

My EG Services (MYEG MK)

Steering Towards Blockchain

BUY

Share Price MYR 1.04
 12m Price Target MYR 1.34 (+29%)
 Previous Price Target MYR 1.15

Maintain BUY, revise TP to MYR 1.34

Following a meeting with the management, we have gained some insights on MYEG's existing business and its expansion strategy, especially with regards to the blockchain space. On the back of its expeditious development of an innovative product line-up and a +2% earnings adjustment, we maintain our BUY call and revise TP to MYR1.34 (from MYR1.15 previously, adjusted for a 1-for-1 bonus issue), based on 28x FY22E P/E target, which is +0.5x standard deviations above its 5Y mean (24x or mean previously).

DeFi, a crypto asset exchange platform

MYEG has ventured into DeFi, with the service enabling holders of cryptocurrencies to enter into smart contracts for the purpose of borrowing or lending. With digital assets in Malaysia gaining traction, DeFi services will enable MYEG to benefit from this burgeoning space.

China Blockchain partnership, a growth wildcard

MYEG has signed an MoU with CAICT, aiming to establish Xinghuo BIF's international extension platform Zetrix. The Xinghuo-Zetrix gateway connectivity will provide competitive advantage to Malaysia local businesses by enabling product authenticity and processes efficiency for Malaysian exporters whose trade and payment flows are within the RCEP. By collaborating with the China blockchain network, we believe it will not only accelerate local businesses' opportunity to directly engage with the Xinghuo BIF, but also help them to leverage on the tremendous cross-border commerce with China. The first launch of the prototype is expected within 1H22, while the monetization phase could begin as early as 2H21 onwards, in our view, depending on the take-up rate.

Partnership with Bubi; modest earnings revision

MYEG has partnered China's Bubi Technologies (Bubi) to build supernodes based on a blockchain platform. Leveraging on the high performance and highly compatible blockchain system that is developed by Bubi and recently used by China when it launched its nationwide blockchain infrastructure, the supernodes will be setting up outside of China, including in Malaysia, Indonesia and the Philippines. We opine that MYEG is moving in the right direction by actively positioning itself for secular technology trends, especially in the blockchain space. While the near-term impact to earnings are negligible, we have imputed a modest contribution to FY22/23E revenue of MYR10m/MYR20m (<5% of total revenue) from the overall blockchain segment i.e. when user acquisition is sufficiently advanced to start driving revenue. As a result, our core net profit for FY22/23E are adjusted up by 2%/2% respectively. MYEG completed a 1-for-1 bonus issue on Sep 13, 2021 increasing its share base to 7.2b.

FYE Dec (MYR m)	FY19A	FY20A	FY21E	FY22E	FY23E
Revenue	594	530	678	804	896
EBITDA	346	302	372	480	544
Core net profit	293	256	284	347	394
Core EPS (sen)	4.1	3.6	3.9	4.8	5.5
Core EPS growth (%)	0.4	(12.6)	11.1	22.1	13.7
Net DPS (sen)	1.3	0.3	0.8	1.0	1.1
Core P/E (x)	13.9	27.0	26.4	21.6	19.0
P/BV (x)	5.7	6.0	5.4	4.5	3.8
Net dividend yield (%)	2.2	0.3	0.8	0.9	1.1
ROAE (%)	45.6	27.5	22.5	22.9	21.8
ROAA (%)	30.6	20.9	18.5	19.3	18.8
EV/EBITDA (x)	12.1	22.7	19.8	15.0	12.8
Net gearing (%) (incl perps)	17.2	net cash	net cash	net cash	net cash
Consensus net profit	-	-	327	348	376
MKE vs. Consensus (%)	-	-	(13.3)	(0.2)	4.8

Fahmi Farid

fahmi.farid@maybank-ib.com

(603) 2297 8676

Company Description

MYEG is a concessionary technology solutions provider for government departments, with commercial diversification into fintech and healthcare

Statistics

52w high/low (MYR)	1.12/0.49
3m avg turnover (USDm)	6.3
Free float (%)	57.2
Issued shares (m)	7,200
Market capitalisation	MYR7.5B USD1.8B

Major shareholders:

Asia Internet Holdings Sdn. Bhd.	20.6%
WONG THEAN SOON	10.5%
Employees Provident Fund	7.5%

Price Performance



	-1M	-3M	-12M
Absolute (%)	8	21	42
Relative to index (%)	4	16	34

Source: FactSet

Abbreviations:

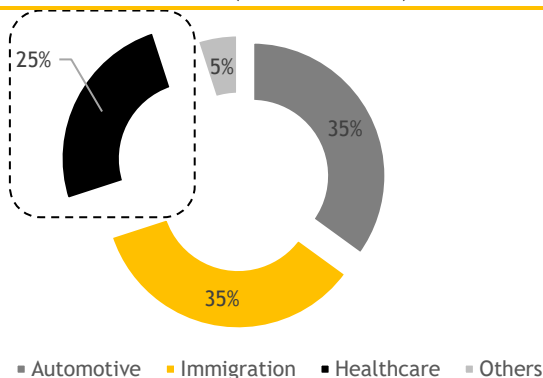
CAICT=Institute of Industrial Internet and Internet of Things of the China Academy of Information and Communications Technology
 BIF=Blockchain Integration Framework
 DeFi= Decentralised Finance
 RCEP= Regional Comprehensive Economic Partnership

ESG@MKE
 Tear Sheet Insert

Value Proposition

- Largest e-government services provider in Malaysia, building, operating and owning the electronic channels to deliver services from various government agencies (JPJ, Police, Immigration, Health Ministry) to individuals and businesses.
- Leveraging its extensive market expertise and technology infrastructure, it offers multiple commercial and fintech services that complement its existing technologies that range from insurance, payments, to healthcare.
- Regional presence in Philippines, Bangladesh and Indonesia through JVs and Associates.
- Strong market positioning with several potential wildcards including Digital Banking, Vaccine Passport, Blockchain and fully-digital driving licence test.

