

## Sports Toto (SPTOTO MK)

# Very close to putting the ghost of COVID-19 to rest

### Upgrade to BUY with higher TP of MYR1.55 (+11%)

Earnings/dividends came in above/within our expectations. NFO sales/draw/outlet pleasantly surprised by coming in a hair's width within pre-COVID levels. We raise FY24E-FY26E EPS by 8% p.a. as we raise NFO sales/draw/outlet assumption to 90% of pre-COVID levels from 85% of pre-COVID levels from FY24E onwards. Consequently, we also raise our DCF-TP to MYR1.55 from MYR1.40. With >10% upside potential, we upgrade SPTOTO to BUY from HOLD.

### Earnings above and dividends within our expectations

1QFY24 core net profit of MYR60.2m (-16% YoY, -4% QoQ) was above our expectations at 28% of our FY estimate. As a secondary check, 1QFY24 revenue of MYR1.59b (+12% YoY) also outperformed our expectations at 29% of our FY estimate. Having said that, the first interim share DPS of 3.0sen was within our expectations at 25% of our FY estimate. Studying 1QFY24 toto betting EBIT margin of 13% does not suggest that the outperformance was due to lower than theoretical prize payout ratio.

### NFO sales/draw/outlet returned to pre-COVID levels

On closer inspection, we discover that the outperformance was due to 1QFY24 NFO sales/draw/outlet coming in at c.97% of pre-COVID levels or 12ppts higher than we expected (4QFY23: c.85% of pre-COVID levels). SPTOTO attributed the strong NFO sales to large jackpot runs but we understand that tighter enforcement and better NFO sales at mainland Penang outlets thanks to Kedahan punters entering Penang to bet after NFO outlets were shuttered in Kedah on 1 Jan 2023 helped as well.

### Raising EPS estimates by 8% p.a.

Going forward, SPTOTO is cautiously optimistic that NFO sales will continue its upward trajectory. We raise our NFO sales/draw/outlet assumption to 90% of pre-COVID levels from 85% of pre-COVID levels from FY24E onwards. Net impact is to raise our FY24E-FY26E EPS by 8% p.a. and DCF-TP to MYR1.55 from MYR1.40. We refrain from raising our NFO sales/draw/outlet assumption to c.100% of pre-COVID levels until we are comfortable that the 1QFY24 feat can be repeated.

FYE Jun (MYR m)	FY22A	FY23A	FY24E	FY25E	FY26E
Revenue	5,229	6,100	5,650	5,605	5,605
EBITDA	369	433	465	447	447
Core net profit	163	221	231	225	232
Core EPS (sen)	12.1	16.5	17.2	16.8	17.3
Core EPS growth (%)	(11.9)	35.8	4.7	(2.4)	2.8
Net DPS (sen)	8.7	9.0	12.0	12.0	12.0
Core P/E (x)	15.0	8.1	8.6	8.9	8.6
P/BV (x)	2.7	1.7	1.8	1.7	1.6
Net dividend yield (%)	4.8	6.8	8.1	8.1	8.1
ROAE (%)	18.9	22.6	20.9	19.2	18.7
ROAA (%)	5.3	6.2	6.0	6.1	6.5
EV/EBITDA (x)	9.9	7.2	6.8	6.9	6.6
Net gearing (%) (incl perps)	97.0	97.9	78.1	65.2	53.2
Consensus net profit	-	-	217	226	226
MIBG vs. Consensus (%)	-	-	6.6	(0.2)	2.4

Yin Shao Yang  
samuel.y@maybank-ib.com  
(603) 2297 8916

# BUY

[Prior:HOLD]

Share Price	MYR 1.49
12m Price Target	MYR 1.55 (+12%)
Previous Price Target	MYR 1.40

### Company Description

One of three national number forecast operators in Malaysia with 652 outlets.

