

RHB Bank (RHBBANK MK)

Room for earnings to surprise positively

BUY maintained, TP raised

Our forecasts are conservative, and are about 5-10% below consensus for FY22-23E, predominantly because we have taken a much more conservative stance towards provisioning levels. Even so, we find valuations decent at this stage, such that a BUY is warranted, with potential room for earnings to surprise positively. Our forecasts are maintained, but our TP is raised to MYR6.90 from MYR6.30, on a higher CY23 PBV target of 0.93x (0.85x previously), supported by an ROE of 9.8%. There is also room for dividends to be better than expected as well.

Expecting earnings rebound in FY23

The operating outlook for RHB looks positive at this stage - loan growth looks healthy enough to sustain growth of at least 4-5%, NIM appears stable with potential upside, while loans under repayment assistance have come off to just 4.5% of total loans. Cukai Makmur is expected to be a drag this year but we do anticipate strong earnings rebound in FY23E of 24% (-12.8% in FY22E) in the absence of this.

Elevated credit cost assumptions

O&G related loans and bonds totalled MYR3.7b end-Dec 2021, making up 1.9% of total loans. However, having put through overlays over the years, the loan loss coverage on both O&G loans and bonds is currently more than 100%. RHB foresees credit cost to range around 30bps to 35bps for FY22F (MIBG: 40bps). Initial expectations are that FY23F credit cost could remain above pre-COVID levels of 20-25bps (MIBG: 40bps).

Dividends could surprise positively

CET1 of 17.2% end-Dec 2021 is the highest among domestic peers. In FY21, management proposed a final DPS of 25sen, taking FY21 DPS to 40sen. This represents a payout ratio of 62.9%. We have assumed a payout ratio of 50% moving forward and there is room for upside surprise should the bank take its payout ratio back to around the 63% level. This would then take FY22's dividend yield to more than 6%.

FYE Dec (MYR m)	FY20A	FY21A	FY22E	FY23E	FY24E
Operating income	7,186	7,789	8,152	8,546	8,972
Pre-provision profit	3,799	4,266	4,470	4,690	4,937
Core net profit	2,316	2,805	2,452	2,919	3,183
Core EPS (MYR)	0.58	0.70	0.59	0.70	0.77
Core EPS growth (%)	(8.4)	21.1	(15.4)	19.1	9.0
Net DPS (MYR)	0.18	0.40	0.30	0.35	0.38
Core P/E (x)	9.4	7.7	10.0	8.4	7.7
P/BV (x)	0.8	0.8	0.8	0.8	0.8
Net dividend yield (%)	3.2	7.4	5.0	5.9	6.5
Book value (MYR)	6.74	6.76	7.03	7.38	7.77
ROAE (%)	8.8	10.2	8.6	9.8	10.1
ROAA (%)	0.9	1.0	0.8	0.9	1.0
Consensus net profit	-	-	2,589	3,233	3,513
MKE vs. Consensus (%)	-	-	(5.3)	(9.7)	(9.4)

Desmond Ch'ng, BFP, FCA
 desmond.chng@maybank-ib.com
 (603) 2297 8680

BUY

Share Price MYR 5.93
 12m Price Target MYR 6.90 (+16%)
 Previous Price Target MYR 6.30

Company Description

RHB Capital provides integrated financial services such as commercial banking, Islamic banking, investment banking, and stock broking, among others.

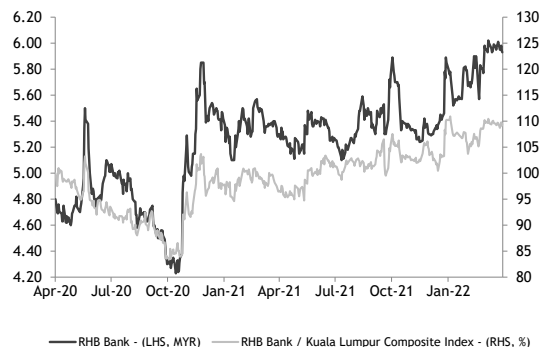
Statistics

52w high/low (MYR)	6.02/5.10
3m avg turnover (USDm)	6.2
Free float (%)	45.7
Issued shares (m)	4,143
Market capitalisation	MYR24.6B USD5.8B

