

## Malaysia

### ADD (no change)

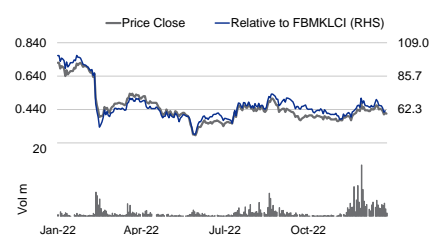
Consensus ratings\*: Buy 3 Hold 0 Sell 0

Current price:	RM0.415
Target price:	RM0.45
Previous target:	RM0.45
Up/downside:	8.4%
CGS-CIMB / Consensus:	-5.3%
Reuters:	RAMS.KL
Bloomberg:	RAMSSOL MK
Market cap:	US\$23.39m
	RM101.4m
Average daily turnover:	US\$0.19m
	RM0.84m
Current shares o/s:	245.4m
Free float:	43.6%

\*Source: Bloomberg

### Key changes in this note

➤ No change.



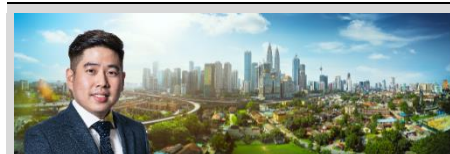
Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-3.5	6.4	-41.6
Relative (%)	-4.6	-1.7	-37.7

### Major shareholders

	% held
Tan Chee Seng	33.3
Lee Miew Lan	17.8
Wong Kum Loong	4.0

### Analyst(s)



#### Walter AW

T (60) 3 2635 9255

E walter.aw@cgs-cimb.com

# Ramssol Berhad

## New business growth pillar underway

- We came away from Ramssol's recent briefing positive, in view of rising demand for its HCM services and maiden contribution from EXCEL in FY23F.
- We view Ramssol as a proxy to benefit from the structural shift towards HCM digitalisation, with its strong presence in ASEAN (located in 5 countries).
- Reiterate Add, with a TP of RM0.45 (12x CY24F P/E).

### Peopletech: Steady growth from existing business pillar

In its recent briefing, Ramssol shared that it expects its Peopletech segment revenue to rise 20-30% yoy in FY23F, backed by an estimated existing orderbook of RM40m for the next 12 months – consisting of the digitalisation projects of more companies and wider product offerings to cater to a bigger clientele. Besides its existing product offerings (including third-party and in-house software), it is collaborating with i) Darwinbox (targeting niche SMEs market), and ii) Laiye (developing smart automation technology).

### Edutech: A new growth pillar to drive revenue

For its Edutech division, Ramssol aims to drive growth in this segment (targeting >100% yoy growth in FY23F from the low base of 9M22, estimated to be <5% of 9M22 revenue) by offering enforcement and compliance-related education courses. This is under a programme; Ramssol is the exclusive certified provider for EXCEL in Malaysia. EXCEL is facilitated by Malaysia Anti-Corruption Academy. Ramssol is in talks with various Malaysia enforcement agencies, i.e. Royal Malaysia Police and Royal Malaysia Customs.

### Autotech: Expect the app development to be completed by 1H23F

We gather that Ramssol has started developing Rider Gate (a mobile application platform for GT Max Motors [M]) in 3Q22. It expects to complete the development of the platform in 12 months' time (by 1H23F), with a total estimated capex of RM25m. Ramssol also has plans to secure external funding for this project if it is necessary. This may include listing Rider Gate on the Nasdaq Exchange in 24 months' time, according to Ramssol.

### Expect a robust net profit growth in FY23-24F

We expect Ramssol to deliver stronger qoq results in 4Q22F, thanks to seasonally stronger results and higher progress billings. However, we anticipate a 42.2% yoy decline in net profit in FY22F due to slower progress billings and higher opex. We expect net profit to climb 38.2% yoy in FY23F and 18.5% in FY24F.

### Reiterate Add with a TP of RM0.45

Our TP remains at RM0.45, based on 12x CY24F P/E, a 42.9% discount to CY23F P/E of its Malaysian peers in the IT solutions space. Our Add call is supported by 1) Ramssol's robust growth prospects with growing demand for human capital management (HCM) solutions in ASEAN, and 2) strong balance sheet (net cash position of RM13.4m at end-Sep 22). The stock trades at an undemanding 11.0x CY24F P/E, a 47.6% discount to IT-related stocks under our coverage.

