

## Singapore

**ADD** (no change)

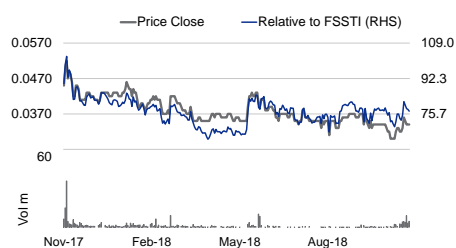
Consensus ratings\*: Buy 1 Hold 0 Sell 0

Current price:	S\$0.034
Target price:	S\$0.051
Previous target:	S\$0.051
Up/downside:	50.0%
CGS-CIMB / Consensus:	na
Reuters:	JLJH.SI
Bloomberg:	JLJ SP
Market cap:	US\$23.68m
	S\$32.58m
Average daily turnover:	US\$0.02m
	S\$0.03m
Current shares o/s:	958.2m
Free float:	26.7%

\*Source: Bloomberg

**Key changes in this note**

- FY19F EPS increased by 2%.
- FY20F EPS increased by 1%.
- FY21F EPS increased by 2%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	0	3	-20.9
Relative (%)	-1.6	7	-13.2

Major shareholders	% held
Accrelist Ltd	69.6

**Analyst(s)**

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# Jubilee Industries Holdings Ltd

## Stellar results; on track for strong growth

- 1HFY3/19 net profit increased three-folds yoy to S\$2.6m on the back of improved gross margin.
- Net profit was in line with our expectations, at 51% of our FY19F forecast.
- Maintain Add with an unchanged target price of S\$0.051.

### Stellar 1HFY3/19 results; returning to growth

Jubilee reported 1HFY3/19 net profit of S\$2.6m (+218% yoy; +169% hoh) on the back of higher gross profit of S\$7.4m for the period. Revenue was flattish yoy at S\$88.4m due to marginal decrease in sales from electronic business unit (EBU), offset by increased sales from its mechanical business unit (MBU).

### Samsung and Hynix contributed to margin uplift

EBITDA margin came in at 3.6% for 1HFY3/19 (1HFY3/18: 1.7%), with the increase in EBITDA margin largely contributed by Samsung and Hynix, the top 2 product lines of EBU. These two product lines generated close to S\$4.7m in gross profit (c.63% of 1HFY3/19 gross profit). The uplift in margin was also attributable to leaner manufacturing process with tighter controls on direct overheads and selection of higher-margin products.

### Outlook for electronics manufacturing remains robust

Management remains upbeat on the overall outlook for both electronics manufacturing industry and global injection moulded plastics market. Global electronic components market is transitioning towards fully autonomous transport and smart cities, which should support the demand for memory products. Our equity analyst in South Korea is positive on Hynix (Add, TP: W120,000) and Samsung Electro-Mechanics (Add, TP: W220,000) – the two key principal suppliers for Jubilee.

### Healthy balance sheet and positive operational cash flows

As at end-Sep, Jubilee was in a net cash position of S\$1.5m, after generating positive operational cash flows in 1HFY3/19. Cash conversion cycle remains fairly consistent, within 16-19 days for the past three halves since turning profitable in 1HFY3/18. W

### Maintain Add

We retain our Add call as Jubilee remains on track for strong growth recovery in FY3/19F. Our TP (sum-of-parts derived) remains unchanged at S\$0.051; we raise our FY19-21F EPS forecasts by 1-2% to reflect higher EBITDA margins. The stock is currently trading at 4.7x CY19F P/E (5.9x on a diluted basis, factoring in 255m outstanding warrants as at end-Sep 18), below its peers' average of 9.6x. Key re-rating catalyst: better-than-expected earnings growth. Downside risks include loss of distributorships with key principal suppliers.