MYEG: Revenue Breakdown (FY21 estimate)

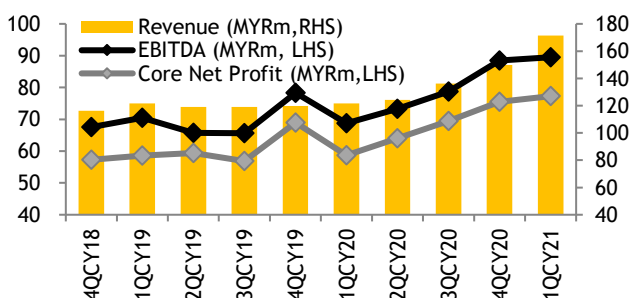


Source: Company, Maybank KE

Financial Metrics

- Despite the pandemic, MYEG was able to grow its total revenue and core earnings by 12% YoY and 9% YoY, respectively in CY20 (vs CY19).
- Revenue and EBITDA resilience indicate defensive margins.
- Stellar balance sheet health with three consecutive years of net cash position (1Q21: MYR195m).
- Consistent dividend payout policy at c.30% of core net profits.
- We expect core earnings to grow at 17% CAGR in FY21-23E to MYR405m, driven by a plethora of newly-launched innovative services, while capex is to be maintained at MYR100-150m annually during the same period.

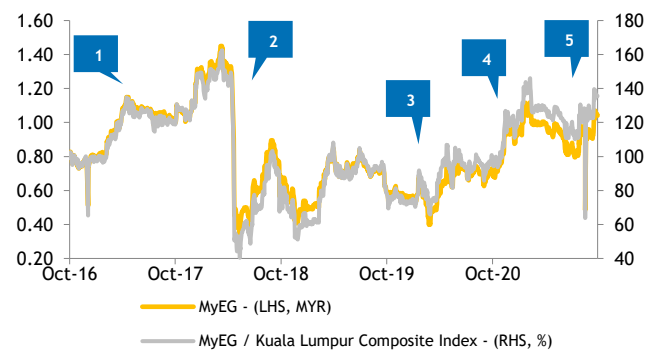
MYEG: Revenue, EBITDA and Core Net Profit



Source: Company, Maybank KE

Price Drivers

Historical share price trend



Source: Company, Maybank Kim Eng

1. Rally of technology stocks on digitalization growth prospects
2. Political risk towards concessionaire continuation upon government change post- 2018 General Election
3. Covid-19 initial pandemic breakout
4. Successful concession renewal for MYEG, alongside introduction of new commercial products & services
5. Partnership with Bubi as well as CAICT on Blockchain-related developments

Swing Factors

Upside

- Successful growth of the digital banking segment
- Strong execution of the digital vaccination travel certificate (MyTravel Portal)
- Extension of the pioneer tax status
- Favourable outcomes relating to Zhifei Covid-19 vaccine
- Stronger-than-expected earnings delivery / scale-up
- Revival of Goods & Services Tax (GST), whereby MYEG's GST monitoring business stands to gain
- Approval by regulators on Digital Banking licence application to MYEG's consortium
- Effective execution of decentralised finance (DeFi) products in Malaysia

Downside

- Weaker-than-expected earnings and margin delivery
- Stiffer competition in the e-government services space
- Weaker domestic economy
- Prolonged closure of borders that would be a drag on the immigration business.
- Potential regulatory hurdles in relation to new product initiatives

ESG@MKE

Fahmi.farid@maybank-ib.com

Risk Rating & Score ¹	NA
Score Momentum ²	-0.0/+0.0
Last Updated	3 Aug 2021
Controversy Score ³	NA

Business Model & Industry Issues

- MYEG is a digital services-centric business, centred around government concessions of portals (primarily IMI, RTD, MOH) and commercial services which complement its existing digital infrastructure with these government departments.
- Management has been proactive in diversifying MYEG's business segments, beyond renewal-based government concessions. Its good working relationship with government divisions and established strong digital infrastructure not only underpin expectations of continued concession renewals but also create a strong barrier to entry for potential new entrants to this sector.
- Relative to its peers in software & technology services, we opine that MYEG has a better level of sustainability disclosures.
- It has been a member of the Bursa FTSE4Good Index since 2017 and Tier one in Bursa's ESG Ranking.
- In FY20, it adopted United Nations Sustainable Development Goals (UNSDG) in 5 areas (Good Health & Well Being, Quality Education, Gender Equality, Decent Work & Economic Growth, Reduced Inequalities).

Material E issues

- MYEG's G2C and B2C electronic services encourage the public to utilize e-services rather than counter service, providing convenience and reducing related carbon footprint through reduced travel distances to physical offices in the context of fuel consumption and paper usage.
- As of FY20, its electricity consumption amounted to MYR182k and primarily relates to its ICT-related equipment such as data centres, office tower and computers.
- It is looking to manage the consumption level better and considering renewable energy options. No specific target has been introduced as of FY20.
- From a paper wastage standpoint, digitalization of operations has minimised the need for paper. It has policies in place to reduce the paper consumption for office administrative matters and print only if necessary.
- It is a member of Bursa FTSE4Good and adopts 5 out of 17 policies of UNSDG.