### Financial Summary

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Revenue (RMm)	25.33	52.52	36.13	44.13	52.16
Net Profit (RMm)	7.54	6.77	5.39	7.81	9.25
Core EPS (RM)	0.034	0.040	0.023	0.032	0.038
Core EPS Growth	69.2%	16.6%	(42.2%)	38.2%	18.5%
FD Core P/E (x)	12.16	10.43	18.03	13.04	11.01
Price To Sales (x)	3.65	1.76	2.69	2.31	1.95
DPS (RM)	-	-	-	-	-
Dividend Yield	0%	0%	0%	0%	0%
EV/EBITDA (x)	10.94	12.58	12.52	8.67	5.91
P/FCFE (x)	41.64	NA	8.14	17.92	14.27
Net Gearing	7.2%	(13.0%)	(43.8%)	(47.4%)	(51.4%)
P/BV (x)	10.49	2.10	1.78	1.57	1.37
ROE	150%	34%	11%	13%	13%
CGS-CIMB/Consensus EPS (x)			0.96	0.88	0.86

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

# New business growth pillar underway

## Investor briefing highlights

### A technology solution provider ▶

Since 2010, Ramssol has been providing human capital management (HCM) and student management solutions to many notable local and foreign organisations including large enterprises, government-lined companies, multinational company, conglomerates and government agencies, as well as educational institutions in Southeast Asia. This remains as Ramssol core business segment, which is categorised as Rams People Tech (Peopletech, previously known as HR Tech).

After its IPO debut in Jul 2021, Ramssol explored other new businesses to drive higher earnings growth and business diversification such as i) the establishment of Rams Edu Tech (Edutech) to provide enforcement and compliance-related education, and ii) the establishment of Rams Auto Tech (Autotech) to develop “Rider Gate” system via the commission agreement with GT-Max Motors (M) Sdn, Bhd. During its investor briefing on 11 Jan 2023, Ramssol provided updates on all its main business segments: i) Peopletech, ii) Edutech, and iii) Autotech.

### Business segment 1: Peopletech remains its core business segment ▶

In Peopletech business segment, Ramssol offers human resource (HR) technology solutions to cater for human capital management and employee collaboration. Besides being a certified reseller of key third-party HCM software (Oracle, Sage, Lark, etc.) that helps customers in the design, implementation and maintenance of third-party software products, Ramssol also has R&D capabilities to develop in-house HCM technology (such as Feet’s and Profile L.a.).

We observe tie-ups by Ramssol with partners such as Darwinbox (digitalisation of SMEs) and Laiye (smart automation technology) driven by the ongoing digitalisation effort by more companies and the demand for a variety of product offerings to cater to a wider clientele. Ramssol expects the Peopletech segment revenue to rise 20-30% in FY23F, given that its current orderbook stands at RM40m.



Ramssol shared its Peopletech strategic roadmap for FY23F:

- Darwinbox** – Ramssol sees strong potential from the growing demand for HCM solutions, especially for SME business. This is given the rising digitalisation trend among smaller-sized companies, especially to automate day-to-day HR processes and increase efficiency. In Feb 22, Ramssol was appointed exclusively (Tier 1) by Darwinbox, a multi-billion-dollar HCM company in India, as an exclusive reseller in Malaysia that focuses on project services, application maintenance services and exclusivity in Southeast Asia. Founded in Aug 2015, Darwinbox is a leading provider of cloud-based Human Resources Management Software (HRMS) in Asia. Its products are used by

more than 650 enterprises across 90 countries. While Oracle, Sage and Workday HCM solutions (third-party HCM software) mainly cater to larger corporations with higher price points, the collaboration with Darwinbox enables Ramssol to target customers in the SME category given its more affordable price points (albeit with lower margins).

**Figure 2: Pricing comparison between selected HR software providers**

HCM software providers	Pricing (per employee)
<b>Darwinbox</b>	<b>Starts at US\$8.00 per month</b>
SAP Success Factors	Starts at US\$6.30 per month
Oracle HCM Workforce Management	Starts at US\$13.00 per month
Workday HCM	Starts at US\$100.00 per year (US\$8.33 per month)
Attendays HR Suite	Starts at US\$800.00 per year (US\$66.67 per month)
Avanti	Starts at US\$15.00 per month
Benefiz	Starts at US\$23.00 per month
BizyHR	Starts at US\$9.00 per month
Bamboo HR	Starts at US\$5.25 per month
Cube HRM	Starts at US\$100.00 per year (US\$8.33 per month)
Dynamics 365 Human Resources	Starts at US\$120.00 per month
Rippling	Starts at US\$8.00 per month
Gusto	Starts at US\$40.00 per month
Freshteam	Starts at US\$1.20 per month
Goco HCM Software	Starts at US\$5.00 per month