**Financial Summary**

	Mar-17A	Mar-18A	Mar-19F	Mar-20F	Mar-21F
Revenue (S\$m)	108.8	160.0	214.8	242.9	257.1
Net Profit (S\$m)	(7.48)	0.93	5.12	7.84	8.39
Core EPS (S\$)	(0.015)	0.001	0.005	0.008	0.008
Core EPS Growth	(4%)		279%	47%	7%
FD Core P/E (x)	NA	28.92	8.10	5.45	5.10
Price To Sales (x)	0.13	0.14	0.15	0.14	0.13
DPS (S\$)	-	-	-	-	-
Dividend Yield	0%	0%	0%	0%	0%
EV/EBITDA (x)	NA	3.54	4.00	2.32	1.48
P/FCFE (x)	1.34	NA	NA	8.97	6.34
Net Gearing	83.3%	(9.4%)	5.6%	(5.6%)	(17.0%)
P/BV (x)	1.06	0.91	0.88	0.73	0.62
ROE	(38.2%)	3.9%	14.0%	18.4%	16.6%
% Change In Core EPS Estimates			1.49%	0.64%	1.65%
CIMB/consensus EPS (x)			1.06	0.98	1.05

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 1: Results comparison**

FYE Mar (\$\$ m)	1HFY19	1HFY18	yoy % chg	hoh % chg	Prev FY19	Comments
Revenue	88.4	87.5	1	22	214.8	In-line with 1HFY3/19 forming 41% of our full-year forecasts
Operating costs	(85.3)	(86.0)	(1)	20	(208.8)	
EBITDA	3.1	1.5	106	142	5.9	In line
EBITDA margin (%)	3.6	1.7	104	99	2.8	
Depn. & amort.	(0.5)	(0.7)	(32)	(1)	(1.0)	
EBIT	2.7	0.8	222	226	4.9	
Interest expense	(0.4)	(0.4)	(2)	207	(0.6)	
Interest income	-	-	na	na	-	
Associates' contrib	0.3	0.4	(35)	(4)	1.0	
Exceptionals	-	-	na	(100)	-	
Pretax profit	2.5	0.8	208	859	5.3	
Tax	(0.0)	(0.0)	164	263	(0.3)	
Tax rate (%)	1.2	1.3	(14)	(62)	5.7	
Minority interests	0.1	-	na	na	-	
Net profit	2.6	0.8	218	908	5.0	In-line; 1HFY3/19 forming 51% of our full-year forecast
<b>Core net profit</b>	<b>2.6</b>	<b>0.8</b>	<b>218</b>	<b>169</b>	<b>5.0</b>	<b>In-line; 1HFY3/19 forming 51% of our full-year forecast</b>
EPS (S cts)	0.27	0.15	73	875	0.51	Higher share base resulting from 86m issuance of placement and considerations shares
Core EPS (S cts)	0.27	0.15	73	875	0.51	

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 2: Earnings revisions**

Earnings revision (\$\$ m)	FY19F			FY20F			FY21F		
	Old	New	% chg	Old	New	% chg	Old	New	% chg
Revenue	214.8	214.8	0.0	242.9	242.9	0.0	257.1	257.1	0.0
Gross profit	16.1	16.1	0.0	19.8	19.8	0.0	20.9	20.9	0.0
EBITDA	5.9	6.2	4.2	8.9	9.2	2.9	9.6	9.9	2.8
Core net profit	5.0	5.1	2.0	7.7	7.8	1.6	8.2	8.4	2.6
Core EPS (S cts)	0.52	0.53	1.5	0.78	0.78	0.6	0.82	0.84	1.6