Material S issues

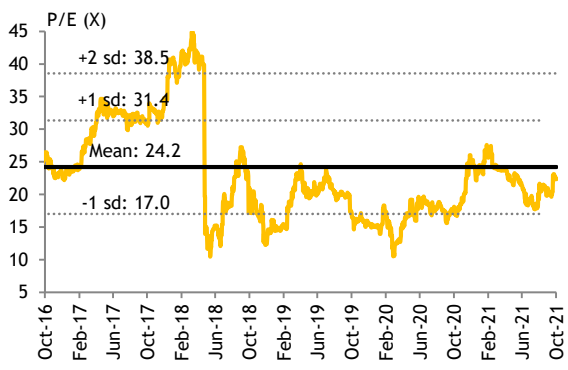
- Adopts these core policies: (i) equal treatment & non-discrimination/ harassment; (ii) anti-bribery & corruption; and (iii) whistle blowing, among others.
- Has a diversified workforce of 2482 staff (+11% YoY), with a turnover rate of 14% for FY20.
- 53%/38%/7%/2% of its workforce are of <30 / 30-40/ 40-50/ >50 years old brackets respectively.
- Females make up 60% of the workforce. Female representation in the management level is at 67% (Assistant Manager and above).
- 9,065 hours of training in FY20. Employees received 7.5 hours (per staff) of training time.
- It has spent MYR97k on training and development of employees in FY20.
- MYEG has donated c.MYR2.5m in FY20, helping more than 50 charity groups and organized 8 community investment activities. Its CSR initiatives include Blood Donation, Kita Makan, Disposable Gloves, Back-to-School.
- A total of 23 interns were mentored in FY20 (FY19:29).

Key G metrics and issues

- The board has 6 Directors - 4 of which are Independent Non-Executive Directors (INEDs) or 66% of the board.
- The board has 1 female Director (out of 6), representing 11% of the board's composition (lower than the minimum of 30%). The board is assessing potential female candidates to be appointed to fulfil the minimum target of 30%.
- Audit committee comprise of 3 members, all of which are INEDs and at least one is a member of Malaysia Institute of Accountants.
- The risk management committee is made up of 2 INEDs.
- Wong Thean Soon, the Founder and Managing Director of MYEG, holds 20.6% effective stake, both direct as well as through his holding company, Asia Interest Holdings.
- Among the 6 board members, 4 of them have been serving for >10 years.
- Compensation of the Board Members (Both IED and INED) sums up to 2.4% of FY20 Core Net Profits.
- The Board comprises of two (2) Executive Directors and four (4) Independent Non-Executive Directors, wherein majority of the Board comprises Independent Directors. The Company complies with the Main Market Listing Requirements which require at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be Independent Directors.
- In FY20, MYEG introduced the enhanced Anti-Bribery and Anti-Corruption (ABAC) policy in-line with Malaysia Anti-Corruption Commission Act 2018 (MACCA).
- The company has strengthened its cyber security policy and procedures in compliance with the ISO/IEC 27001 Information Security Management System and NIST Cybersecurity Framework, ensuring IT infrastructure is safeguarded from cyber threats.
- MYEG is also in compliance with Personal Data Protection Act (PDPA), and no data breaches occurred in the past.
- In Dec 2017, MYEG has been imposed a fine of MYR9.6m for violating competition law and having a dominant position in relation to the sale of mandatory insurance for online applications of temporary employment permits for foreign workers. The amount has been fully paid by FY19.
- Crowe Malaysia PLT has been the auditor for MYEG for more than 10 years (since public listing in 2007)

¹**Risk Rating & Score** - derived by Sustainalytics and assesses the company's exposure to unmanaged ESG risks. Scores range between 0 - 50 in order of increasing severity with low/high scores & ratings representing negligible/significant risk to the company's enterprise value, respectively, from ESG-driven financial impacts. ²**Score Momentum** - indicates changes to the company's score since the last update - a **negative** integer indicates a company's improving risk score; a **positive** integer indicates a deterioration. ³**Controversy Score** - reported periodically by Sustainalytics in the event of material ESG-related incident(s), with the impact severity scores of these events ranging from Category 0-5 (0 - no reports; 1 - negligible risks; ...; 5 - poses serious risks & indicative of potential structural deficiencies at the company).