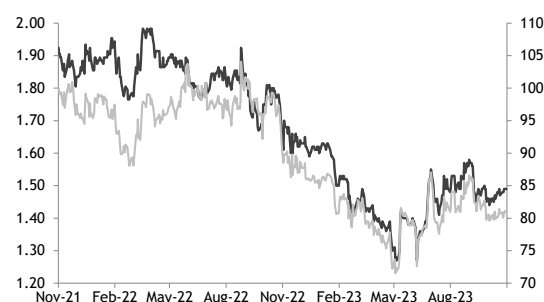
### Statistics

52w high/low (MYR)	1.70/1.27
3m avg turnover (USDm)	0.2
Free float (%)	49.2
Issued shares (m)	1,351
Market capitalisation	MYR2.0B USD433M

### Major shareholders:

Berjaya Land Bhd.	39.6%
Berjaya Corp. Bhd.	4.6%
The Vanguard Group, Inc.	2.1%

### Price Performance



— Sports Toto - (LHS, MYR) — Sports Toto / Kuala Lumpur Composite Index - (RHS, %)

	-1M	-3M	-12M
Absolute (%)	2	1	(9)
Relative to index (%)	1	0	(10)

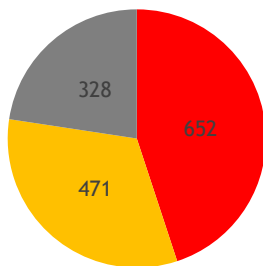
Source: FactSet

## Value Proposition

- Largest legal number forecast operator (NFO) in Malaysia with 652 outlets and seven games.
- Legal NFO industry has matured, but has also been slowly ceding share to the illegals due to lower prize payouts.
- Challenges are in introducing new and popular games and the authorities clamping down on illegal NFOs.
- Has an established track record of paying special dividends and capital reductions.
- Has a dividend policy of  $\geq 75\%$  DPR but has not abided by it in the last 3 financial years due to the COVID-19 pandemic.

### Number of outlets by NFO

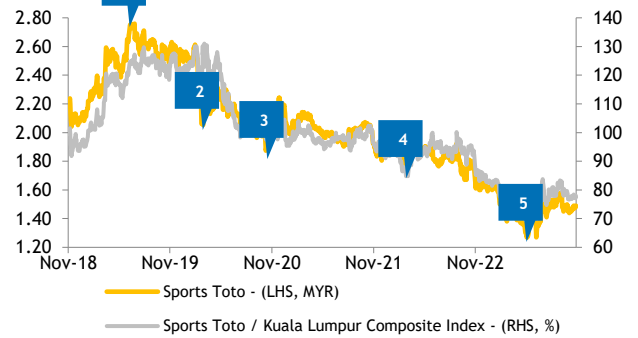
■ Sports Toto Malaysia ■ Magnum ■ Da Ma Cai



Source: Company, Magnum, Pan Malaysian Pools

## Price Drivers

### Historical share price trend



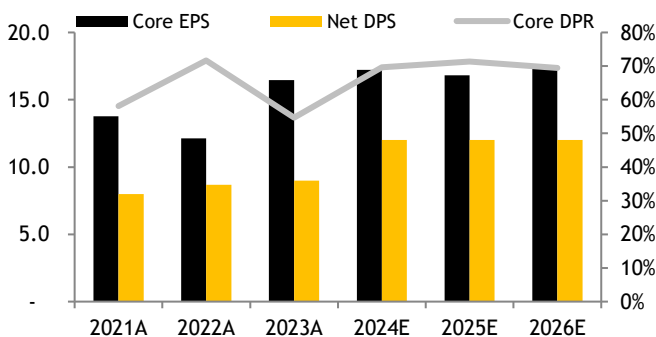
Source: Company, Maybank IBG Research

1. Introduced 4D Zodiac, a game that combines the popular Classic 4D and Chinese zodiacs.
2. COVID-19 pandemic struck Malaysia. SPTOTO NFO outlets closed from 18 Mar 2020 to 15 Jun 2020.
3. New COVID-19 cases in Malaysia began to rise after the Sabah state election.
4. Share price downtrend due to poor consumer sentiment and market share loss to illegal NFOs.
5. Fears arise that more NFO outlets could be shut if Perikatan Nasional comes to power.

## Financial Metrics

- Key financial metric is EPS as it is the basis on which DPS will be declared.
- Forecast FY24E EPS to grow 5% YoY despite the closure of 20 NFO outlets in Kedah from 1 Jan 2023 (full-year impact) thanks to higher gross NFO sales/draw/outlet.
- Similarly, the closure of 4 NFO outlets in Perlis from mid-2023 will not have a material impact on earnings going forward as they account for <1% of total NFO outlets.
- Balance sheet was in net debt position of MYR1.13b or MYR0.83/share as at end-1QFY24.