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 3: SOP Valuation**

Associates	Stake (%)	MV (\$\$m)*			
EG Industries Bhd	14.1	3.4			
		FY17	FY19F	FY20F	FY21F
Issued Shares (m)		928.2	1001.7	1001.7	1001.7
New shares from warrant conversion		255.6	255.6	255.6	255.6
<b>FD # of shares (m)</b>		<b>1183.8</b>	<b>1257.3</b>	<b>1257.3</b>	<b>1257.3</b>
Diluted EPS (Scts)		0.08	0.41	0.62	0.67
Excl. EG Industries Bhd (Scts)		(1.18)	0.02	0.33	0.54
CY19F EPS (Scts)		0.49			
Global peers' average P/E multiple (x)		10			
Jubilee's core business (\$\$/share)		0.049			
EG Industries's value (\$\$/share)		0.003			
<b>Estimated fair value (\$\$)</b>		<b>0.051</b>			
*Market value as at 19 Nov 18					

SOURCES: CGS-CIMB, COMPANY REPORTS

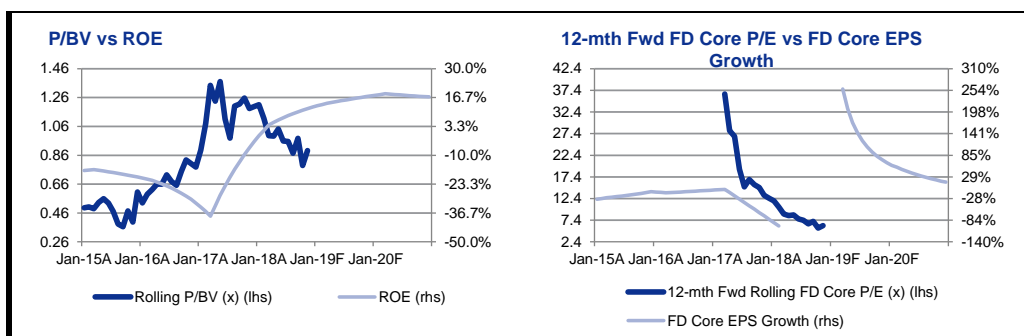
**Figure 4: Peer comparison**

Company	Bloomberg Ticker	Recom.	Price (lcl curr)	Target Price (lcl curr)	Market Cap (US\$ m)	P/E (x) CY18F	P/E (x) CY19F	3-year EPS CAGR (%)	P/BV (x) CY18F	Recurring ROE (%) CY18F	EV/EBITDA (x) CY18F	EV/EBITDA (x) CY19F	Dividend Yield (%) CY18F	
Jubilee Industries Holdings	JLJ SP	ADD	0.034	0.051	24	7.8	4.7	na	0.89	11.7%	4.3	2.5	0.0%	
<b>Electronic component distributors</b>														
Answer Technology Co Ltd	3528 TT	Not rated	32.10	na	68	10.2	9.4	na	na	14.1%	9.4	8.7	7.8%	
Excelpoint Technology Ltd	EXLP SP	Not rated	0.60	na	52	na	na	na	na	na	na	na	na	
Howteh Technology Co Ltd	3114 TT	Not rated	29.05	na	49	na	na	na	na	na	na	na	na	
Karin Technology Holdings	KTH SP	Not rated	0.31	na	48	13.9	na	na	na	na	na	na	na	
Weikeng Industrial Co Ltd	3033 TT	Not rated	19.15	na	213	na	na	na	na	na	na	na	na	
WPG Holdings Ltd	3702 TT	Not rated	37.30	na	2,027	8.6	8.9	-0.3%	1.19	13.9%	11.9	11.3	8.0%	
Willas-Array Electronics	WAE SP	Not rated	0.56	na	35	2.4	na	na	na	na	na	na	na	
<b>Simple average</b>					-	<b>8.8</b>	<b>9.1</b>	<b>-0.3%</b>	<b>1.19</b>	<b>14.0%</b>	<b>10.6</b>	<b>10.0</b>	<b>7.9%</b>	
<b>Mechanical moulding firms</b>														
Fu Yu Corp Ltd	FUYU SP	Hold	0.18	0.17	97	12.0	13.0	32.4%	0.81	6.9%	3.3	3.7	9.0%	
Hi-P International Ltd	HIP SP	Not rated	0.82	na	475	8.3	10.2	-19.0%	1.13	15.1%	3.4	3.9	3.4%	
Memtech International	MTEC SP	Add	0.75	1.10	76	7.4	6.2	7.3%	0.58	8.0%	2.3	1.8	6.1%	
Sunningdale Tech Ltd	SUNN SP	Add	1.40	1.84	194	11.1	9.7	0.1%	0.70	6.5%	4.0	3.4	3.6%	