Fig1: MYEG: Rolling Forward PER Chart



Source: Bloomberg, Maybank KE

FYE 30 Dec	FY19A	FY20A	FY21E	FY22E	FY23E
Key Metrics					
P/E (reported) (x)	16.0	19.0	26.4	21.6	19.0
Core P/E (x)	13.9	27.0	26.4	21.6	19.0
P/BV (x)	5.7	6.0	5.4	4.5	3.8
P/NTA (x)	5.7	6.0	5.4	4.5	3.8
Net dividend yield (%)	2.2	0.3	0.8	0.9	1.1
FCF yield (%)	2.7	1.7	1.9	3.2	4.3
EV/EBITDA (x)	12.1	22.7	19.8	15.0	12.8
EV/EBIT (x)	13.7	25.7	21.7	16.5	14.1
INCOME STATEMENT (MYR m)					
Revenue	593.6	530.5	678.2	803.9	896.3
EBITDA	345.7	302.4	371.7	480.4	544.3
Depreciation	(37.4)	(30.3)	(33.1)	(44.8)	(52.8)
Amortisation	(2.1)	(5.1)	0.0	0.0	0.0
EBIT	306.2	267.0	338.6	435.6	491.5
Net interest income / (exp)	(7.6)	(7.6)	(3.3)	(1.3)	2.7
Associates & JV	(1.4)	(0.7)	1.0	2.0	2.0
Exceptionals	0.6	0.1	0.0	0.0	0.0
Other pretax income	0.0	0.0	0.0	0.0	0.0
Pretax profit	297.8	258.9	336.4	436.3	496.2
Income tax	(4.8)	(1.8)	(50.5)	(87.3)	(99.2)
Minorities	(0.9)	(1.5)	(1.9)	(2.3)	(2.7)
Discontinued operations	0.0	0.0	0.0	0.0	0.0
Reported net profit	292.1	255.6	284.0	346.7	394.3
Core net profit	292.6	255.8	284.0	346.7	394.3
BALANCE SHEET (MYR m)					
Cash & Short Term Investments	63.8	221.8	297.0	461.5	702.7
Accounts receivable	213.0	276.7	324.9	365.8	395.9
Inventory	3.2	3.4	4.2	4.6	4.8
Reinsurance assets	0.0	0.0	0.0	0.0	0.0
Property, Plant & Equip (net)	302.9	330.8	447.7	527.9	575.1
Intangible assets	19.3	145.2	145.2	145.2	145.2
Investment in Associates & JVs	2.0	18.5	18.9	17.9	15.9
Other assets	425.8	420.3	418.8	417.8	417.8
Total assets	1,030.0	1,416.7	1,656.7	1,940.8	2,257.4
ST interest bearing debt	49.2	48.2	48.2	48.2	48.2
Accounts payable	132.8	99.3	115.3	124.7	128.1
Insurance contract liabilities	0.0	0.0	0.0	0.0	0.0
LT interest bearing debt	136.5	122.8	117.8	112.8	107.8
Other liabilities	4.0	4.0	4.0	4.0	4.0
Total Liabilities	322.0	273.9	284.8	289.2	287.7
Shareholders Equity	712.9	1,149.2	1,376.4	1,653.8	1,969.3
Minority Interest	(4.9)	(6.4)	(4.5)	(2.2)	0.5
Total shareholder equity	708.0	1,142.8	1,371.9	1,651.6	1,969.7
Total liabilities and equity	1,030.0	1,416.7	1,656.7	1,940.8	2,257.4
CASH FLOW (MYR m)					
Pretax profit	297.8	258.9	336.4	436.3	496.2
Depreciation & amortisation	39.5	35.4	33.1	44.8	52.8
Adj net interest (income)/exp	7.6	7.6	3.3	1.3	(2.7)
Change in working capital	(187.0)	(9.0)	(32.9)	(32.0)	(26.8)
Cash taxes paid	(4.8)	(1.8)	(50.5)	(87.3)	(99.2)
Other operating cash flow	10.7	12.4	1.0	2.0	2.0
Cash flow from operations	161.7	302.4	290.4	365.2	422.3
Capex	(53.1)	(182.4)	(150.0)	(125.0)	(100.0)
Free cash flow	108.7	120.0	140.4	240.2	322.3
Dividends paid	(66.2)	(86.3)	(56.8)	(69.3)	(78.9)
Equity raised / (purchased)	(91.9)	254.0	0.0	0.0	0.0
Change in Debt	44.9	(16.2)	(5.0)	(5.0)	(5.0)
Other invest/financing cash flow	(31.9)	(113.5)	(3.3)	(1.3)	2.7
Effect of exch rate changes	0.0	0.0	0.0	0.0	0.0
Net cash flow	(36.4)	158.0	75.3	164.5	241.1

FYE 30 Dec	FY19A	FY20A	FY21E	FY22E	FY23E
Key Ratios					
Growth ratios (%)					
Revenue growth	5.6	(10.6)	27.9	18.5	11.5
EBITDA growth	3.6	(12.5)	22.9	29.2	13.3
EBIT growth	1.5	(12.8)	26.8	28.6	12.8
Pretax growth	1.4	(13.1)	29.9	29.7	13.7
Reported net profit growth	0.3	(12.5)	11.1	22.1	13.7
Core net profit growth	0.4	(12.6)	11.1	22.1	13.7
Profitability ratios (%)					
EBITDA margin	58.2	57.0	54.8	59.8	60.7
EBIT margin	51.6	50.3	49.9	54.2	54.8
Pretax profit margin	50.2	48.8	49.6	54.3	55.4
Payout ratio	30.8	7.0	20.0	20.0	20.0
DuPont analysis					
Net profit margin (%)	49.2	48.2	41.9	43.1	44.0
Revenue/Assets (x)	0.6	0.4	0.4	0.4	0.4
Assets/Equity (x)	1.4	1.2	1.2	1.2	1.1
ROAE (%)	45.6	27.5	22.5	22.9	21.8
ROAA (%)	30.6	20.9	18.5	19.3	18.8
Liquidity & Efficiency					
Cash conversion cycle	(216.8)	(77.2)	(23.5)	(30.2)	(35.0)
Days receivable outstanding	134.3	166.2	159.7	154.6	153.0
Days inventory outstanding	7.4	7.2	6.7	7.0	7.3
Days payables outstanding	358.5	250.6	189.9	191.9	195.3
Dividend cover (x)	3.2	14.2	5.0	5.0	5.0
Current ratio (x)	1.8	3.7	4.1	5.1	6.5
Leverage & Expense Analysis					
Asset/Liability (x)	3.2	5.2	5.8	6.7	7.8
Net gearing (%) (incl perps)	17.2	net cash	net cash	net cash	net cash
Net gearing (%) (excl. perps)	17.2	net cash	net cash	net cash	net cash
Net interest cover (x)	40.2	35.3	103.8	nm	na
Debt/EBITDA (x)	0.5	0.6	0.4	0.3	0.3
Capex/revenue (%)	8.9	34.4	22.1	15.5	11.2
Net debt/ (net cash)	121.9	(50.8)	(131.1)	(300.6)	(546.7)