Major shareholders:

Employees Provident Fund	42.1%
OSK Holdings Bhd.	10.2%
Permodalan Nasional Bhd.	6.0%

Price Performance



	-1M	-3M	-12M
Absolute (%)	3	1	12
Relative to index (%)	1	(1)	13

Source: FactSet

ESG@MAYBANK IBG

desmond.chng@maybank-ib.com

Risk Rating & Score ¹	24.3
Score Momentum ²	-3.1
Last Updated	10 July 2021
Controversy Score ³ (Updated: 09 July 2021)	1

Business Model & Industry Issues

- RHB Bank has the highest CET1 ratios among its domestic peers at 17.2% at the group level and 15.2% at the bank level as at end-Dec 2021. These ratios place the bank in a strong position to weather through the presently volatile economic environment both domestically and abroad.
- The banking sector is one of the transmission mechanisms for government stimulus programs under COVID-19 relief schemes, with an ongoing loan moratorium for the unemployed and reduced instalment payments for individuals that have suffered pay cuts.
- RHB Bank displays no exceptional risks not typical of a large bank for ESG. The group's earnings are principally driven by its domestic operations, while regional contributions are relatively insignificant at this stage (<5%). This domestic concentration reduces its overall environment and corporate governance issues, in our view.

Material E issues

- A constituent of FTSE4Good Bursa Malaysia with an MSCI ESG rating of AA. S&P Global ESG Score of 47/100 in 2021.
- MYR5b Green Financing Commitment by 2025. MYR4.32b extended as at end-2021, 20.7% of which was for renewable energy projects.
- Structured and executed Malaysia's first Green Cross Currency Interest Rate Swap transaction set against ESG-linked KPIs to hedge a USD100m 2-year sustainable loan.
- Established a Group Climate Action Programme to implement requirements under the BNM Climate Change and Principle-based Taxonomy.
- The Group recorded a 41% reduction in GHG emissions intensity per employee in 2021 compared to 2016.
- Will no longer finance any new thermal coal mine projects and coal-fired power plant projects from 2022.
- As at end-Dec 2021, the group's exposure to O&G loans and bonds accounted for 1.9% of total loans.

Material S issues

- The Board of Directors comprised 3 females (33%) and 6 males as at end-Dec 2021. Females comprised 60% of its total workforce in 2021.
- Repayment assistance to 312,992 retail customers (MYR34.5b) and 7,133 SME customers (MYR12.9b) in 2021.
- Digital transactions accounted for 93% of total customer transactions in 2021, up from 86% in 2020.
- As at Dec 2021, it had upskilled over 600 employees in Digital, IT and Analytics to build proficiency in high-demand and future-looking skills.
- Benefited 4,000 underprivileged students from the B40 segment and 40 schools since the launch of RHB X-Cel Academic Excellence in 2018.
- Increased financial literacy for more than 25k secondary students since launch of Money Ma\$ter Programme in 2018.

Key G metrics and issues

- RHB Bank has not had any material accounting & tax, lobbying & public policy, sanctions related, data privacy or security controversies in the past 5 years.
- RHB's BOD comprised 1 executive director/Managing Director, 1 non-independent non-executive Chairman, 6 independent non-executive directors and 1 non-independent non-executive director as at end-2021.
- The Managing Director's remuneration was MYR4.9m in FY21, representing 1.4% of the group's pretax profit.
- The group discloses the remuneration of each individual Director in its annual report.
- IT expenses amounted to MYR280m in FY21 representing 8.0% of total operating expenses.
- RHB Bank is audited by PricewaterhouseCoopers, the world's second largest network of professional firms. PwC has been, at the very least, their auditors over the past 10 years.
- The EPF is a major shareholder of the group with a 42.1% stake as at 7 Apr 2022, which does imply that RHB Bank is a Government-linked company. Previous attempts to reduce this shareholding through potential M&As have since fallen through but this does not preclude future attempts at doing so.
- On 18 June 2021, RHB Bank said it had discovered an error in the issuance of current account e-statements sent via email to a number of customers, due to a technical issue at its external service partner. This affected less than 0.5% of its total retail customer base and the problem was swiftly addressed.

