expect" and statements that an event or result "may", "will" or "might" occur or be achieved and other similar expressions.

Such forward-looking statements are based on assumptions made and information currently available to RHB and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. RHB expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated event

The use of any website to access this report electronically is done at the recipient's own risk, and it is the recipient's sole responsibility to take precautions to ensure that it is free from viruses or other items of a destructive nature. This report may also provide the addresses of, or contain hyperlinks to, websites. RHB takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to RHB own website material) are provided solely for the recipient's convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or RHB website shall be at the recipient's own risk.

This report may contain information obtained from third parties. Third party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs) in connection with any use of their content.

The research analysts responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously. The research analysts that authored this report are precluded by RHB in all circumstances from trading in the securities or other financial instruments referenced in the report, or from having an interest in the company(ies) that they cover.

The contents of this report is strictly confidential and may not be copied, reproduced, published, distributed, transmitted or passed, in whole or in part, to any other person without the prior express written consent of RHB and/or its affiliates. This report has been delivered to RHB and its affiliates' clients for information purposes only and upon the express understanding that such parties will use it only for the purposes set forth above. By electing to view or accepting a copy of this report, the recipients have agreed that they will not print, copy, videotape, record, hyperlink, download, or otherwise attempt to reproduce or re-transmit (in any form including hard copy or electronic distribution format) the contents of this report. RHB and/or its affiliates accepts no liability whatsoever for the actions of third parties in this respect.

The contents of this report are subject to copyright. Please refer to Restrictions on Distribution below for information regarding the distributors of this report. Recipients must not reproduce or disseminate any content or findings of this report without the express permission of RHB and the distributors.

The securities mentioned in this publication may not be eligible for sale in some states or countries or certain categories of investors. The recipient of this report should have regard to the laws of the recipient's place of domicile when contemplating transactions in the securities or other financial instruments referred to herein. The securities discussed in this report may not have been registered in such jurisdiction. Without prejudice to the foregoing, the recipient is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

The term "RHB" shall denote, where appropriate, the relevant entity distributing or disseminating the report in the particular jurisdiction referenced below, or, in every other case, RHB Investment Bank Berhad and its affiliates, subsidiaries and related companies.

RESTRICTIONS ON DISTRIBUTION

Malaysia

This report is issued and distributed in Malaysia by RHB Investment Bank Bhd. The views and opinions in this report are our own as of the date hereof and is subject to change. If the Financial Services and Markets Act of the United Kingdom or the rules of the Financial Conduct Authority apply to a recipient, our obligations owed to such recipient therein are unaffected. RHB Investment Bank Bhd has no obligation to update its opinion or the information in this report.

Thailand

This report is issued and distributed in the Kingdom of Thailand by RHB Securities (Thailand) PCL, a licensed securities company that is authorised by the Ministry of Finance, regulated by the Securities and Exchange Commission of Thailand and is a member of the Stock Exchange of Thailand. The Thai Institute of Directors Association has disclosed the Corporate Governance Report of Thai Listed Companies made pursuant to the policy of the Securities and Exchange Commission of Thailand. RHB Securities (Thailand) PCL does not endorse, confirm nor certify the result of the Corporate Governance Report of Thai Listed Companies.

Indonesia

This report is issued and distributed in Indonesia by PT RHB Sekuritas Indonesia. This research does not constitute an offering document and it should not be construed as an offer of securities in Indonesia. Any securities offered or sold, directly or indirectly, in Indonesia or to any Indonesian citizen or corporation (wherever located) or to any Indonesian resident in a manner which constitutes a public offering under Indonesian laws and regulations must comply with the prevailing Indonesian laws and regulations.

Singapore

This report is issued and distributed in Singapore by RHB Bank Berhad (Singapore branch) which is a holder of a full bank licence and an exempt capital markets services licence and financial adviser regulated by the Monetary Authority of Singapore. RHB Bank Berhad (Singapore branch) may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, RHB Bank Berhad (Singapore branch) accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact RHB Bank Berhad (Singapore branch) in respect of any matter arising from or in connection with the report.

United States

This report was prepared by RHB is meant for distribution solely and directly to "major" U.S. institutional investors as defined under, and pursuant to, the requirements of Rule 15a-6 under the U.S. Securities and Exchange Act of 1934, as amended (the "Exchange Act") via a registered U.S. broker-dealer as appointed by RHB from time to time. Accordingly, any access to this report via Bursa Marketplace or any other Electronic Services Provider is not intended for any party other than "major" US institutional investors (via a registered U.S broker-dealer), nor shall be deemed as solicitation by RHB in any manner. RHB is not registered as a broker-dealer in the United States and currently has not appointed a U.S. broker-dealer. Additionally, RHB does not offer brokerage services to U.S. persons. Any order for the purchase or sale of all securities discussed herein must be placed with and through a registered U.S. broker-dealer as appointed by RHB from time to time as required by the Exchange Act Rule 15a-6. For avoidance of doubt, RHB reiterates that it has not appointed any U.S. broker-dealer during the issuance of this report. This report is confidential and not intended for distribution to, or use by, persons other than the recipient and its employees, agents and advisors, as applicable. Additionally, where research is distributed via Electronic Service Provider, the analysts whose names appear in this report are not registered or qualified as research analysts in the United States and are not associated persons of any registered U.S. broker-dealer as appointed by RHB from time to time and therefore may not be subject to any applicable restrictions under Financial Industry Regulatory Authority ("FINRA") rules on communications with a subject company, public appearances and personal trading. Investing in any non-U.S. securities or related financial instruments discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in the United States. The financial instruments discussed in this report may not be suitable for all investors. Transactions in foreign markets may be subject to regulations that differ from or offer less protection than those in the United States.

Please refer to the following link ([RHB Research conflict disclosures – May 2021](#)) and the Disclosure of Conflict of Interest in each of the research reports provided in this email for more details.

Kuala Lumpur	Singapore
RHB Investment Bank Bhd Level 3A, Tower One, RHB Centre Jalan Tun Razak Kuala Lumpur Malaysia Tel : +(60) 3 9280 8888 Fax : +(60) 3 9200 2216	RHB Bank Berhad (Singapore branch) 90 Cecil Street #04-00 RHB Bank Building Singapore 069531
Jakarta	Bangkok
PT RHB Sekuritas Indonesia Revenue Tower, 11th Floor, District 8 - SCBD Jl. Jendral Sudirman Kav 52-53 Jakarta 12190 Indonesia Tel : +6221 509 39 888 Fax : +6221 509 39 777	RHB Securities (Thailand) PCL 10th Floor, Sathorn Square Office Tower 98, North Sathorn Road, Silom Bangrak, Bangkok 10500 Thailand Tel : +(66) 2 088 9999 Fax : +(66) 2 088 9799