Source: Company; Maybank

Research Offices

ECONOMICS

Suhaimi ILIAS
Chief Economist
Malaysia | Philippines | Global
(603) 2297 8682
suhaimi_ilias@maybank-ib.com

CHUA Hak Bin
Regional Thematic Macroeconomist
(65) 6231 5830
chuahb@maybank.com

LEE Ju Ye
Singapore | Thailand | Indonesia
(65) 6231 5844
leejuye@maybank.com

Linda LIU
Singapore | Vietnam |
Cambodia | Myanmar | Laos
(65) 6231 5847
lindaliu@maybank.com

Dr Zamros DZULKAFI
(603) 2082 6818
zamros.d@maybank-ib.com

FX

Saktiandi SUPAAT
Head of FX Research
(65) 6320 1379
saktiandi@maybank.com.sg

Christopher WONG
(65) 6320 1347
wongk@maybank.com.sg

TAN Yanxi
(65) 6320 1378
tanyx@maybank.com.sg

Fiona LIM
(65) 6320 1374
fionalim@maybank.com.sg

STRATEGY

Anand PATHMAKANTHAN
ASEAN
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com

FIXED INCOME

Winson PHOON, ACA
(65) 6340 1079
winsonphoon@maybank.com

SE THO Mun Yi
(603) 2074 7606
munyi.st@maybank-ib.com

REGIONAL EQUITIES

Anand PATHMAKANTHAN
Head of Regional Equity Research
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com

WONG Chew Hann, CA
Head of ASEAN Equity Research
(603) 2297 8686
wchewh@maybank-ib.com

ONG Seng Yeow
Research, Technology & Innovation
(65) 6231 5839
ongsengyeow@maybank.com

MALAYSIA

Anand PATHMAKANTHAN *Head of Research*
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com
• Strategy

WONG Chew Hann, CA
(603) 2297 8686
wchewh@maybank-ib.com
• Non-Bank Financials (stock exchange)
• Construction & Infrastructure

Desmond CH'NG, BFP, FCA
(603) 2297 8680
desmond.chng@maybank-ib.com
• Banking & Finance

LIAW Thong Jung
(603) 2297 8688 tjliaw@maybank-ib.com
• Oil & Gas Services- Regional
• Automotive

ONG Chee Ting, CA
(603) 2297 8678 ct.ong@maybank-ib.com
• Plantations - Regional

YIN Shao Yang, CPA
(603) 2297 8916 samuel.y@maybank-ib.com
• Gaming - Regional
• Media • Aviation • Non-Bank Financials

TAN Chi Wei, CFA
(603) 2297 8690 chiwei.t@maybank-ib.com
• Power • Telcos

WONG Wei Sum, CFA
(603) 2297 8679 weisum@maybank-ib.com
• Property • Glove

Jade TAM
(603) 2297 8687 jade.tam@maybank-ib.com
• Consumer Staples & Discretionary

Fahmi FARID
(603) 2297 8676 fahmi.farid@maybank-ib.com
• Software

Syifaa' Nur FARAH
(603) 2297 8675
nurfarahsyifaa.mohamadfuad@maybank-ib.com
• Construction • Renewable Energy • REITs

Arvind JAYARATNAM
(603) 2297 8692
arvind.jayaratnam@maybank.com
• Ports • Shipping
• Petrochemicals • Technology

TEE Sze Chiah *Head of Retail Research*
(603) 2082 6858 szechiah.t@maybank-ib.com

Nik Ihsan RAJA ABDULLAH, MSTA, CFTE
(603) 2297 8694
nikmohdihsan.ra@maybank-ib.com
• Chartist

Amirah AZMI
(603) 2082 8769 amirah.azmi@maybank-ib.com
• Retail Research

SINGAPORE

Thilan WICKRAMASINGHE *Head of Research*
(65) 6231 5840 thilanw@maybank.com
• Banking & Finance - Regional
• Consumer

CHUA Su Tye
(65) 6231 5842 chuasutye@maybank.com
• REITs - Regional

LAI Gene Lih, CFA
(65) 6231 5832 laigenelih@maybank.com
• Technology • Healthcare

Kareen CHAN
(65) 6231 5926 kareench@maybank.com
• Transport • Telcos • Consumer

Eric ONG
(65) 6231 5924 ericong@maybank.com
• SMIDs

Matthew SHIM
(65) 6231 5929
matthewshim@maybank.com
• REITs

PHILIPPINES

Jacqui de JESUS *Head of Research*
(63) 2 8849 8840
jacqui.dejesus@maybank.com
• Strategy • Conglomerates

Rachelleen RODRIGUEZ, CFA
(63) 2 8849 8843
rachelleen.rodriguez@maybank.com
• Banking & Finance • Transport • Telcos

Daphne SZE
(63) 2 8849 8847
daphne.sze@maybank.com
• Consumer

Miguel SEVIDAL
(63) 2 8849 8844
miguel.sevidal@maybank.com
• REITs

VIETNAM

Quan Trong Thanh *Head of Research*
(84 28) 44 555 888 ext 8184
thanh.quan@maybank-kimeng.com.vn
• Banks

Hoang Huy, CFA
(84 28) 44 555 888 ext 8181
hoanghuy@maybank-kimeng.com.vn
• Strategy • Technology • Industrials

Le Nguyen Nhat Chuyen
(84 28) 44 555 888 ext 8082
chuyen.le@maybank-kimeng.com.vn
• Oil & Gas • Logistics

Nguyen Thi Sony Tra Mi
(84 28) 44 555 888 ext 8084
mi.nguyen@maybank-kimeng.com.vn
• Consumer