<b>Simple average</b>					-	<b>9.7</b>	<b>9.8</b>	<b>5.2%</b>	<b>0.80</b>	<b>9.1%</b>	<b>3.3</b>	<b>3.2</b>	<b>5.5%</b>	
<b>Sector average (Distributors and moulding firms)</b>						-	<b>9.2</b>	<b>9.6</b>	<b>4.1%</b>	<b>0.88</b>	<b>10.7%</b>	<b>5.7</b>	<b>5.5</b>	<b>6.3%</b>
<b>Principal suppliers</b>														
Flex Ltd	FLEX US	Not rated	8.25	na	4,344	10.2	6.8	22.9%	1.35	17.2%	4.4	4.4	0.0%	
Hewlett Packard Enterprise	HPE US	Not rated	15.20	na	22,369	9.8	9.5	49.2%	1.01	9.0%	5.5	5.6	3.1%	
Innodisk Corp	5289 TT	Not rated	101.5	na	256	7.8	7.6	na	na	na	na	na	na	
NeoPhotonics Corp	NPTN US	Not rated	8.55	na	394	na	na	na	2.33	na	42.9	10.7	na	
Samsung Electro-Mechanics	009150 KS	Add	112,500	220,000	7,446	12.4	6.4	112.6%	1.74	15.1%	5.1	3.0	0.7%	
SK Hynix	000660 KS	Add	70,100	120,000	45,218	3.1	3.8	5.9%	1.03	39.2%	1.6	1.6	2.1%	
<b>Simple average (ex NeoPhotonics)</b>					-	<b>8.7</b>	<b>6.8</b>	<b>47.7%</b>	<b>1.28</b>	<b>20.1%</b>	<b>4.1</b>	<b>3.6</b>	<b>1.5%</b>	

DATA AS AT 19 NOV 2018

SOURCES: CGS-CIMB RESEARCH, BLOOMBERG

## BY THE NUMBERS



### Profit & Loss

(\$m)	Mar-17A	Mar-18A	Mar-19F	Mar-20F	Mar-21F
<b>Total Net Revenues</b>	<b>108.8</b>	<b>160.0</b>	<b>214.8</b>	<b>242.9</b>	<b>257.1</b>
<b>Gross Profit</b>	<b>3.7</b>	<b>7.6</b>	<b>16.1</b>	<b>19.8</b>	<b>20.9</b>
<b>Operating EBITDA</b>	<b>(4.5)</b>	<b>2.6</b>	<b>6.2</b>	<b>9.2</b>	<b>9.9</b>
Depreciation And Amortisation	(2.1)	(1.2)	(1.1)	(1.3)	(1.4)
<b>Operating EBIT</b>	<b>(6.6)</b>	<b>1.4</b>	<b>5.1</b>	<b>7.8</b>	<b>8.4</b>
Financial Income/(Expense)	(0.4)	(1.2)	(0.6)	(0.6)	(0.6)
Pretax Income/(Loss) from Assoc.	0.9	0.7	1.0	1.1	1.1
Non-Operating Income/(Expense)	0.0	0.0	0.0	0.0	0.0
<b>Profit Before Tax (pre-EI)</b>	<b>(6.1)</b>	<b>0.9</b>	<b>5.5</b>	<b>8.3</b>	<b>9.0</b>
Exceptional Items	(1.4)	0.0	0.0	0.0	0.0
<b>Pre-tax Profit</b>	<b>(7.5)</b>	<b>0.9</b>	<b>5.5</b>	<b>8.3</b>	<b>9.0</b>
Taxation	0.0	(0.0)	(0.3)	(0.5)	(0.6)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>(7.5)</b>	<b>0.9</b>	<b>5.1</b>	<b>7.8</b>	<b>8.4</b>
Minority Interests	0.0	0.0	0.0	0.0	0.0
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>(7.5)</b>	<b>0.9</b>	<b>5.1</b>	<b>7.8</b>	<b>8.4</b>
Recurring Net Profit	(6.1)	0.9	5.1	7.8	8.4
<b>Fully Diluted Recurring Net Profit</b>	<b>(6.1)</b>	<b>0.9</b>	<b>5.1</b>	<b>7.8</b>	<b>8.4</b>