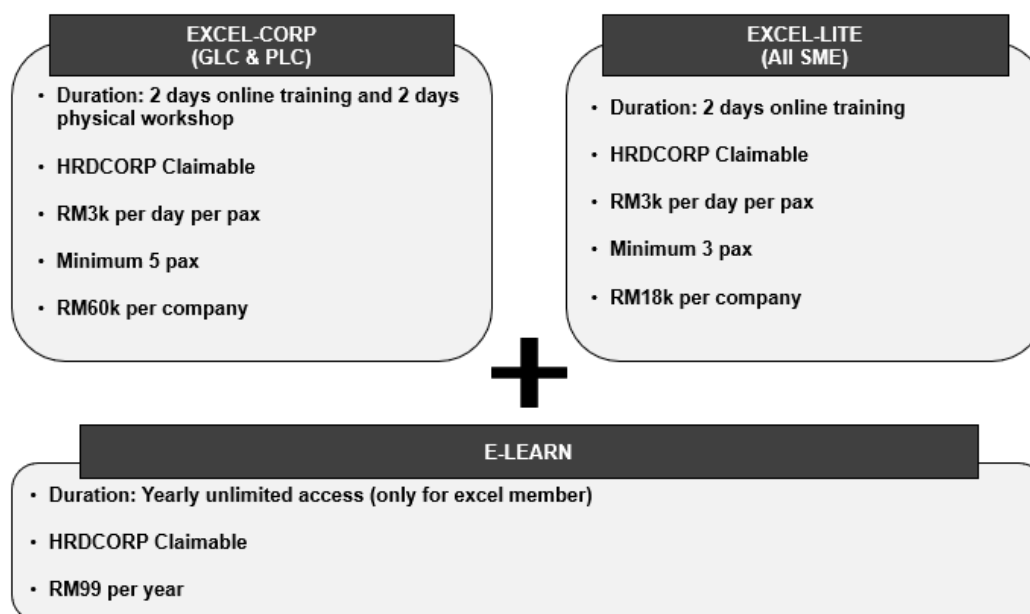
SOURCES: CGS-CIMB RESEARCH, SOFTWARE TESTING HELP WEBSITE, CAPTERRA HR PRICING GUIDE

- Laiye** – Ramssol will continue collaborating with Laiye (an artificial intelligence robotic process automation (AI-RPA) firm) as its first authorised training partner for providing automation training to equip employees or jobseekers with a broad range of AIRPA knowledge and skills across Southeast Asia. Note that this smart automation technology would be applicable to most industries and businesses (including human capital management, finance, etc.). We expect robotic automation software market size to grow at a CAGR of 50.7% in 2018-23F as adoption of Industrial Revolution 4.0 (IR4.0) technologies accelerate, especially as businesses strive to become more efficient in the wake of Covid-19 challenges, according to the latest release of Worldwide ICT Spending Guide Industry and Company Size (2021).
- Feet's** – An in-house employee engagement application developed by Ramssol, which enables companies to track and analyse their employees' working conditions and wellbeing. In FY22, Feet's reached 100k subscribers (up 733.3% yoy growth from 12k subscribers in FY21). Ramssol expects the number of subscribers to reach 1m in FY23F given the new focus on experience content development for B2B and B2C markets.

## Business segment 2: Edutech is a new growth pillar to drive revenue ➤

Ramssol's Edutech focuses on enforcement and compliance-related education such as corporate liability and anti-corruption courses such as EXCEL, a programme powered by the Malaysia Anti-Corruption Academy (MACA). Note that Ramssol is the only (exclusive) certified provider in Malaysia for these corporate liability and anti-corruption courses. These courses aim to provide knowledge upskilling to increase compliance and knowledge of organisations including 1) public limited companies (PLCs), 2) government-liked companies (GLCs), 3) multinational companies (MNCs), 4) small and medium enterprises (SMEs). Ramssol plans to introduce three main packages for its Edutech business segment in FY23F: i) EXCEL-CORP (GLCs and PLCs), ii) EXCEL-LITE (all SMEs), and iii) E-learning system. The details are illustrated as below:

**Figure 3: Edutech's product overview**



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 4: Comparison between EXCEL-CORP and EXCEL-LITE programme**

Products	EXCEL-CORP	EXCEL-LITE
Include	GLC / PLC / MNC	Other than EXCEL-CORP
Number of pax (Min)	5	3
Duration	2 days online training and 2 days physical workshop	2 days online training
HRDCorp claimable	Yes	Yes
MACA & EXCEL certificate	Yes	Yes
EXCEL member rate for leaning management system (RM99 per pax)	Yes	Yes
Pricing	RM3k per day per pax (Total RM60k per company)	RM3k per day per pax (Total RM18k per company)
Upgrade	N/A	Upgrade completion OACP (additional 2 days physical workshop) with extra payment of RM18k
Use "EXCEL" on namecard and website	Yes	Yes
Organisational Anti-corruption Plan (OACP) launching with MACC	Yes	No
Company OACP book	Yes	No
Webiste compliance write up	Yes	No