Tyler Manh Dung Nguyen
(84 28) 44 555 888 ext 8085
dung.nguyen@maybank-kimeng.com.vn
• Utilities • Property

Nguyen Thi Ngan Tuyen
Head of Retail Research
(84 28) 44 555 888 ext 8081
tuyen.nguyen@maybank-kimeng.com.vn
• Retail Research

Nguyen Thanh Lam
(84 28) 44 555 888 ext 8086
thanhlam.nguyen@maybank-kimeng.com.vn
• Technical Analysis

INDIA

Jigar SHAH *Head of Research*
(91) 22 4223 2632 jigarsh@maybank.com
• Strategy • Oil & Gas • Automobile • Cement

Neerav DALAL
(91) 22 4223 2606 neerav@maybank.com
• Software Technology • Telcos

Vikram RAMALINGAM
(91) 22 4223 2607
vikram@maybank.com
• Automobile • Media

INDONESIA

Rahmi MARINA
(62) 21 8066 8689
rahmi.marina@maybank-ke.co.id
• Banking & Finance

Willy GOUTAMA
(62) 21 8066 8500
willy.goutama@maybank-ke.co.id
• Consumer

Farah OKTAVIANI
(62) 21 8066 8691
farah.oktaviani@maybank-ke.co.id
• Construction

THAILAND

Maria LAPIZ *Head of Institutional Research*
Dir (66) 2257 0250 | (66) 2658 6300 ext 1399
Maria.L@maybank-ke.co.th
• Strategy • Consumer • Materials • Services

Jesada TECHAHUSDIN, CFA
(66) 2658 6300 ext 1395
jesada.t@maybank-ke.co.th
• Banking & Finance

Kaushal LADHA, CFA, CESGA
(66) 2658 6300 ext 1392
Kaushal.L@maybank-ke.co.th
• Oil & Gas - Regional
• Petrochemicals - Regional
• Utilities

Vanida GEISLER, CPA
(66) 2658 6300 ext 1394
Vanida.G@maybank-ke.co.th
• Property • REITs

Yuwanee PROMMAPORN
(66) 2658 6300 ext 1393
Yuwanee.P@maybank-ke.co.th
• Services • Healthcare

Ekachai TARAPORNITP *Head of Retail Research*
(66) 2658 5000 ext 1530
Ekachai.t@maybank-ke.co.th

Surachai PRAMUALCHAROENKIT
(66) 2658 5000 ext 1470
Surachai.p@maybank-ke.co.th
• Auto • Conmat • Contractor • Steel

Suttatip PEERASUB
(66) 2658 5000 ext 1430
suttatip.p@maybank-ke.co.th
• Food & Beverage • Commerce

Jaroontan WATTANAWONG
(66) 2658 5000 ext 1404
jaroontan.w@maybank-ke.co.th
• Transportation • Small cap

Thanaphat SUKSRICHAVALIT
(66) 2658 5000 ext 1401
thanaphat.s@maybank-ke.co.th
• Media • Electronics

Wijit ARAYAPISIT
(66) 2658 5000 ext 1450
wijit.a@maybank-ke.co.th
• Strategist

Theerasate PROMPONG
(66) 2658 5000 ext 1400
theerasate.p@maybank-ke.co.th
• Equity Portfolio Strategist

Apiwat TAVESIRIVATE
(66) 2658 5000 ext 1310
apiwat.t@maybank-ke.co.th
• Chartist and TFX

APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLAIMERS AND DISCLOSURES

DISCLAIMERS

This research report is prepared for general circulation and for information purposes only and under no circumstances should it be considered or intended as an offer to sell or a solicitation of an offer to buy the securities referred to herein. Investors should note that values of such securities, if any, may fluctuate and that each security's price or value may rise or fall. Opinions or recommendations contained herein are in form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from the relevant jurisdiction's stock exchange in the equity analysis. Accordingly, investors' returns may be less than the original sum invested. Past performance is not necessarily a guide to future performance. This report is not intended to provide personal investment advice and does not take into account the specific investment objectives, the financial situation and the particular needs of persons who may receive or read this report. Investors should therefore seek financial, legal and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

The information contained herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Maybank Investment Bank Berhad, its subsidiary and affiliates (collectively, "MKE") and consequently no representation is made as to the accuracy or completeness of this report by MKE and it should not be relied upon as such. Accordingly, MKE and its officers, directors, associates, connected parties and/or employees (collectively, "Representatives") shall not be liable for any direct, indirect or consequential losses or damages that may arise from the use or reliance of this report. Any information, opinions or recommendations contained herein are subject to change at any time, without prior notice.

This report may contain forward looking statements which are often but not always identified by the use of words such as "anticipate", "believe", "estimate", "intend", "plan", "expect", "forecast", "predict" and "project" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made and information currently available to us and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Readers are cautioned not to place undue relevance on these forward-looking statements. MKE expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

MKE and its officers, directors and employees, including persons involved in the preparation or issuance of this report, may, to the extent permitted by law, from time to time participate or invest in financing transactions with the issuer(s) of the securities mentioned in this report, perform services for or solicit business from such issuers, and/or have a position or holding, or other material interest, or effect transactions, in such securities or options thereon, or other investments related thereto. In addition, it may make markets in the securities mentioned in the material presented in this report. One or more directors, officers and/or employees of MKE may be a director of the issuers of the securities mentioned in this report to the extent permitted by law.

This report is prepared for the use of MKE's clients and may not be reproduced, altered in any way, transmitted to, copied or distributed to any other party in whole or in part in any form or manner without the prior express written consent of MKE and MKE and its Representatives accepts no liability whatsoever for the actions of third parties in this respect.