### Cash Flow

(\$m)	Mar-17A	Mar-18A	Mar-19F	Mar-20F	Mar-21F
<b>EBITDA</b>	<b>(4.52)</b>	<b>2.60</b>	<b>6.20</b>	<b>9.16</b>	<b>9.87</b>
Cash Flow from Inv. & Assoc.	0.87	0.70	1.02	1.05	1.08
Change In Working Capital	13.08	(3.16)	(8.96)	(2.44)	(1.11)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	(1.35)	0.00	0.00	0.00	0.00
Other Operating Cashflow	0.40	(2.38)	0.00	0.00	0.00
Net Interest (Paid)/Received	(0.38)	(1.18)	(0.64)	(0.55)	(0.55)
Tax Paid	(0.08)	(0.02)	(0.34)	(0.48)	(0.57)
<b>Cashflow From Operations</b>	<b>8.02</b>	<b>(3.44)</b>	<b>(2.72)</b>	<b>6.74</b>	<b>8.72</b>
Capex	(0.77)	(3.33)	(1.98)	(1.98)	(1.98)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments	0.00	0.00	(3.50)	0.00	0.00
Other Investing Cashflow	0.02	(2.20)	0.00	0.00	0.00
<b>Cash Flow From Investing</b>	<b>(0.75)</b>	<b>(5.53)</b>	<b>(5.48)</b>	<b>(1.98)</b>	<b>(1.98)</b>
Debt Raised/(repaid)	2.87	4.53	3.33	0.00	0.00
Proceeds From Issue Of Shares	0.00	1.07	2.50	0.00	0.00
Shares Repurchased	0.00	0.00	0.00	0.00	0.00
Dividends Paid	0.00	0.00	0.00	0.00	0.00
Preferred Dividends					
Other Financing Cashflow	(1.80)	(0.29)	0.00	0.00	0.00
<b>Cash Flow From Financing</b>	<b>1.07</b>	<b>5.31</b>	<b>5.83</b>	<b>0.00</b>	<b>0.00</b>
Total Cash Generated	8.34	(3.66)	(2.38)	4.76	6.74
<b>Free Cashflow To Equity</b>	<b>10.13</b>	<b>(4.44)</b>	<b>(4.88)</b>	<b>4.76</b>	<b>6.74</b>
<b>Free Cashflow To Firm</b>	<b>7.65</b>	<b>(7.80)</b>	<b>(7.56)</b>	<b>5.32</b>	<b>7.29</b>