### Core EPS (sen), DPS (sen) and DPR (%)



Source: Company (historical), Maybank IBG Research (forecasts)

## Swing Factors

### Upside

- Prize payout ratio - Every 1ppt decrease in prize payout ratio will accrete c.MYR20m to core net profit.
- 4D: jackpot mix - tilt towards jackpot will expand margins due to its lower prize payout ratio of 55%.
- Special draws - Government may award more special draws to raise tax revenues.

### Downside

- Prize payout ratio - Every 1ppt increase in prize payout ratio will deduct c.MYR20m from core net profit.
- Gaming tax rate hikes - Government raised gaming tax rates in the past and they may do so again going forward.
- Competition from illegal NFOs - Illegal NFOs offer prize payout ratios which are 10-20ppts higher for 4D.

[samuel.y@maybank-ib.com](mailto:samuel.y@maybank-ib.com)

Figure 1: Summary Results Table

FY Jun (MYR m)	1Q24	1Q23	% YoY	4Q23	% QoQ
Turnover	1,594.9	1,419.1	12.4	1,617.2	(1.4)
Operating expenses	(1,471.0)	(1,295.0)	13.6	(1,489.5)	(1.2)
<b>EBITDA</b>	<b>123.9</b>	<b>124.1</b>	<b>(0.2)</b>	<b>127.7</b>	<b>(3.0)</b>
Depreciation & amortisation	(20.9)	(14.8)	41.6	(21.0)	(0.2)
<b>EBIT</b>	<b>102.9</b>	<b>109.3</b>	<b>(5.8)</b>	<b>106.7</b>	<b>(3.5)</b>
Interest expense	(17.9)	(7.3)	143.6	(18.5)	(3.4)
Associates	4.8	4.2	12.8	6.8	(30.4)
Exceptional items	-	-	N/M	-	N/M
<b>Pre-tax profit</b>	<b>89.8</b>	<b>106.2</b>	<b>(15.4)</b>	<b>95.0</b>	<b>(5.5)</b>
Tax	(28.8)	(33.2)	(13.2)	(29.9)	(3.6)
Minority interest	(0.8)	(1.5)	(44.8)	(2.8)	(70.4)
<b>Net profit</b>	<b>60.2</b>	<b>71.5</b>	<b>(15.9)</b>	<b>62.3</b>	<b>(3.5)</b>
<b>Net profit Ex EI</b>	<b>60.2</b>	<b>71.5</b>	<b>(15.9)</b>	<b>62.3</b>	<b>(3.5)</b>
	<b>1Q24</b>	<b>1Q23</b>	<b>+/- ppt</b>	<b>4Q23</b>	<b>+/- ppt</b>
EBIT margin (%)	6.5	7.7	(1.2)	6.6	(0.1)
Tax rate (%)	32.1	31.3	0.8	31.5	0.6

**Segmental Results Table**

FY Jun (MYR m)	1Q24	1Q23	% YoY	4Q23	% QoQ
<b>Revenue</b>	<b>1,594.9</b>	<b>1,419.1</b>	<b>12.4</b>	<b>1,617.2</b>	<b>(1.4)</b>
- Toto betting	752.0	701.2	7.2	648.4	16.0
- Motor dealership	810.6	692.2	17.1	914.5	(11.4)
- Others	32.3	25.7	25.6	54.3	(40.6)
<b>EBIT</b>	<b>102.9</b>	<b>109.3</b>	<b>(5.8)</b>	<b>106.7</b>	<b>(3.5)</b>
- Toto betting	96.5	101.3	(4.8)	70.6	36.6
- Motor dealership	9.9	15.0	(33.8)	32.8	(69.8)
- Others	(0.4)	(3.5)	(89.2)	6.5	(105.9)
- Unallocated corporate expenses	(3.1)	(3.4)	(10.1)	(3.2)	(3.3)