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 law or regulation. This report is for distribution only under such circumstances as may be permitted by applicable law. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

Malaysia

Opinions or recommendations contained herein are in the form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from Bursa Malaysia Securities Berhad in the equity analysis.

Singapore

This report has been produced as of the date hereof and the information herein may be subject to change. Maybank Kim Eng Research Pte. Ltd. ("Maybank KERPL") in Singapore has no obligation to update such information for any recipient. For distribution in Singapore, recipients of this report are to contact Maybank KERPL in Singapore in respect of any matters arising from, or in connection with, this report. If the recipient of this report is not an accredited investor, expert investor or institutional investor (as defined under Section 4A of the Singapore Securities and Futures Act), Maybank KERPL shall be legally liable for the contents of this report, with such liability being limited to the extent (if any) as permitted by law.

Thailand

Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of Maybank Kim Eng Securities (Thailand) Public Company Limited. Maybank Kim Eng Securities (Thailand) Public Company Limited ("MBKET") accepts no liability whatsoever for the actions of third parties in this respect.

Due to different characteristics, objectives and strategies of institutional and retail investors, the research products of MBKET Institutional and Retail Research departments may differ in either recommendation or target price, or both. MBKET reserves the rights to disseminate MBKET Retail Research reports to institutional investors who have requested to receive it. If you are an authorised recipient, you hereby tacitly acknowledge that the research reports from MBKET Retail Research are first produced in Thai and there is a time lag in the release of the translated English version.

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey may be changed after that date. MBKET does not confirm nor certify the accuracy of such survey result.

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, MBKET does not confirm, verify, or certify the accuracy and completeness of the assessment result.

US

This third-party research report is distributed in the United States ("US") to Major US Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended) only by Maybank Kim Eng Securities USA Inc ("Maybank KESUSA"), a broker-dealer registered in the US (registered under Section 15 of the Securities Exchange Act of 1934, as amended). All responsibility for the distribution of this report by Maybank KESUSA in the US shall be borne by Maybank KESUSA. This report is not directed at you if MKE is prohibited or restricted by any legislation or regulation in any jurisdiction from making it available to you. You should satisfy yourself before reading it that Maybank KESUSA is permitted to provide research material concerning investments to you under relevant legislation and regulations. All U.S. persons receiving and/or accessing this report and wishing to effect transactions in any security mentioned within must do so with: Maybank Kim Eng Securities USA Inc. 400 Park Avenue, 11th Floor, New York, New York 10022, 1-(212) 688-8886 and not with, the issuer of this report.

UK

This document is being distributed by Maybank Kim Eng Securities (London) Ltd (“Maybank KESL”) which is authorized and regulated, by the Financial Conduct Authority and is for Informational Purposes only. This document is not intended for distribution to anyone defined as a Retail Client under the Financial Services and Markets Act 2000 within the UK. Any inclusion of a third party link is for the recipients convenience only, and that the firm does not take any responsibility for its comments or accuracy, and that access to such links is at the individuals own risk. Nothing in this report should be considered as constituting legal, accounting or tax advice, and that for accurate guidance recipients should consult with their own independent tax advisers.

DISCLOSURES

Legal Entities Disclosures

Malaysia: This report is issued and distributed in Malaysia by Maybank Investment Bank Berhad (15938- H) which is a Participating Organization of Bursa Malaysia Berhad and a holder of Capital Markets and Services License issued by the Securities Commission in Malaysia. **Singapore:** This report is distributed in Singapore by Maybank KERPL (Co. Reg No 198700034E) which is regulated by the Monetary Authority of Singapore. **Indonesia:** PT Maybank Kim Eng Securities (“PTMKES”) (Reg. No. KEP-251/PM/1992) is a member of the Indonesia Stock Exchange and is regulated by the Financial Services Authority (Indonesia). **Thailand:** MBKET (Reg. No.0107545000314) is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. **Philippines:** Maybank ATRKES (Reg. No.01-2004-00019) is a member of the Philippines Stock Exchange and is regulated by the Securities and Exchange Commission. **Vietnam:** Maybank Kim Eng Securities Limited (License Number: 117/GP-UBCK) is licensed under the State Securities Commission of Vietnam. **Hong Kong:** KESHK (Central Entity No AAD284) is regulated by the Securities and Futures Commission. **India:** Kim Eng Securities India Private Limited (“KESI”) is a participant of the National Stock Exchange of India Limited and the Bombay Stock Exchange and is regulated by Securities and Exchange Board of India (“SEBI”) (Reg. No. INZ000010538). KESI is also registered with SEBI as Category 1 Merchant Banker (Reg. No. INM 000011708) and as Research Analyst (Reg No: INH000000057) **US:** Maybank KESUSA is a member of / and is authorized and regulated by the FINRA - Broker ID 27861. **UK:** Maybank KESL (Reg No 2377538) is authorized and regulated by the Financial Conduct Authority.

Disclosure of Interest

Malaysia: MKE and its Representatives may from time to time have positions or be materially interested in the securities referred to herein and may further act as market maker or may have assumed an underwriting commitment or deal with such securities and may also perform or seek to perform investment banking services, advisory and other services for or relating to those companies.

Singapore: As of 25 October 2021, Maybank KERPL and the covering analyst do not have any interest in any companies recommended in this research report.

Thailand: MBKET may have a business relationship with or may possibly be an issuer of derivative warrants on the securities / companies mentioned in the research report. Therefore, Investors should exercise their own judgment before making any investment decisions. MBKET, its associates, directors, connected parties and/or employees may from time to time have interests and/or underwriting commitments in the securities mentioned in this report.