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## BY THE NUMBERS... cont'd

### Balance Sheet

(S\$m)	Mar-17A	Mar-18A	Mar-19F	Mar-20F	Mar-21F
Total Cash And Equivalents	11.33	9.12	7.03	11.79	18.53
Total Debtors	22.40	27.08	44.13	49.91	52.82
Inventories	14.63	14.98	21.77	24.44	25.89
Total Other Current Assets	7.97	9.32	9.32	9.32	9.32
<b>Total Current Assets</b>	<b>56.32</b>	<b>60.50</b>	<b>82.24</b>	<b>95.46</b>	<b>106.55</b>
Fixed Assets	1.59	0.90	2.10	3.06	3.93
Total Investments	8.48	10.45	10.17	10.17	10.17
Intangible Assets	3.26	2.63	2.30	1.97	1.65
Total Other Non-Current Assets	0.00	0.00	0.00	0.00	0.00
<b>Total Non-current Assets</b>	<b>13.32</b>	<b>13.98</b>	<b>14.57</b>	<b>15.20</b>	<b>15.74</b>
Short-term Debt	10.66	4.98	8.30	8.30	8.30
Current Portion of Long-Term Debt					
Total Creditors	34.06	34.10	48.99	55.00	58.24
Other Current Liabilities	0.73	0.00	0.00	0.00	0.00
<b>Total Current Liabilities</b>	<b>45.45</b>	<b>39.08</b>	<b>57.29</b>	<b>63.30</b>	<b>66.55</b>
Total Long-term Debt	11.36	0.90	0.90	0.90	0.90
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	0.00	0.00	0.00	0.00	0.00
<b>Total Non-current Liabilities</b>	<b>11.36</b>	<b>0.90</b>	<b>0.90</b>	<b>0.90</b>	<b>0.90</b>
Total Provisions	0.00	0.00	0.00	0.00	0.00
<b>Total Liabilities</b>	<b>56.81</b>	<b>39.98</b>	<b>58.19</b>	<b>64.20</b>	<b>67.44</b>
Shareholders' Equity	12.83	34.50	38.63	46.46	54.85
Minority Interests	0.00	0.00	0.00	0.00	0.00
<b>Total Equity</b>	<b>12.83</b>	<b>34.50</b>	<b>38.63</b>	<b>46.46</b>	<b>54.85</b>

### Key Ratios

	Mar-17A	Mar-18A	Mar-19F	Mar-20F	Mar-21F
Revenue Growth	28.6%	47.1%	34.3%	13.1%	5.8%
Operating EBITDA Growth	30%	N/A	139%	48%	8%
Operating EBITDA Margin	(4.15%)	1.62%	2.88%	3.77%	3.84%
Net Cash Per Share (S\$)	(0.027)	0.003	(0.002)	0.003	0.009
BVPS (S\$)	0.032	0.037	0.039	0.046	0.055
Gross Interest Cover	(17.28)	1.20	7.90	14.16	15.27
Effective Tax Rate	0.00%	0.43%	6.24%	5.75%	6.38%
Net Dividend Payout Ratio	NA	NA	NA	NA	NA
Accounts Receivables Days	67.48	56.46	60.51	70.85	72.93
Inventory Days	37.48	35.47	33.76	37.92	38.89
Accounts Payables Days	103.2	81.7	76.3	85.3	87.5
ROIC (%)	(51.7%)	7.8%	20.3%	21.2%	20.7%
ROCE (%)	(24.3%)	3.8%	11.5%	15.1%	14.1%
Return On Average Assets	(10.1%)	2.6%	6.6%	8.0%	7.6%

### Key Drivers

	Mar-17A	Mar-18A	Mar-19F	Mar-20F	Mar-21F
ASP Change (% , Main Product)	N/A	N/A	N/A	N/A	N/A
Unit sales growth (% , main prod)	-32.4%	22.8%	281.0%	36.5%	4.0%
No. Of Lines (main Product)	N/A	N/A	N/A	N/A	N/A
Rev per line (US\$, main prod)	N/A	N/A	N/A	N/A	N/A
ASP chg (% , 2ndary prod)	N/A	N/A	N/A	N/A	N/A
Unit sales grth (% , 2ndary prod)	39.8%	51.2%	18.7%	7.0%	6.5%
No. Of Lines (secondary Product)	N/A	N/A	N/A	N/A	N/A
Rev per line (US\$, 2ndary prod)	N/A	N/A	N/A	N/A	N/A