Source: Company

**Results analysis**

- 1QFY24 core net profit was down 16% YoY largely due to higher prize payout ratio which we estimate to have come in at c.60% or 2ppts higher QoQ. Yet, 1QFY24 prize payout ratio of c.60% is at the theoretical average vs. 1QFY23 prize payout ratio of c.58% which was below the theoretical average. Thus, we believe 1QFY24 core net profit is more representative of SPTOTO's future quarterly earnings going forward.
- 1QFY24 core net profit eased 4% QoQ despite toto betting EBIT rising 37% QoQ on higher NFO sales and lower prize payout ratio which we estimate to have come in at c.60% or 2ppts lower QoQ; due to fewer car sales and non-recurrence of reversal of restoration costs overprovision following termination of certain leases and one-off manufacturer support income enjoyed in 4QFY23.

Figure 2: SPTOTO DCF-based valuation

	MYRm	MYR/sh	Comments
STM Lottery	2,632.6	1.96	WACC: 9.2%, g: 0%
Net cash/(debt) at STM Lottery	(550.0)	(0.41)	End-FY6/24E
<b>Equity value</b>	<b>2,082.6</b>	<b>1.55</b>	

Source: Maybank IBG Research

FYE 30 Jun	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Key Metrics</b>					
P/E (reported) (x)	16.0	9.8	8.6	8.9	8.6
Core P/E (x)	15.0	8.1	8.6	8.9	8.6
P/BV (x)	2.7	1.7	1.8	1.7	1.6
P/NTA (x)	12.3	5.2	4.9	4.2	3.7
Net dividend yield (%)	4.8	6.8	8.1	8.1	8.1
FCF yield (%)	6.1	1.6	18.5	15.3	14.9
EV/EBITDA (x)	9.9	7.2	6.8	6.9	6.6
EV/EBIT (x)	12.3	8.7	8.1	8.2	7.9
<b>INCOME STATEMENT (MYR m)</b>					
Revenue	5,229.3	6,099.7	5,649.8	5,604.8	5,604.8
EBITDA	369.2	432.8	464.7	447.2	447.2
Depreciation	(72.7)	(72.6)	(72.7)	(72.7)	(72.7)
EBIT	296.5	360.3	392.0	374.5	374.5
Net interest income / (exp)	(30.2)	(44.6)	(42.8)	(34.0)	(24.0)
Associates & JV	8.7	21.0	8.7	8.7	8.7
Exceptionals	(1.7)	0.5	0.0	0.0	0.0
Pretax profit	273.3	337.1	358.0	349.3	359.2
Income tax	(103.0)	(109.5)	(119.4)	(116.5)	(119.8)
Minorities	(9.3)	(5.7)	(7.7)	(7.5)	(7.7)
Discontinued operations	0.0	0.0	0.0	0.0	0.0
Reported net profit	160.9	221.9	230.9	225.3	231.7
Core net profit	162.6	221.4	230.9	225.3	231.7
<b>BALANCE SHEET (MYR m)</b>					
Cash & Short Term Investments	558.8	621.0	665.9	515.8	459.1
Accounts receivable	540.7	604.1	560.7	556.4	556.4
Inventory	401.8	644.2	589.4	586.3	586.3
Property, Plant & Equip (net)	398.3	577.8	535.1	492.4	449.7
Intangible assets	696.6	727.6	727.6	727.6	727.6
Investment in Associates & JVs	103.6	124.9	133.7	142.4	151.1
Other assets	561.0	591.3	591.3	591.3	591.3
<b>Total assets</b>	<b>3,260.8</b>	<b>3,890.9</b>	<b>3,803.7</b>	<b>3,612.1</b>	<b>3,521.5</b>
ST interest bearing debt	310.6	592.5	732.6	642.1	502.6
Accounts payable	712.2	903.1	856.7	854.0	854.0
LT interest bearing debt	1,176.3	1,144.0	883.7	713.9	683.6
Other liabilities	105.0	112.0	114.0	113.0	114.0
<b>Total Liabilities</b>	<b>2,303.9</b>	<b>2,751.9</b>	<b>2,586.9</b>	<b>2,323.4</b>	<b>2,154.1</b>
Shareholders Equity	895.0	1,068.5	1,138.5	1,202.9	1,273.8
Minority Interest	61.9	70.6	78.3	85.8	93.6
<b>Total shareholder equity</b>	<b>956.9</b>	<b>1,139.1</b>	<b>1,216.8</b>	<b>1,288.8</b>	<b>1,367.3</b>
<b>Total liabilities and equity</b>	<b>3,260.8</b>	<b>3,890.9</b>	<b>3,803.7</b>	<b>3,612.1</b>	<b>3,521.5</b>
<b>CASH FLOW (MYR m)</b>					
Pretax profit	273.3	337.1	358.0	349.3	359.2
Depreciation & amortisation	72.7	72.6	72.7	72.7	72.7
Adj net interest (income)/exp	30.2	44.6	42.8	34.0	24.0
Change in working capital	0.9	(111.0)	51.7	4.8	0.0
Cash taxes paid	(89.9)	(115.6)	(117.7)	(117.0)	(119.2)
Other operating cash flow	(7.0)	(21.5)	(8.7)	(8.7)	(8.7)
Cash flow from operations	280.1	206.2	398.7	335.0	328.0
Capex	(131.2)	(178.1)	(30.0)	(30.0)	(30.0)
Free cash flow	148.9	28.2	368.7	305.0	298.0
Dividends paid	(47.0)	(127.7)	(160.8)	(160.8)	(160.8)
Equity raised / (purchased)	(5.0)	(14.8)	0.0	0.0	0.0
Change in Debt	160.1	199.5	(120.3)	(260.3)	(169.8)
Other invest/financing cash flow	(50.0)	(53.5)	(42.8)	(34.0)	(24.0)
Effect of exch rate changes	(11.9)	30.5	0.0	0.0	0.0
Net cash flow	195.1	62.2	44.8	(150.1)	(56.7)

