

# Sunway (SWB MK)

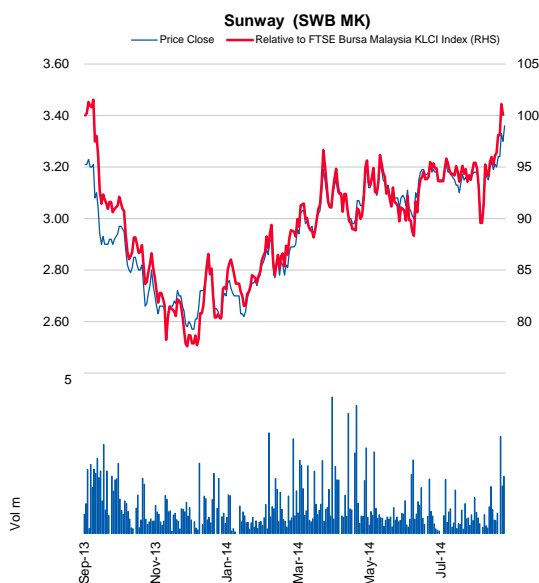
Property - Real Estate  
Market Cap: USD1,790m

**Buy** (Maintained)

Target Price: MYR3.90  
Price: MYR3.36

## Continue To Build Value

Macro   
Risks   
Growth   
Value



Source: Bloomberg

Avg Turnover (MYR/USD)	1.91m/0.60m
Cons. Upside (%)	5.7
Upside (%)	16.1
52-wk Price low/high (MYR)	2.55 - 3.36
Free float (%)	39
Share outstanding (m)	1,723
Shareholders (%)	
Tan Sri Dato' Jeffrey Cheah	55.44
GIC	8.7

### Share Performance (%)

	YTD	1m	3m	6m	12m
Absolute	23.5	7.0	9.1	16.3	6.7
Relative	24.7	8.4	11.0	14.8	3.8

### Shariah compliant

Loong Kok Wen, CFA +603 9207 7614  
[loong.kok.wen@rhbgroup.com](mailto:loong.kok.wen@rhbgroup.com)

We are upbeat on Sunway's value unlocking exercise to list SCG, its construction & precast business unit. As the business' value is now realised, we maintain BUY and raise our FV to MYR3.90 (from MYR3.60), an upside of 16%. Assuming a 13x listing P/E, we estimate that its shareholders will receive 25-30 sen special cash DPS, and one SCG share worth about MYR1.21/share for every 10 Sunway shares held.

- ◆ **Listing of SCG.** Sunway plans to list its construction & precast business unit, and the listing vehicle will be named Sunway Construction Group Berhad (SCG). SCG will have 1,293m share base. Upon listing, Sunway will retain control of at least 51%. The new SCG shares will be distributed by way of dividend-in-specie to Sunway's shareholders, based on entitlement of one SCG share for every 10 Sunway shares held. Sunway's shareholders will also enjoy a special cash dividend.
- ◆ **Potential valuations for SCG.** Given the company's expected earnings base (MYR50m PATMI in 1H14) and MYR3.4bn outstanding orderbook, SCG will be comparable to the top-tier listed construction companies, which are currently trading at 11-17x P/E. Note also, that most of the peers are not pure construction play, as they have exposure to the property development segment. Unlike its peers, SCG will be more likely to secure consistent flow of construction works as more property investment assets will be built, and property projects will be undertaken by Sunway. Hence, this could ensure sustainable earnings growth for SCG. This year, management is confident to hit MYR2.5bn orderbook replenishment (from MYR2bn in FY13). Given the prospects and the recent successful debut of Econpile (ECON MK, NR), a small cap construction company, we think a valuation multiple of 13x is justifiable.
- ◆ **Potential windfall for shareholders.** Assuming a 13x P/E on estimated PATMI of MYR120m (management expects 2H earnings to be stronger), SCG could potentially be worth MYR1.56bn, which translates into MYR1.21/share. As management emphasises that allocation of proceeds for working capital purpose is limited and gearing for SCG will be minimal, about 35% of the proceeds will be paid out as special cash dividend. This works out to be about 25-30 sen/share.
- ◆ **BUY.** Sunway, our Top Pick for the sector, has a strategic business structure that allows it to unlock asset values from time to time, which benefits the shareholders over the long term. As more values are now being realised, we revamp our SOP valuations. We raise our FV to MYR3.90 (from MYR3.60). Maintain BUY.

Forecasts and Valuations	Dec-11	Dec-12	Dec-13	Dec-14F	Dec-15F
Total turnover (MYRm)	3,739	3,877	4,734	5,258	5,742
Reported net profit (MYRm)	370	532	1,500	522	571
Recurring net profit (MYRm)	326	351	483	522	571
Recurring net profit growth (%)	0.2	7.7	37.7	8.2	9.4
Recurring EPS (MYR)	0.25	0.27	0.32	0.30	0.33
DPS (MYR)	0.00	0.06	0.10	0.10	0.12
Recurring P/E (x)	13.3	12.4	10.5	11.1	10.1
P/B (x)	1.46	1.22	0.95	1.02	0.96
Dividend Yield (%)	0.0	1.8	3.0	3.0	3.6
Return on average equity (%)	13.2	16.3	33.7	9.5	9.7
Return on average assets (%)	5.0	6.4	15.1	4.6	4.7
Net debt to equity (%)	44.7	41.5	22.6	30.1	29.2
Our vs consensus EPS (adjusted) (%)				10.6	11.2

◆ **Timeline and approval process.** We make no changes to our earnings forecasts for now, pending more details on the corporate exercise and pro forma numbers. SCG will tentatively be listed on Bursa Malaysia in 2Q15. The corporate exercise will need to go through various regulatory submissions, and an EGM will then be convened for shareholders' approval in 1Q15.