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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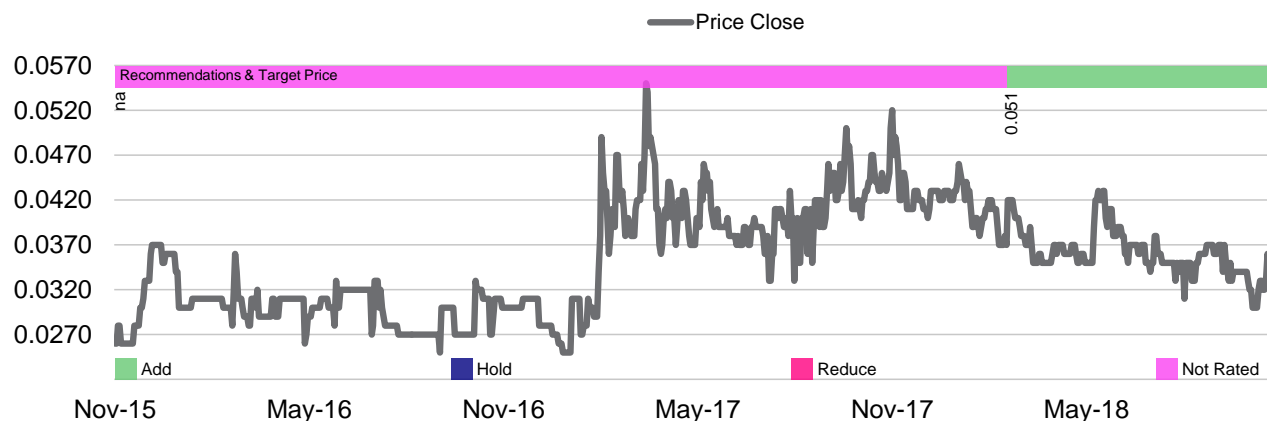
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#### Spitzer Chart for stock being researched ( 2 year data )

#### Jubilee Industries Holdings Ltd (JLJ SP)



**Corporate Governance Report of Thai Listed Companies (CGR). CG Rating by the Thai Institute of Directors Association (Thai IOD) in 2017, Anti-Corruption 2017**