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).

Loan growth expected to remain robust

Against loan growth of 6.7% in 2021, management targets loan growth of 4-5% for FY22. The bank has a healthy stock of mortgages and for the first couple of months this year, mortgages and auto HP are showing positive growth. The SME ecosystem remains active and is also showing positive traction thus far. Corporate lending is expected to pick up in light of the opening up of the economy and with several infrastructure projects in the pipeline. Singapore's loan book surged 25% YoY in 2021, driven by the property segment and demand remains healthy.

NIM guidance maintained

For FY21, NIM came in at 2.11% versus 1.96% in FY20, including mod loss/gain. Excluding the mod gain/loss, NIM was 2.14% versus 2.06% in FY20. Management guides for NIM of about 2.11% for FY22. Every 25bps rate hike improves NIM by about 3-4bps though based on early data, this guidance could be conservative.

Loans under RA have reduced to just 4.5%

Loans under repayment assistance (RA) declined to 12% of total loans on 31 Jan 2022 from 31% in Nov 2021, and have reduced even further to just 4.5% mid-March. 94% have started repayments and 6% are delinquent, but just about one month in arrears thus far.

URUS exposure has increased

Loans under URUS have increased from MYR216m end-Jan to MYR330m mid-March. Even so, the amount is manageable. URUS loans will not be deemed impaired but classified as Stage 2, because there is some repayment involved.

O&G exposure is manageable

O&G related loans and bonds totalled MYR3.7b end-Dec 2021, making up 1.9% of total loans, of which 14% (MYR0.5b) was on watchlist, while 35% (MYR1.3b) was impaired. Management has put through overlays over the years against problematic O&G loans and the loan loss coverage on both O&G loans and bonds is currently more than 100%.

Exposure to the hospitality sector is about 3% of total loans, but this includes a 0.4% loan exposure to aviation. The balance would comprise hotels, restaurants, tour agencies etc.

Conservative credit cost guidance

In terms of credit costs, RHB foresees credit cost to range around 30bps to 35bps for FY22F. Initial expectations are that FY23 credit cost could still remain elevated and higher than pre-COVID levels of 20-25bps. 2022 would be too soon to see any write-backs of overlays.

Watching non-interest income (NOII)

Management is cognizant of the risks posed to investment income should bond yields rise further. At this stage, the bank is actively rebuilding its FVOCI (fair value to comprehensive income) investment portfolio, which should benefit from higher coupon rates. It expects investment banking and commercial banking fees to fare decently this year, supported by wealth management, unit trust and bancassurance income, but the brokerage business is likely to be a challenge.

Managing expenses

FY21 operating expenses increased 4% YoY as personnel costs rose 4.7% YoY. The group's cost/income ratio declined to 45% in FY21 from 47% in FY20. Management targets a cost/income ratio of 45% or less for FY22.

Management has targeted to spend MYR300m on IT infrastructure modernization and MYR200m on digital projects and to date, it has spent 60% and 70% respectively.