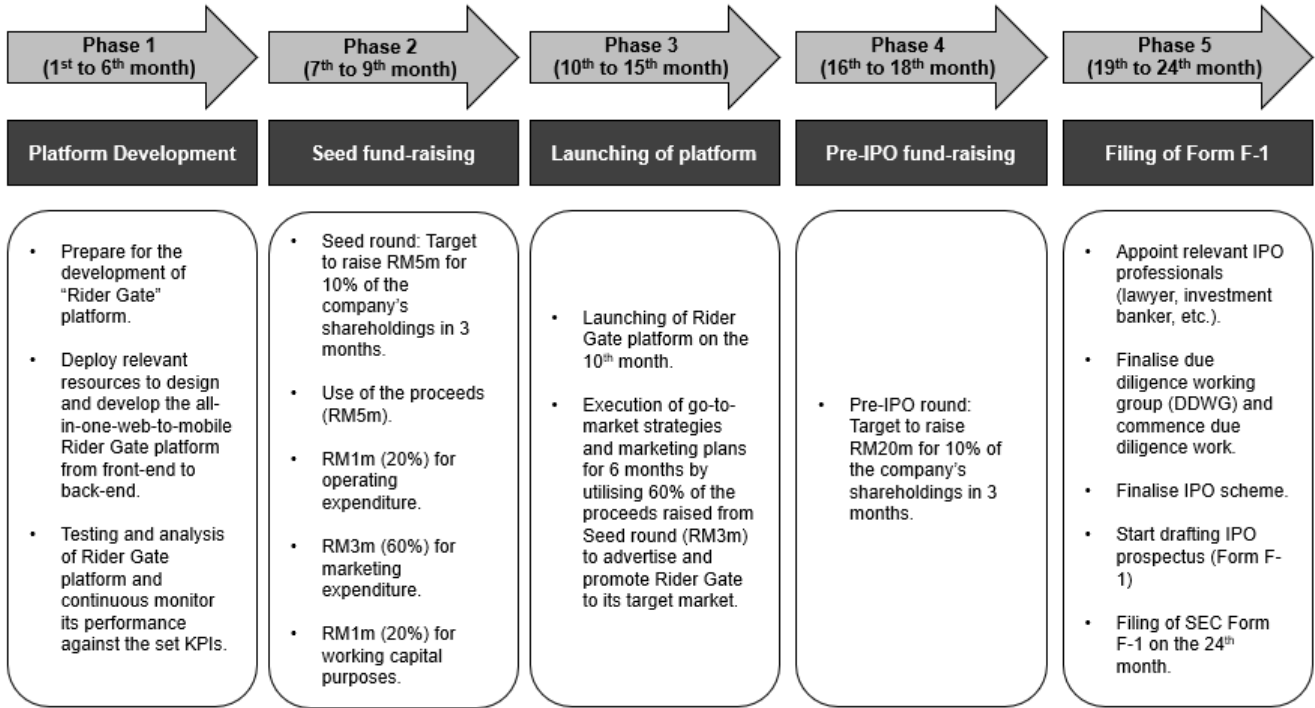
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

### Business segment 3: Expect app development for GT Max (Autotech) to complete by 1H23F ➤

In Sep 2022, Ramssol entered into a commission agreement with GT-Max Motors (M) Sdn Bhd to develop (and provide maintenance service thereafter) a system called Rider Gate for GT Max. It is a mobile application platform service that will allow GT-Max to sell its products and services (facilitating both online and offline sales) as well as to integrate various operational functions and manage financials more efficiently. Note that Ramssol will be paid commission on every sale/transaction completed, with the system to be utilised throughout GT-Max operations. GT-Max is involved in the trading of motorcycles and spare parts as well as providing motorcycle-related ancillary services. GT-Max is one of the largest retailers of Yamaha-branded motorcycles in Malaysia with 17 branches, mainly in Selangor and more than 27 years of experience in the industry (no

financials disclosed online). Ramssol has started developing Rider Gate in 3Q22 and will complete it within 12 months (by 1H23F). Ramssol estimates capex for the development at RM25m. Ramssol also intends to go for an initial public offering (IPO) on the Nasdaq Exchange market within 12 months after the commencement of the Rider Gate platform. The details are illustrated as below:

**Figure 5: Ramssol has a 24-month timeline for Rider Gate's IPO debut (IPO accelerator programme)**



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

### Re-rating catalysts and downside risks ►

**Re-rating catalysts:** Higher-than-expected contribution from either Edutech or Peopletech segments, and higher-than-expected margins from both segments.

**Downside risks:** Sharp decline in contributions from the Peopletech division due to slower project progress, and margin compression from increased labour costs as well as third-party software costs.