Hong Kong: As of 25 October 2021, KESHK and the authoring analyst do not have any interest in any companies recommended in this research report.

India: As of 25 October 2021, and at the end of the month immediately preceding the date of publication of the research report, KESI, authoring analyst or their associate / relative does not hold any financial interest or any actual or beneficial ownership in any shares or having any conflict of interest in the subject companies except as otherwise disclosed in the research report.

In the past twelve months KESI and authoring analyst or their associate did not receive any compensation or other benefits from the subject companies or third party in connection with the research report on any account what so ever except as otherwise disclosed in the research report.

MKE may have, within the last three years, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all of the entities mentioned in this report or may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investment concerned or a related investment and may receive compensation for the services provided from the companies covered in this report.

OTHERS

Analyst Certification of Independence

The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation recommendations or views expressed in the report.

Reminder

Structured securities are complex instruments, typically involve a high degree of risk and are intended for sale only to sophisticated investors who are capable of understanding and assuming the risk affected by changes in economic, financial and political factors (including, but not limited to, spot and forward interest and exchange rates), time to maturity, market conditions and volatility. Investors interested in purchasing a structured product should conduct its own analysis of the product and consult with its own professional advisers as to the risks involved in making such a purchase.

No part of this material may be copied, photocopied or duplicated in any form by any means or redistributed without the prior consent of MKE.

Historical recommendations and target price: My EG Services (MYEG MK)



Definition of Ratings

Maybank Kim Eng Research uses the following rating system

- BUY** Return is expected to be above 10% in the next 12 months (including dividends)
- HOLD** Return is expected to be between 0% to 10% in the next 12 months (including dividends)
- SELL** Return is expected to be below 0% in the next 12 months (including dividends)

Applicability of Ratings

The respective analyst maintains a coverage universe of stocks, the list of which may be adjusted according to needs. Investment ratings are only applicable to the stocks which form part of the coverage universe. Reports on companies which are not part of the coverage do not carry investment ratings as we do not actively follow developments in these companies.

 **Malaysia**

Maybank Investment Bank Berhad
(A Participating Organisation of
Bursa Malaysia Securities Berhad)
33rd Floor, Menara Maybank,
100 Jalan Tun Perak,
50050 Kuala Lumpur
Tel: (603) 2059 1888;
Fax: (603) 2078 4194

Stockbroking Business:
Level 8, Tower C, Dataran Maybank,
No.1, Jalan Maarof
59000 Kuala Lumpur
Tel: (603) 2297 8888
Fax: (603) 2282 5136

 **Philippines**

Maybank ATR Kim Eng Securities Inc.
17/F, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines 1200

Tel: (63) 2 8849 8888
Fax: (63) 2 8848 5738

 **Sales Trading**

Kevin Foy
Regional Head Sales Trading
kevinfoy@maybank.com
Tel: (65) 6636-3620
US Toll Free: 1-866-406-7447

Indonesia

Iwan Atmadjaja
iatmadjaja2@bloomberg.net
(62) 21 8066 8555

New York

James Lynch
jlynch@maybank-keusa.com
Tel: (212) 688 8886

Philippines

Keith Roy
keith_roy@maybank-atrke.com
Tel: (63) 2 848-5288

 **Singapore**

Maybank Kim Eng Securities Pte Ltd
Maybank Kim Eng Research Pte Ltd
50 North Canal Road
Singapore 059304

Tel: (65) 6336 9090

 **Hong Kong**

Kim Eng Securities (HK) Ltd
28/F, Lee Garden Three,
1 Sunning Road, Causeway Bay,
Hong Kong

Tel: (852) 2268 0800
Fax: (852) 2877 0104

 **Thailand**

Maybank Kim Eng Securities
(Thailand) Public Company Limited
999/9 The Offices at Central World,
20th - 21st Floor,
Rama 1 Road Pathumwan,
Bangkok 10330, Thailand

Tel: (66) 2 658 6817 (sales)
Tel: (66) 2 658 6801 (research)

 **London**

Maybank Kim Eng Securities
(London) Ltd
PNB House
77 Queen Victoria Street
London EC4V 4AY, UK

Tel: (44) 20 7332 0221
Fax: (44) 20 7332 0302

 **Indonesia**

PT Maybank Kim Eng Securities
Sentral Senayan III, 22nd Floor
Jl. Asia Afrika No. 8
Gelora Bung Karno, Senayan
Jakarta 10270, Indonesia

Tel: (62) 21 2557 1188
Fax: (62) 21 2557 1189

 **Vietnam**

Maybank Kim Eng Securities Limited
4A-15+16 Floor Vincom Center Dong
Khoi, 72 Le Thanh Ton St. District 1
Ho Chi Minh City, Vietnam

Tel : (84) 844 555 888
Fax : (84) 8 38 271 030

 **New York**

Maybank Kim Eng Securities USA
Inc
400 Park Avenue, 11th Floor
New York, New York 10022,
U.S.A.

Tel: (212) 688 8886
Fax: (212) 688 3500

 **India**

Kim Eng Securities India Pvt Ltd
1101, 11th floor, A Wing, Kanakia
Wall Street, Chakala, Andheri -
Kurla Road, Andheri East,
Mumbai City - 400 093, India

Tel: (91) 22 6623 2600
Fax: (91) 22 6623 2604

 **Saudi Arabia**

In association with
Anfaal Capital
Ground Floor, KANOO Building
No.1 - Al-Faisaliyah, Madina Road,
P.O.Box 126575 Jeddah 21352
Kingdom of Saudi Arabia

Tel: (966) 920023423