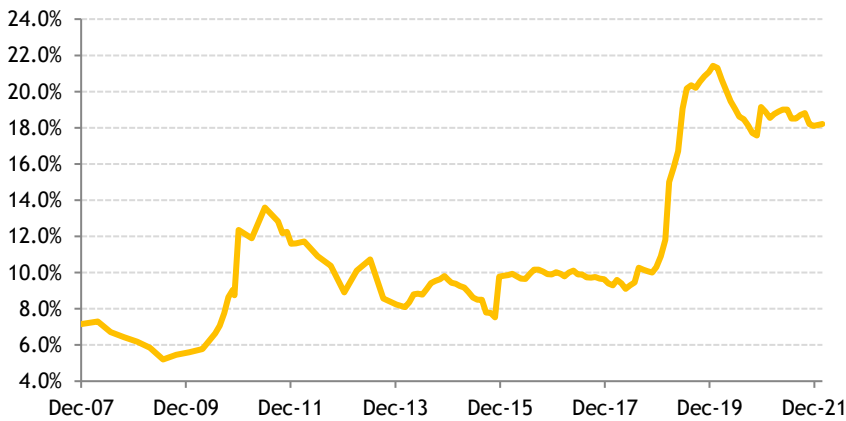
Participating in digital banking bid

Management views its recent MOU to joint venture on a 40:60 basis with Boost Holdings (Axiata's 75.4% subsidiary) as a strategic move. If the JV is successful in securing a digital banking license, this will allow the bank to tap into a relatively separate market segment (of the under-served population), while over the long term, there is the possibility of referral work from the digital to the conventional bank as income levels rise and demand increases for more sophisticated products. The initial capital requirement is just MYR100m, of which RHB's portion would be MYR40m, if it is successful in its bid.

Higher cash dividends in the future?

CET1 of 17.2% end-Dec 2021 is the highest among domestic peers. In FY21, management proposed a final DPS of 25sen, taking FY21 DPS to 40sen. This represents a payout ratio of 62.9%, but the cash portion was just 30%. Management will strive for an eventual cash dividend payout ratio of 50%.

Foreign shareholding in RHB Bank (18.20% end-Feb 2022)

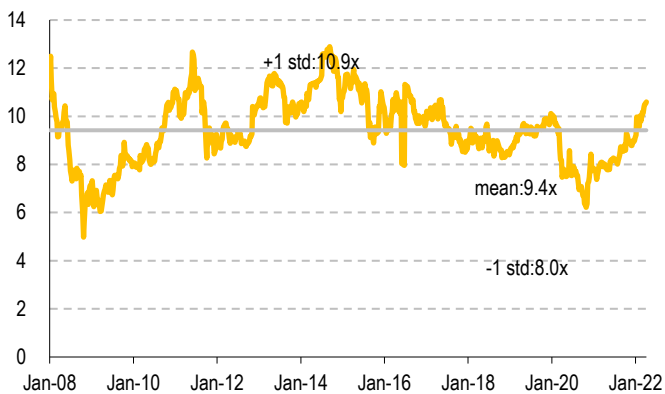


Source: Bank

Risk statement

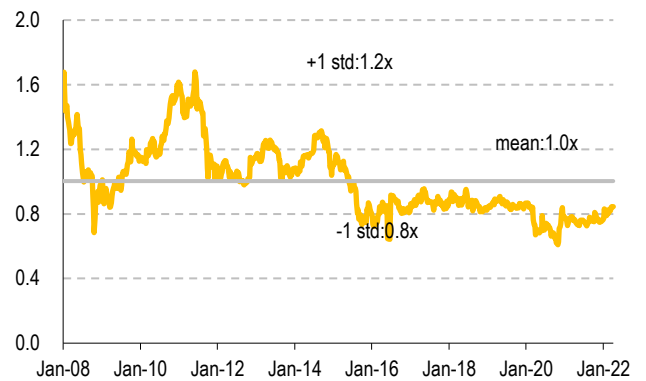
As the fourth largest domestic financial institution in Malaysia in terms of asset size, any economic slowdown in the country would have a knock-on effect on the group’s operating performance and hence potentially our estimates, rating, and target price. Volatility in the O&G sector could result in asset quality issues for both its Malaysia and Singapore loan exposures.