**Figure 6: Malaysian technology sector comparison – CGS-CIMB Research coverage**

Company	Bloomberg Ticker	Reco m.	Share price (local curr)	Target Price (local curr)	Market Cap (US\$ m)	P/E (x)		3-year EPS CAGR (%)	P/BV (x)		Recurring ROE (%)		EV/EBITDA (x)		Dividend Yield (%)	
						CY22F	CY23F		CY22F	CY23F	CY22F	CY23F	CY22F	CY23F	CY22F	CY23F
Aemulus Holdings Bhd	AMLS MK	Hold	0.49	0.42	75	20.3	21.9	12.4%	1.6	1.5	10.1%	7.2%	16.0	13.4	0.0%	0.0%
ATA IMS Bhd	AIB MK	Reduce	0.21	0.21	57	na	na	-196.3%	0.4	0.4	-7.2%	-8.0%	na	na	0.0%	0.0%
Dagang NeXchange	DNEX MK	Add	0.56	1.00	408	9.6	9.4	30.4%	0.9	0.8	11.1%	9.4%	3.0	3.8	1.0%	1.3%
Genetec Technology Bhd	GENE MK	Add	2.50	4.60	393	23.0	19.3	31.4%	8.5	6.3	45.0%	37.7%	19.4	16.4	0.7%	1.0%
GHL Systems Bhd	GHLS MK	Hold	0.95	0.80	250	41.7	32.3	9.0%	2.1	2.1	5.3%	6.6%	14.2	12.6	2.7%	2.6%
Inari-Amertron Bhd	INRI MK	Add	2.60	3.00	2,239	24.3	23.1	4.0%	3.8	3.8	18.1%	16.4%	14.3	13.7	3.9%	4.0%
KESM Industries	KESM MK	Hold	7.00	7.00	69	na	na	na	0.9	0.9	-0.7%	-0.6%	3.7	4.4	0.9%	0.9%
Malaysian Pacific Industries	MPI MK	Hold	33.98	27.00	1,559	24.0	23.5	4.9%	3.4	3.1	15.4%	13.7%	9.5	9.2	1.0%	1.0%
Mi Technovation	MI MK	Hold	1.38	1.24	285	18.5	16.5	0.6%	1.2	1.1	6.8%	7.0%	9.8	9.2	3.9%	2.9%
MY E.G. Services	MYEG MK	Add	0.90	1.10	1,536	19.4	18.5	4.3%	3.8	3.3	21.4%	19.0%	15.3	14.4	1.6%	1.6%
Pentamaster Corp Bhd	PENT MK	Hold	4.99	3.75	819	37.9	34.7	9.6%	5.5	4.8	16.5%	14.8%	21.7	20.5	0.4%	0.4%
<b>Ramssol Berhad</b>	<b>RAMSSOL MK</b>	<b>Add</b>	<b>0.42</b>	<b>0.45</b>	<b>23</b>	<b>18.0</b>	<b>13.0</b>	<b>-4.4%</b>	<b>1.8</b>	<b>1.6</b>	<b>11.1%</b>	<b>12.8%</b>	<b>13.6</b>	<b>9.2</b>	<b>0.0%</b>	<b>0.0%</b>
SAM Engineering & Equipm	SEQB MK	Reduce	4.90	4.90	612	32.4	26.6	22.1%	3.6	3.3	11.8%	12.9%	15.6	13.7	0.9%	1.0%
SKP Resources Bhd	SKP MK	Add	1.64	1.96	591	14.6	12.2	15.4%	2.9	2.6	21.6%	22.8%	9.4	7.8	3.5%	4.1%
Uchi Technologies	UCHI MK	Add	3.17	3.60	333	12.2	13.5	4.6%	7.3	7.0	61.5%	53.0%	10.0	10.1	8.1%	6.9%
Unisem	UNI MK	Hold	3.03	2.60	1,127	20.0	22.0	6.8%	2.1	2.0	11.7%	9.4%	9.7	10.4	2.5%	2.0%
VS Industry Bhd	VSI MK	Hold	0.90	1.00	799	15.4	12.4	9.1%	1.5	1.4	10.6%	11.9%	9.0	6.8	2.7%	3.2%
<b>Weighted Average</b>						<b>22.4</b>	<b>21.0</b>	<b>7.8%</b>	<b>3.5</b>	<b>3.2</b>	<b>17.8%</b>	<b>16.2%</b>	<b>12.7</b>	<b>11.9</b>	<b>2.3%</b>	<b>2.3%</b>
<b>Simple Average</b>						<b>22.1</b>	<b>19.9</b>	<b>-2.3%</b>	<b>3.0</b>	<b>2.7</b>	<b>15.9%</b>	<b>14.5%</b>	<b>12.1</b>	<b>11.0</b>	<b>2.0%</b>	<b>1.9%</b>