FYE 30 Jun	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Key Ratios</b>					
<b>Growth ratios (%)</b>					
Revenue growth	8.3	16.6	(7.4)	(0.8)	0.0
EBITDA growth	(3.8)	17.2	7.4	(3.8)	0.0
EBIT growth	(6.4)	21.5	8.8	(4.5)	0.0
Pretax growth	(3.4)	23.4	6.2	(2.4)	2.8
Reported net profit growth	(11.2)	37.9	4.0	(2.4)	2.8
Core net profit growth	(12.0)	36.2	4.3	(2.4)	2.8
<b>Profitability ratios (%)</b>					
EBITDA margin	7.1	7.1	8.2	8.0	8.0
EBIT margin	5.7	5.9	6.9	6.7	6.7
Pretax profit margin	5.2	5.5	6.3	6.2	6.4
Payout ratio	72.4	54.6	69.7	71.4	69.4
<b>DuPont analysis</b>					
Net profit margin (%)	3.1	3.6	4.1	4.0	4.1
Revenue/Assets (x)	1.6	1.6	1.5	1.6	1.6
Assets/Equity (x)	3.6	3.6	3.3	3.0	2.8
ROAE (%)	18.9	22.6	20.9	19.2	18.7
ROAA (%)	5.3	6.2	6.0	6.1	6.5
<b>Liquidity &amp; Efficiency</b>					
Cash conversion cycle	13.8	15.7	18.8	17.2	17.0
Days receivable outstanding	35.1	33.8	37.1	35.9	35.7
Days inventory outstanding	27.0	33.2	42.8	41.0	40.9
Days payables outstanding	48.2	51.3	61.1	59.7	59.6
Dividend cover (x)	1.4	1.8	1.4	1.4	1.4
Current ratio (x)	1.4	1.2	1.1	1.1	1.2
<b>Leverage &amp; Expense Analysis</b>					
Asset/Liability (x)	1.4	1.4	1.5	1.6	1.6
Net gearing (%) (incl perps)	97.0	97.9	78.1	65.2	53.2
Net gearing (%) (excl. perps)	97.0	97.9	78.1	65.2	53.2
Net interest cover (x)	9.8	8.1	9.2	11.0	15.6
Debt/EBITDA (x)	4.0	4.0	3.5	3.0	2.7
Capex/revenue (%)	2.5	2.9	0.5	0.5	0.5
Net debt/ (net cash)	928.0	1,115.6	950.4	840.2	727.1