One-year forward rolling PER (x)



Source: Bloomberg, Maybank KE

One-year forward rolling P/BV (x)



Source: Bloomberg, Maybank KE

FYE 31 Dec	FY20A	FY21A	FY22E	FY23E	FY24E
Key Metrics					
Core P/E (x)	9.4	7.7	10.0	8.4	7.7
Core FD P/E (x)	9.4	7.7	10.0	8.4	7.7
P/BV (x)	0.8	0.8	0.8	0.8	0.8
P/NTA (x)	0.9	0.9	1.0	0.9	0.9
Net dividend yield (%)	3.2	7.4	5.0	5.9	6.5
INCOME STATEMENT (MYR m)					
Interest income	6,569.4	6,083.6	6,626.6	6,885.8	7,134.0
Interest expense	(3,226.0)	(2,266.5)	(2,581.0)	(2,611.6)	(2,707.9)
Net interest income	3,343.4	3,817.1	4,045.6	4,274.2	4,426.2
Islamic banking income	1,665.7	2,095.1	2,262.7	2,443.7	2,639.2
Net insurance income	216.5	235.0	246.8	259.1	272.1
Net fees and commission	1,027.7	1,094.3	1,149.0	1,206.5	1,266.8
Other income	932.5	547.1	448.4	362.5	367.6
Total non-interest income	2,176.7	1,876.4	1,844.2	1,828.1	1,906.4
Operating income	7,185.7	7,788.7	8,152.5	8,546.0	8,971.8
Staff costs	(2,041.6)	(2,137.7)	(2,244.6)	(2,356.8)	(2,474.6)
Other operating expenses	(1,345.1)	(1,384.7)	(1,437.7)	(1,499.3)	(1,559.8)
Operating expenses	(3,386.7)	(3,522.4)	(3,682.2)	(3,856.1)	(4,034.4)
Pre-provision profit	3,799.0	4,266.3	4,470.2	4,689.9	4,937.4
Loan impairment allowances	(1,075.4)	(737.2)	(818.0)	(841.4)	(741.2)
Other allowances	(79.2)	(0.3)	0.0	0.0	0.0
Associates & JV income	0.0	0.0	0.0	0.0	0.0
Pretax profit	2,644.4	3,528.8	3,652.2	3,848.6	4,196.2
Income tax	(639.9)	(905.6)	(1,196.2)	(923.7)	(1,007.1)
Minorities	(6.6)	(4.7)	(4.4)	(5.8)	(6.4)
Discontinued operations	34.7	0.0	0.0	0.0	0.0
Reported net profit	2,032.5	2,618.4	2,451.5	2,919.0	3,182.7
Core net profit	2,315.5	2,804.5	2,451.5	2,919.0	3,182.7
BALANCE SHEET (MYR m)					
Cash & deposits with banks	14,973.7	23,318.1	24,484.0	25,708.2	26,993.6
Sec. under resale agreements	0.0	0.0	0.0	0.0	0.0
Derivatives financial assets	0.0	0.0	0.0	0.0	0.0
Dealing securities	4,462.1	2,778.2	2,917.2	3,063.0	3,216.2
Available-for-sale securities	58,908.5	59,102.4	63,830.6	68,937.0	74,452.0
Investment securities	0.0	0.0	0.0	0.0	0.0
Loans & advances	182,424.9	194,896.6	203,758.1	212,006.6	220,486.9
Central bank deposits	612.7	635.0	5,910.9	6,140.9	6,379.9
Investment in associates/JVs	0.0	0.0	0.0	0.0	0.0
Insurance assets	0.0	0.0	0.0	0.0	0.0
Fixed assets	1,163.2	1,191.3	1,215.1	1,239.4	1,264.2
Intangible assets	3,290.4	3,348.9	3,348.9	3,348.9	3,348.9
Other assets	5,314.5	4,270.9	4,362.5	4,457.4	4,555.7
Total assets	271,150.0	289,541.5	309,827.3	324,901.5	340,697.3
Deposits from customers	203,470.8	219,313.9	227,481.9	236,581.2	246,044.4
Deposits from banks & FIs	21,035.2	23,406.8	24,343.1	25,316.8	26,329.5
Derivatives financial instruments	0.0	0.0	0.0	0.0	0.0
Subordinated debt	2,718.7	3,221.9	3,221.9	3,221.9	3,221.9
Other securities in issue	3,545.2	3,646.4	4,246.4	4,246.4	4,246.4
Other borrowings	4,785.5	4,636.0	4,852.2	5,079.4	5,317.8
Insurance liabilities	0.0	0.0	0.0	0.0	0.0
Other liabilities	8,538.0	7,286.0	16,525.7	19,834.5	23,318.2
Total liabilities	244,093.4	261,510.9	280,671.2	294,280.1	308,478.1
Share capital	6,994.1	7,612.6	7,612.6	7,612.6	7,612.6
Reserves	20,029.7	20,385.7	21,506.8	22,966.4	24,557.7
Shareholders' funds	27,023.8	27,998.3	29,119.4	30,579.0	32,170.3
Preference shares	0.0	0.0	0.0	0.0	0.0
Minority interest	32.7	32.2	36.6	42.5	48.9
Total equity	27,056.6	28,030.5	29,156.1	30,621.4	32,219.2
Total liabilities & equity	271,150.0	289,541.5	309,827.3	324,901.5	340,697.3