SOURCES: CGS-CIMB RESEARCH ESTIMATES, BLOOMBERG

## ESG in a nutshell

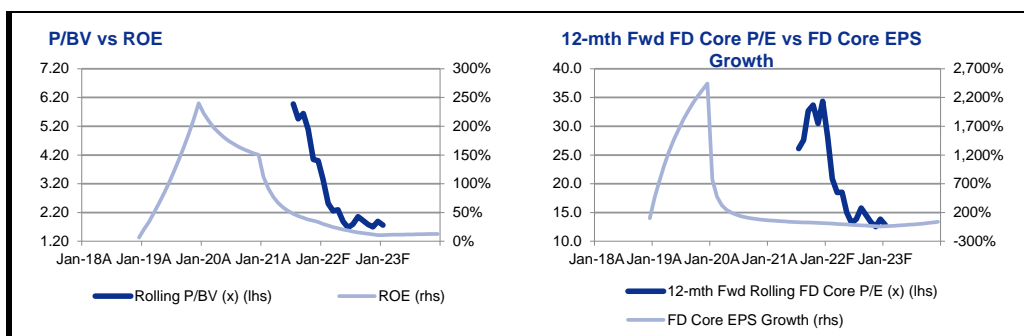


Ramssol Malaysia was granted MSC Malaysia status on 10 Nov 2014. Note that all MSC Malaysia status companies are granted certain financial and non-financial incentives. On top of that, Ramssol has received several accolades, such as 25 Most Promising Oracle Solution Providers (in 2016), Top 25 HR Technology Solution Providers (in 2018) and Best SME - HR Solution Provider (in 2020).

<p><b>Keep your eye on</b></p> <p>In 2021, Ramssol ventured into a two-year agreement with ELMU-V Sdn Bhd to carry out exclusive market training courses that will be conducted by both ELMU Education Group Sdn Bhd (EEG) and the Malaysia Anti-Corruption Academy (MACA).</p>	<p><b>Implications</b></p> <p>We view this positively as part of Ramssol's sustainability initiatives as we think this will help raise awareness of anti-corruption issues and improve its effectiveness in managing risks related to corruption.</p>
<p><b>ESG highlights</b></p> <p>Ramssol had 123 employees in total at end-FY21. By gender, 62% were female and 38% male, as stated in its FY21 annual report. In terms of ethnicity, it had a total of 102 Chinese and 21 Indian employees at end-FY21.</p>	<p><b>Implications</b></p> <p>We are positive on Ramssol's gender diversity, which is in line with its goal of providing equal employment opportunities. However, we are negative on the racial makeup of its employee base, which is predominantly one ethnic group. We expect Ramssol to increase the ethnic diversity of its workforce.</p>
<p><b>Trends</b></p> <p>At end-FY21, Ramssol had three independent directors and only one female member on its board of directors, out of a total of six members.</p>	<p><b>Implications</b></p> <p>We are positive on the fact that half the board comprises independent directors, as advocated by the Malaysia Code of Corporate Governance (MCCG). However, we are negative that Ramssol has fallen short of the MCCG recommendation that women make up at least 30% of the board members.</p>

SOURCES: CGS-CIMB RESEARCH, REFINITIV

## BY THE NUMBERS



### Profit & Loss

(RMm)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
<b>Total Net Revenues</b>	<b>25.33</b>	<b>52.52</b>	<b>36.13</b>	<b>44.13</b>	<b>52.16</b>
<b>Gross Profit</b>	<b>15.34</b>	<b>27.45</b>	<b>14.49</b>	<b>18.62</b>	<b>22.59</b>
<b>Operating EBITDA</b>	<b>8.32</b>	<b>6.69</b>	<b>5.28</b>	<b>7.47</b>	<b>9.68</b>
Depreciation And Amortisation	(0.46)	(0.66)	(0.29)	(0.56)	(0.78)
<b>Operating EBIT</b>	<b>7.86</b>	<b>6.02</b>	<b>4.99</b>	<b>6.92</b>	<b>8.90</b>
Financial Income/(Expense)	(0.44)	(0.30)	(0.05)	0.22	0.34
Pretax Income/(Loss) from Assoc.	0.00	0.00	0.05	0.19	0.20
Non-Operating Income/(Expense)	0.00	0.00	0.00	0.00	0.00
<b>Profit Before Tax (pre-EI)</b>	<b>7.42</b>	<b>5.73</b>	<b>4.99</b>	<b>7.33</b>	<b>9.44</b>
Exceptional Items			0.00	0.00	0.00
<b>Pre-tax Profit</b>	<b>7.42</b>	<b>5.73</b>	<b>4.99</b>	<b>7.33</b>	<b>9.44</b>
Taxation	(0.42)	(0.05)	(0.10)	(0.15)	(0.94)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>7.01</b>	<b>5.67</b>	<b>4.89</b>	<b>7.18</b>	<b>8.50</b>
Minority Interests	0.53	1.10	0.50	0.62	0.76
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>7.54</b>	<b>6.77</b>	<b>5.39</b>	<b>7.81</b>	<b>9.25</b>
Recurring Net Profit	7.61	8.88	5.39	7.81	9.25
<b>Fully Diluted Recurring Net Profit</b>	<b>7.61</b>	<b>8.88</b>	<b>5.39</b>	<b>7.81</b>	<b>9.25</b>