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

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

**Erica TAY**  
China | Thailand  
(65) 6231 5844  
erica.tay@maybank.com

**Brian LEE Shun Rong**  
Indonesia | Singapore | Vietnam  
(65) 6231 5846  
brian.lee1@maybank.com

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

**Luong Thu Huong**  
(65) 6231 8467  
hana.thuhoang@maybank.com

### FX

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

**Fiona LIM**  
(65) 6320 1374  
fionallim@maybank.com

**Alan LAU**  
(65) 6320 1378  
alanlau@maybank.com

**Shaun LIM**  
(65) 6320 1371  
shaunlim@maybank.com

### STRATEGY

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

### FIXED INCOME

**Winson PHOON, FCA**  
Head of Fixed Income  
(65) 6340 1079  
winsonphoon@maybank.com

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

### PORTFOLIO STRATEGY

**ONG Seng Yeow**  
(65) 6231 5839  
ongsengyeow@maybank.com

### MIBG SUSTAINABILITY RESEARCH

**Jigar SHAH**  
Head of Sustainability Research  
(91) 22 4223 2632  
jigars@maybank.com

**Neerav DALAL**  
(91) 22 4223 2606  
neerav@maybank.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

### MALAYSIA

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

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

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

**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  
• Renewable Energy • REITs

**LOH Yan Jin**  
(603) 2297 8687  
lohyanjin.loh@maybank-ib.com  
• Ports • Automotive • Technology (EMS)

**Jeremie YAP**  
(603) 2297 8688  
jeremie.yap@maybank-ib.com  
• Oil & Gas • Petrochemicals

**Arvind JAYARATNAM**  
(603) 2297 8692  
arvind.jayaratnam@maybank.com  
• Technology (Semicon & Software)

**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

**Eric ONG**  
(65) 6231 5849  
ericong@maybank.com  
• Healthcare • Transport • SMIDs

**Kelvin TAN**  
(65) 6231 5837  
kelvin.tan1@maybank.com  
• Telcos • Industrials

**LI Jialin**  
(65) 6231 5845  
jialin.li@maybank.com  
• REITs

**Jarick SEET**  
(65) 6231 5848  
jarick.seet@maybank.com  
• Technology

**Krishna GUHA**  
(65) 6231 5842  
krishna.guha@maybank.com  
• REITs

### PHILIPPINES

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

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

**Alexa Mae CARVAJAL**  
(63) 2 8849 8838  
alexamae.carvajal@maybank.com  
• Consumer • Gaming • Property • REITs

### THAILAND

**Chak REUNGSINPINYA Head of Research**  
(66) 2658 5000 ext 1399  
chak.reungsinpinya@maybank.com  
• Strategy • Energy

**Jesada TECHAHUSDIN, CFA**  
(66) 2658 5000 ext 1395  
jesada.t@maybank.com  
• Banking & Finance

**Wasu MATTANAPOTCHANART**  
(66) 2658 5000 ext 1392  
wasu.m@maybank.com  
• Telcos • Technology • REITs • Property  
• Consumer Discretionary

**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

**Natchaphon RODJANAROWAN**  
(66) 2658 5000 ext 1393  
natchaphon.rodjanarowan@maybank.com  
• Utilities

### INDONESIA

**Jeffrosenberg CHENLIM Head of Research**  
(62) 21 8066 8680  
jeffrosenberg.lim@maybank.com  
• Strategy • Banking & Finance • Property

**Willy GOUTAMA**  
(62) 21 8066 8500  
willy.goutama@maybank.com  
• Consumer

**Etta Rusdiana PUTRA**  
(62) 21 8066 8683  
etta.putra@maybank.com  
• Telcos • Internet • Construction

**William Jefferson W**  
(62) 21 8066 8563  
william.jefferson@maybank.com  
• Property

**Adi WICAKSONO**  
(62) 21 8066 8686  
adi.wicaksono@maybank.com  
• Plantations

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

### VIETNAM

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

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

**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 Discretionary

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

**Nguyen Le Tuan Loi**  
(84 28) 44 555 888 ext 8182  
loi.nguyen@maybank.com  
• Property

**Nguyen Thanh Hai**  
(84 28) 44 555 888 ext 8081  
thanhhai.nguyen@maybank.com  
• Industrials

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

## 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 Wedbush Securities Inc. ("Wedbush"), 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 Wedbush in the US shall be borne by Wedbush. This report is not directed at you if Wedbush 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 Wedbush 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: Wedbush Securities Inc. 1000 Wilshire Blvd, Los Angeles, California 90017, +1 (646) 604-4232 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). **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 22 November 2023, 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 22 November 2023, 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 22 November 2023, 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.