FYE 31 Dec	FY20A	FY21A	FY22E	FY23E	FY24E
Key Ratios					
Growth (%)					
Net interest income	(7.2)	14.2	6.0	5.7	3.6
Non-interest income	18.3	(13.8)	(1.7)	(0.9)	4.3
Operating expenses	(0.0)	4.0	4.5	4.7	4.6
Pre-provision profit	3.5	12.3	4.8	4.9	5.3
Core net profit	(8.4)	21.1	(12.6)	19.1	9.0
Gross loans	5.6	6.7	4.4	4.0	4.0
Customer deposits	6.8	7.8	3.7	4.0	4.0
Total assets	5.3	6.8	7.0	4.9	4.9
Profitability (%)					
Non-int. income/Total income	30.3	24.1	22.6	21.4	21.2
Average lending yields	3.26	3.02	3.09	3.09	3.08
Average cost of funds	1.73	1.17	1.27	1.26	1.26
Net interest margin	1.98	2.19	2.19	2.22	2.23
Cost/income	47.1	45.2	45.2	45.1	45.0
Liquidity (%)					
Loans/customer deposits	89.7	88.9	89.6	89.6	89.6
Asset quality (%)					
Net NPL	0.9	0.8	0.8	0.8	0.8
Gross NPL	1.7	1.5	1.5	1.4	1.4
(SP+GP)/average gross loans	0.6	0.4	0.4	0.4	0.3
Loan loss coverage	115.9	122.5	112.2	117.0	117.0
Capital adequacy (%)					
CET1	16.2	17.2	15.4	15.4	15.5
Tier 1 capital	16.2	17.2	15.5	15.6	15.7
Risk-weighted capital	18.4	19.8	17.8	17.7	17.7
Returns (%)					
ROAE	8.8	10.2	8.6	9.8	10.1
ROAA	0.9	1.0	0.8	0.9	1.0
Shareholders equity/assets	10.0	9.7	9.4	9.4	9.4

Source: Company; Maybank IBG Research

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

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

Fatin Nabila MOHD ZAINI
(603) 2297 8685
fatinnabila.mohdzaini@maybank-ib.com

Brian LEE Shun Rong
(65) 6231 5846
brian.lee1@maybank.com

Luong Thu Huong
(65) 62315 8467
hana.thuhoang @maybank.com

FX

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

Christopher WONG
(65) 6320 1347
wongkl@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, FCA
(65) 6340 1079
winsonphoon@maybank.com

SE THO Mun Yi, CFA
(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

Nur Farah SYIFAA
(603) 2297 8675
nurfarahsyifaa.mohamadfuad@maybank-ib.com
• Construction • Renewable Energy • REITs

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

Shafiq KADIR
(603) 2297 8691
msshafiqk.abkadir@maybank-ib.com
• Healthcare • Software

LOH Yan Jin
(603) 2297 8687
lohyanjin.loh@maybank-ib.com
• Ports • Shipping

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

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

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

Kelvin TAN
(65) 6231 5837 kelvintan1@maybank.com
• Telcos

Samuel TAN
(65) 6231 5846 samuel.tan@maybank.com
• Technology

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 • Property

Fiorenzo de JESUS
(63) 2 8849 8846
fiorenzo.dejesus@maybank.com
• Utilities

VIETNAM

Quan Trong Thanh *Head of Research*
(84 28) 44 555 888 ext 8184
thanht.q@maybank.com
• Banks