### Cash Flow

(RMm)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
<b>EBITDA</b>	<b>8.32</b>	<b>6.69</b>	<b>5.28</b>	<b>7.47</b>	<b>9.68</b>
Cash Flow from Inv. & Assoc.					
Change In Working Capital	(7.83)	(20.25)	11.05	(0.40)	(0.48)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	2.50	3.72	0.34	0.34	0.45
Other Operating Cashflow	(0.91)	(0.96)	(0.29)	(0.15)	(0.24)
Net Interest (Paid)/Received	(0.04)	0.04	0.29	0.56	0.68
Tax Paid	(0.33)	(0.11)	(0.10)	(0.15)	(0.94)
<b>Cashflow From Operations</b>	<b>1.71</b>	<b>(10.87)</b>	<b>16.57</b>	<b>7.68</b>	<b>9.14</b>
Capex	(0.30)	(0.42)	(0.64)	(2.00)	(2.00)
Disposals Of FAs/subsidiaries	0.12	0.00	0.00	0.00	0.00
Acq. Of Subsidiaries/investments	0.00	0.00	(4.00)	0.00	0.00
Other Investing Cashflow	(0.73)	(3.37)	0.00	0.00	0.00
<b>Cash Flow From Investing</b>	<b>(0.90)</b>	<b>(3.78)</b>	<b>(4.64)</b>	<b>(2.00)</b>	<b>(2.00)</b>
Debt Raised/(repaid)	1.42	(0.87)	0.00	0.00	0.00
Proceeds From Issue Of Shares	0.00	25.09	7.72	0.00	0.00
Shares Repurchased					
Dividends Paid	0.00	0.00	0.00	0.00	0.00
Preferred Dividends					
Other Financing Cashflow	(3.20)	(3.98)	(0.34)	(0.34)	(0.34)
<b>Cash Flow From Financing</b>	<b>(1.79)</b>	<b>20.25</b>	<b>7.38</b>	<b>(0.34)</b>	<b>(0.34)</b>
Total Cash Generated	(0.98)	5.59	19.31	5.34	6.80
<b>Free Cashflow To Equity</b>	<b>2.22</b>	<b>(15.52)</b>	<b>11.93</b>	<b>5.68</b>	<b>7.14</b>
<b>Free Cashflow To Firm</b>	<b>1.25</b>	<b>(14.29)</b>	<b>12.27</b>	<b>6.02</b>	<b>7.47</b>

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## BY THE NUMBERS... cont'd

### Balance Sheet

(RMm)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Total Cash And Equivalents	2.84	8.20	26.32	31.66	38.46
Total Debtors	13.25	33.57	23.09	25.79	29.05
Inventories	0.24	0.00	0.00	0.00	0.00
Total Other Current Assets	0.01	0.19	0.19	0.19	0.19
<b>Total Current Assets</b>	<b>16.34</b>	<b>41.97</b>	<b>49.60</b>	<b>57.64</b>	<b>67.71</b>
Fixed Assets	1.30	1.85	3.56	5.00	6.22
Total Investments	0.77	0.75	4.75	4.75	4.75
Intangible Assets	0.00	0.00	0.00	0.00	0.00
Total Other Non-Current Assets	1.35	4.77	4.60	4.60	4.60
<b>Total Non-current Assets</b>	<b>3.41</b>	<b>7.37</b>	<b>12.92</b>	<b>14.36</b>	<b>15.57</b>
Short-term Debt	1.57	1.47	1.47	1.47	1.47
Current Portion of Long-Term Debt					
Total Creditors	4.02	4.46	5.03	7.33	10.11
Other Current Liabilities	0.67	0.75	0.75	0.75	0.75
<b>Total Current Liabilities</b>	<b>6.26</b>	<b>6.67</b>	<b>7.24</b>	<b>9.54</b>	<b>12.33</b>
Total Long-term Debt	1.76	1.43	1.43	1.43	1.43
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	4.97	0.33	0.33	0.33	0.33
<b>Total Non-current Liabilities</b>	<b>6.73</b>	<b>1.76</b>	<b>1.76</b>	<b>1.76</b>	<b>1.76</b>
Total Provisions	0.00	0.00	0.00	0.00	0.00
<b>Total Liabilities</b>	<b>12.99</b>	<b>8.43</b>	<b>9.00</b>	<b>11.30</b>	<b>14.09</b>
Shareholders' Equity	8.82	44.06	57.16	64.97	74.22
Minority Interests	(2.06)	(3.15)	(3.65)	(4.27)	(5.03)
<b>Total Equity</b>	<b>6.77</b>	<b>40.91</b>	<b>53.51</b>	<b>60.70</b>	<b>69.19</b>