**AAV** – Very Good, n/a, **ADVANC** – Excellent, Certified, **AEONTS** – Good, n/a, **AMATA** – Very Good, n/a, **ANAN** – Excellent, n/a, **AOT** – Excellent, Declared, **AP** – Excellent, Declared, **ASK** – Very Good, Declared, **ASP** – Very Good, Certified, **BANPU** – Excellent, Certified, **BAY** – Excellent, Certified, **BBL** – Very Good, Certified, **BCH** – Good, Declared, **BCP** - Excellent, Certified, **BCPG** – Very Good, n/a, **BEM** – Very Good, n/a, **BDMS** – Very Good, n/a, **BEAUTY** – Good, n/a, **BEC** – Very Good, n/a, **BGRIM** – not available, n/a, **BH** - Good, n/a, **BJC** – Very Good, Declared, **BJCHI** – Very Good, Declared, **BLA** – Very Good, Certified, **BPP** – Good, n/a, **BR** - Good, Declared, **BTS** - Excellent, Certified, **CBG** – Good, n/a, **CCET** – Good, n/a, **CENDEL** – Very Good, Certified, **CHG** – Very Good, Declared, **CK** – Excellent, n/a, **COL** – Very Good, Declared, **CPALL** – not available, Declared, **CPF** – Excellent, Declared, **CPN** - Excellent, Certified, **DELTA** - Excellent, n/a, **DEMCO** – Excellent, Certified, **DIF** – not available, n/a, **DTAC** – Excellent, Certified, **EA** – Very Good, n/a, **ECL** – Very Good, Certified, **EGCO** - Excellent, Certified, **EPG** – Very Good, n/a, **GFPT** - Excellent, Declared, **GGC** – not available, Declared, **GLOBAL** – Very Good, Declared, **GLOW** – Very Good, Certified, **GPSC** – Excellent, Declared, **GRAMMY** - Excellent, n/a, **GUNKUL** – Excellent, Declared, **HANA** - Excellent, Certified, **HMPRO** - Excellent, Certified, **ICHI** – Excellent, n/a, **III** – not available, n/a, **INTUCH** - Excellent, Certified, **IRPC** – Excellent, Certified, **ITD** – Very Good, n/a, **IVL** - Excellent, Certified, **JAS** – not available, Declared, **JASIF** – not available, n/a, **JUBILE** – Good, Declared, **KAMART** – not available, n/a, **KBANK** - Excellent, Certified, **KCE** - Excellent, Certified, **KGI** – Very Good, Certified, **KKP** – Excellent, Certified, **KSL** – Very Good, Certified, **KTB** - Excellent, Certified, **KTC** – Excellent, Certified, **LH** - Very Good, n/a, **LPN** – Excellent, Certified, **M** – Very Good, n/a, **MACO** – Very Good, n/a, **MAJOR** – Very Good, n/a, **MAKRO** – Very Good, Declared, **MALEE** – Very Good, n/a, **MBKET** – Very Good, Certified, **MC** – Very Good, Declared, **MCOT** – Excellent, Certified, **MEGA** – Very Good, n/a, **MINT** - Excellent, Certified, **MTLS** – Very Good, Declared, **NYT** – Excellent, n/a, **OISHI** – Very Good, n/a, **PLANB** – Excellent, Declared, **PLAT** – Very Good, Certified, **PSH** – Excellent, Certified, **PSL** - Excellent, Certified, **PTT** - Excellent, Certified, **PTTEP** - Excellent, Certified, **PTTGC** - Excellent, Certified, **QH** – Excellent, Certified, **RATCH** – Excellent, Certified, **ROBINS** – Excellent, Certified, **RS** – Very Good, n/a, **SAMART** - Excellent, n/a, **SAPPE** - Good, n/a, **SAT** – Excellent, Certified, **SAWAD** – Very Good, n/a, **SC** – Excellent, Declared, **SCB** - Excellent, Certified, **SCBLIF** – not available, n/a, **SCC** – Excellent, Certified, **SCN** – Very Good, Declared, **SCCC** - Excellent, Declared, **SIM** - Excellent, n/a, **SIRI** – Very Good, Declared, **SPA** - Good, n/a, **SPALI** - Excellent, n/a, **SPRC** – Excellent, Declared, **STA** – Very Good, Declared, **STEC** – Excellent, n/a, **SVI** – Excellent, Certified, **TASCO** – Very Good, n/a, **TCAP** – Excellent, Certified, **THAI** – Very Good, n/a, **THANI** – Very Good, Certified, **THCOM** – Excellent, Certified, **THRE** – Very Good, Certified, **THREL** – Excellent, Certified, **TICON** – Very Good, Declared, **TIPCO** – Very Good, Certified, **TISCO** - Excellent, Certified, **TK** – Very Good, n/a, **TKN** – Very Good, Declared, **TMB** - Excellent, Certified, **TNR** – Good, n/a, **TOP** - Excellent, Certified, **TPCH** – Good, n/a, **TIPIP** – not available, n/a, **TRUE** – Excellent, Declared, **TTW** – Very Good, n/a, **TU** – Excellent, Declared, **TVO** – Excellent, Declared, **UNIQ** – not available, Declared, **VGI** – Excellent, Declared, **WHA** – not available, Declared, **WHART** – not available, n/a, **WORK** – not available, n/a.

**Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of October 28, 2016) are categorized into:**

- Companies that have declared their intention to join CAC, and
- Companies certified by CAC

**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  
Underweight

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

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**Note:** CIMB Research is a participant in the SGX StockFacts Research Programme and receives fees from the account maintained by SGX for providing research coverage on the Company.