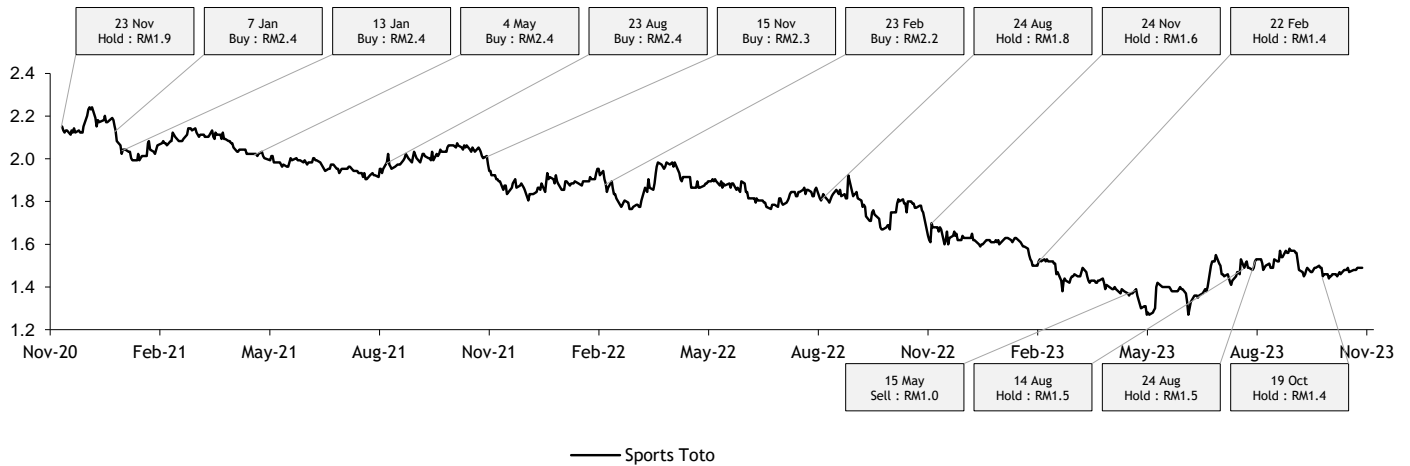
### Reminder

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: Sports Toto (SPTOTO 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

### Indonesia

PT Maybank Sekuritas Indonesia  
Sentral Senayan III, 22<sup>nd</sup> Floor  
Jl. Asia Afrika No. 8  
Gelora Bung Karno, Senayan  
Jakarta 10270, Indonesia

Tel: (62) 21 2557 1188

Fax: (62) 21 2557 1189

### Thailand

Maybank Securities (Thailand) PCL  
999/9 The Offices at Central World,  
20<sup>th</sup> - 21<sup>st</sup> Floor,  
Rama 1 Road Pathumwan,  
Bangkok 10330, Thailand

Tel: (66) 2 658 6817 (sales)

Tel: (66) 2 658 6801 (research)

### 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

### India

MIB Securities India Pte Ltd  
1101, 11<sup>th</sup> 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

### Vietnam

Maybank Securities Limited  
Floor 10, Pearl 5 Tower,  
5 Le Quy Don Street,  
Vo Thi Sau Ward, District 3  
Ho Chi Minh City, Vietnam

Tel : (84) 28 44 555 888

Fax : (84) 28 38 271 030

### 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

### 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

### Sales Trading

#### Indonesia

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

#### Philippines

Keith Roy  
keith\_roy@maybank.com  
Tel: (63) 2 848-5288

#### London

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

#### India

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

[www.maybank.com/investment-banking](http://www.maybank.com/investment-banking)  
[www.maybank-keresearch.com](http://www.maybank-keresearch.com)