### Key Ratios

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Revenue Growth	64%	107%	(31%)	22%	18%
Operating EBITDA Growth	88.7%	(19.7%)	(21.0%)	41.5%	29.6%
Operating EBITDA Margin	32.8%	12.7%	14.6%	16.9%	18.6%
Net Cash Per Share (RM)	(0.00)	0.02	0.10	0.12	0.14
BVPS (RM)	0.04	0.20	0.23	0.26	0.30
Gross Interest Cover	17.74	16.68	14.85	20.58	26.48
Effective Tax Rate	5.59%	0.93%	2.00%	2.00%	10.00%
Net Dividend Payout Ratio	NA	NA	NA	NA	NA
Accounts Receivables Days	113.2	162.7	286.2	202.1	192.4
Inventory Days	4.40	1.75	0.00	0.00	0.00
Accounts Payables Days	211.8	61.7	80.0	88.4	108.0
ROIC (%)	(314%)	40%	11%	20%	25%
ROCE (%)	138%	23%	11%	12%	14%
Return On Average Assets	49.4%	17.1%	8.8%	10.4%	10.6%

### Key Drivers

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Provision of HCM and student management solutions	15.3	37.6	30.1	33.7	38.7
Provision of IT staff augmentation services	0.9	0.3	0.3	0.3	0.4
Provision of HCM technology applications	8.7	14.5	4.4	4.6	4.8
Provision of IT related training	0.4	0.2	0.2	0.2	0.2
Laiye	-	-	0.3	0.4	0.6
HRDC	-	-	-	-	-
ELMU V S/B	-	-	-	3.5	5.3
Others	-	-	1.0	1.5	2.3

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS



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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. CGS-CIMB Thailand does not confirm nor certify the accuracy of such survey result.

<b>Score Range:</b>	90 - 100	80 – 89	70 - 79	Below 70	No Survey Result
<b>Description:</b>	Excellent	Very Good	Good	N/A	N/A

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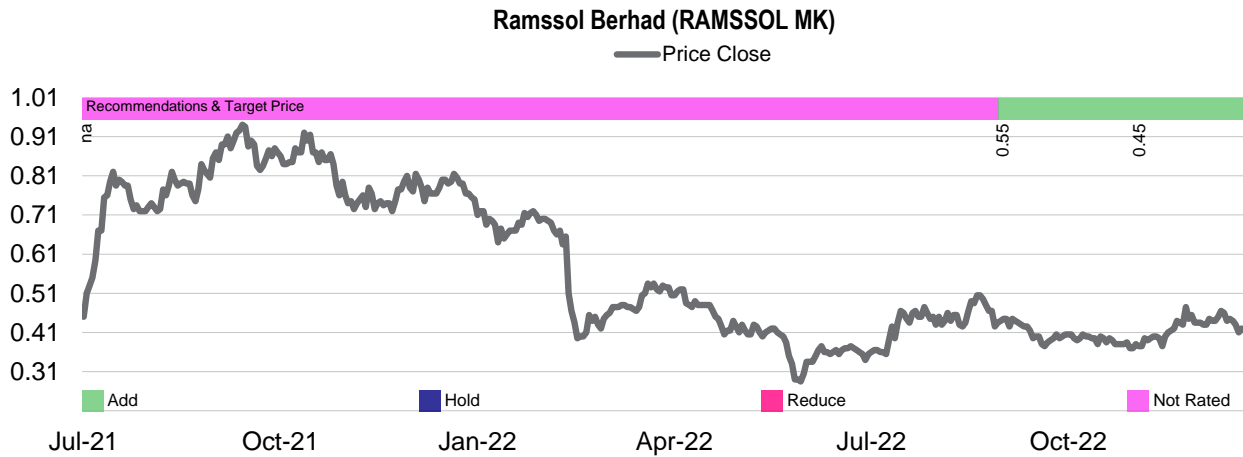
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Distribution of stock ratings and investment banking clients for quarter ended on 30 September 2022		
646 companies under coverage for quarter ended on 30 September 2022		
	Rating Distribution (%)	Investment Banking clients (%)
Add	66.7%	0.6%
Hold	25.2%	0.2%
Reduce	8.0%	0.2%

Spitzer Chart for stock being researched ( 2 year data )



**Recommendation Framework**

**Stock Ratings**

Definition:

**Add** The stock's total return is expected to exceed 10% over the next 12 months.

**Hold** The stock's total return is expected to be between 0% and positive 10% over the next 12 months.

**Reduce** The stock's total return is expected to fall below 0% or more over the next 12 months.

*The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.*

**Sector Ratings**

Definition:

**Overweight** An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.

**Neutral** A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.

**Underweight** An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

**Country Ratings**

Definition:

**Overweight** An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.

**Neutral** A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.

**Underweight** An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.