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

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

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

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

Tran Thi Thanh Nhan
(84 28) 44 555 888 ext 8088
nhan.tran@maybank.com
• Consumer

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

Nguyen Thanh Lam
(84 28) 44 555 888 ext 8086
thanhlam.nguyen@maybank.com
• Chartist

INDIA

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

Neerav DALAL
(91) 21 4223 2606 neerav@maybank.com
• Software Technology • Telcos

Vikram RAMALINGAM
(91) 21 4223 2607
vikram@maybank.com
• Automobile • Media

INDONESIA

Rahmi MARINA
(62) 21 8066 8689
rahmi.marina@maybank.com
• Banking & Finance

Willy GOUTAMA
(62) 21 8066 8500
willygoutama@maybank.com
• Consumer

Satriawan, CTA
(62) 21 8066 8682
satriawan@maybank.com
• Chartist

THAILAND

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

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

Vanida GEISLER, CPA
(66) 2658 6300 ext 1394
Vanida.G@maybank.com
• Property • REITs

Yuwanee PROMMAPORN
(66) 2658 6300 ext 1393
Yuwanee.P@maybank.com
• Services • Healthcare

Surachai PRAMUALCHAROENKIT
(66) 2658 5000 ext 1470
Surachai.p@maybank.com
• Auto • Conmat • Contractor • Steel

Suttatip PEERASUB
(66) 2658 5000 ext 1430
suttatip.p@maybank.com
• Food & Beverage • Commerce

Jaroonpan WATTANAWONG
(66) 2658 5000 ext 1404
jaroonpan.w@maybank.com
• Transportation • Small cap

Thanatphat SUKSRICHAVALIT
(66) 2658 5000 ext 1401
thanatphat.s@maybank.com
• Media • Electronics

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, "Maybank IBG") and consequently no representation is made as to the accuracy or completeness of this report by Maybank IBG and it should not be relied upon as such. Accordingly, Maybank IBG 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. Maybank IBG 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.

Maybank IBG 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 Maybank IBG 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 Maybank IBG'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 Maybank IBG and Maybank IBG 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 Research Pte. Ltd. ("MRPL") in Singapore has no obligation to update such information for any recipient. For distribution in Singapore, recipients of this report are to contact MRPL 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), MRPL 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 Securities (Thailand) Public Company Limited. Maybank Securities (Thailand) Public Company Limited ("MST") 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 MST Institutional and Retail Research departments may differ in either recommendation or target price, or both. MST reserves the rights to disseminate MST 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 MST 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. MST 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, MST 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 Securities USA Inc ("MSUS"), 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 MSUS in the US shall be borne by MSUS. This report is not directed at you if Maybank IBG 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 MSUS 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 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 Securities (London) Ltd (“MSUK”) 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 MRPL (Co. Reg No 198700034E) which is regulated by the Monetary Authority of Singapore. **Indonesia:** PT Maybank Sekuritas Indonesia (“PTMSI”) (Reg. No. KEP-251/PM/1992) is a member of the Indonesia Stock Exchange and is regulated by the Financial Services Authority (Indonesia). **Thailand:** MST (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 Securities Inc (Reg. No.01-2004-00019) is a member of the Philippines Stock Exchange and is regulated by the Securities and Exchange Commission. **Vietnam:** Maybank Securities Limited (License Number: 117/GP-UBCK) is licensed under the State Securities Commission of Vietnam. **Hong Kong:** MIB Securities (Hong Kong) Limited (Central Entity No AAD284) is regulated by the Securities and Futures Commission. **India:** MIB Securities India Private Limited (“MIBSI”) 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). MIBSI is also registered with SEBI as Category 1 Merchant Banker (Reg. No. INM 000011708) and as Research Analyst (Reg No: INH000000057) **US:** Maybank Securities USA Inc is a member of/and is authorized and regulated by the FINRA - Broker ID 27861. **UK:** Maybank Securities (London) Ltd (Reg No 2377538) is authorized and regulated by the Financial Conduct Authority.

Disclosure of Interest

Malaysia: Maybank IBG 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 18 April 2022, Maybank Research Pte. Ltd. and the covering analyst do not have any interest in any companies recommended in this research report.

Thailand: MST 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. MST, 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 18 April 2022, MIB Securities (Hong Kong) Limited and the authoring analyst do not have any interest in any companies recommended in this research report.

India: As of 18 April 2022, and at the end of the month immediately preceding the date of publication of the research report, MIBSI, 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 MIBSI 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.

Maybank IBG 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

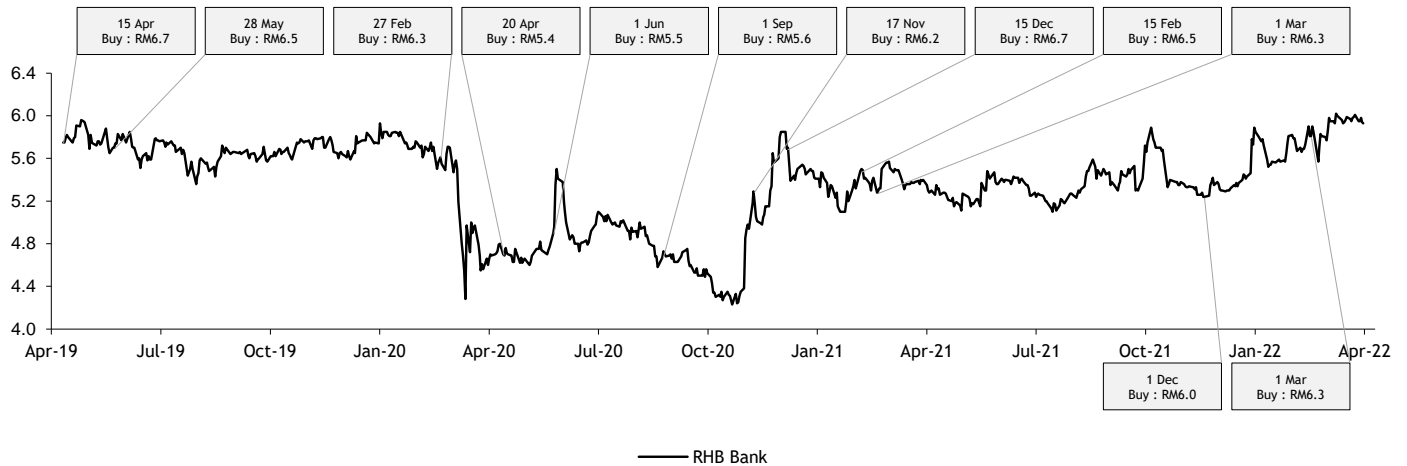
The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed 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 risks involved. The market value of any structured security may be 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 and the credit quality of any issuer or reference issuer. Any investor 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 Maybank IBG.

Historical recommendations and target price: RHB Bank (RHBBANK MK)



Definition of Ratings

Maybank IBG 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

Singapore

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

Tel: (65) 6336 9090

Hong Kong

MIB Securities (Hong Kong) Limited
28/F, Lee Garden Three,
1 Sunning Road, Causeway Bay,
Hong Kong

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

London

Maybank 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 Sekuritas Indonesia
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

New York

Maybank 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

MIB Securities India Pte 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

Philippines

Maybank 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

Thailand

Maybank Securities (Thailand) PCL
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)

Vietnam

Maybank 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

Sales Trading

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

Indonesia

Helen Widjaja
helen.widjaja@maybank.com
(62) 21 2557 1188

New York

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

Philippines

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

London

Greg Smith
gsmith@maybank.co.uk
Tel: (44) 207-332-0221

India

Sanjay Makhija
sanjaymakhija@maybank.com
Tel: (91)-22-6623-2629