◆ **Offer structure:**

1. Proposed distribution-in-specie of 13.3% of issued and paid-up share capital of SCG to existing Sunway Bhd shareholders. The distribution is on the basis of one SCG share for every 10 Sunway Bhd shares held at the entitlement date to be determined later.
2. Proposed offer for sale of 31.0% of issued and paid-up share capital to institutional & retail investors.
3. Sunway Bhd to retain control of 55.7% of SCG after proposed listing (before over-allotment option).

Note that the strike price for warrants will be adjusted accordingly.

**Figure 1: Peer comparison for SCG**

Companies	Market cap (MYRm)	P/E (x) Dec-15F
Gamuda	11,180	16.6
IJM Corp	9,493	10.6
WCT	2,304	12.8
Hock Seng Lee	1,011	10.7
Average		12.7

Source: Bloomberg, RHB

**Figure 2: Shareholding structure of SCG**

Shareholding structure of SCG	Before exercise of over-allotment option	After exercise of over-allotment option
Sunway Bhd	55.7%	51.0%
Shareholders of Sunway Bhd	13.3%	13.3%
Institutional investors	25.5%	30.2%
Retail investors including pink form	5.5%	5.5%

Source: Company

**Figure 3: Breakdown by number of shares**

	No. of shares (m)	% Allocation
Sunway Bhd shares	719.5	55.65%
Dividend in specie shares	172.3	13.33%
Available for Offer for Sale	400.9	31.01%
	<b>1,292.9</b>	<b>100.00%</b>
MITI	135.8	10.50%
Institutional	194.1	15.01%
Retail - non bumi	25.9	2.00%
Retail - bumi	25.9	2.00%
Pink form	19.4	1.50%
	<b>400.9</b>	<b>31.01%</b>

Source: Company

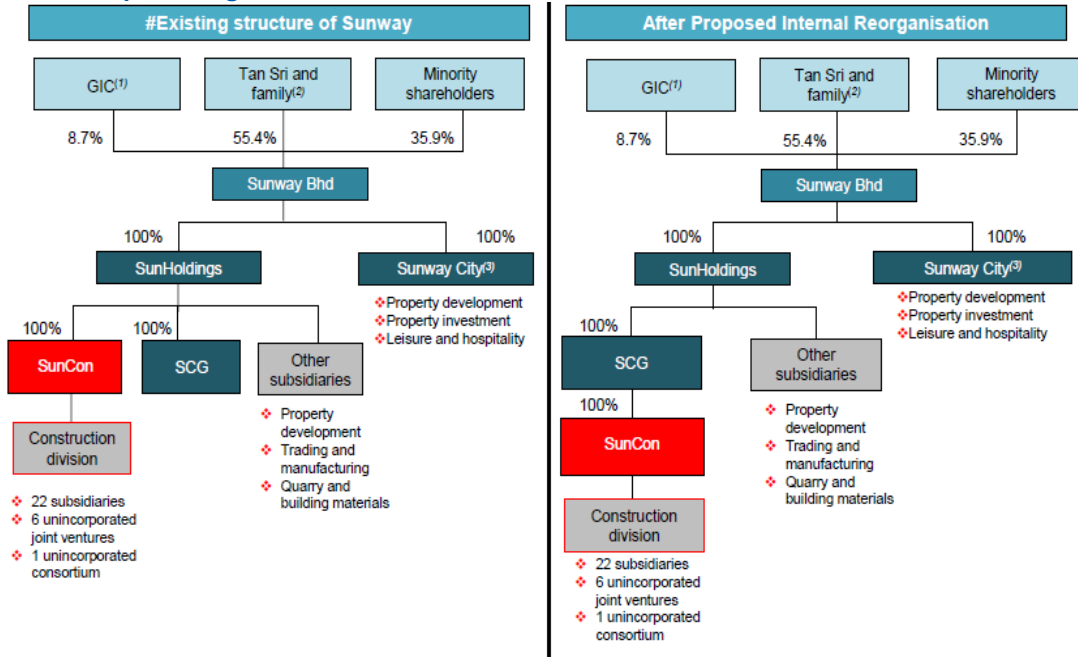
**Figure 4: Potential return to Sunway's shareholders by listing SCG**

Est. FY14 earnings (MYRm)	120.00
PE (x)	13
Market cap (MYRm)	1,560.00
Share base (m)	1,292.90
Value of 1 SCG share (MYR)	1.21
35% of proceeds (MYRm)	546.00
No. of Sunway shares	1,723.52
Cash DPS (MYR)	0.32
Total potential cash DPS + dividend in specie to shareholders by holding 1 Sunway share (MYR)	0.44

\* Cash dividend could be 3-5 sen lower from 32 sen after deducting listing expenses

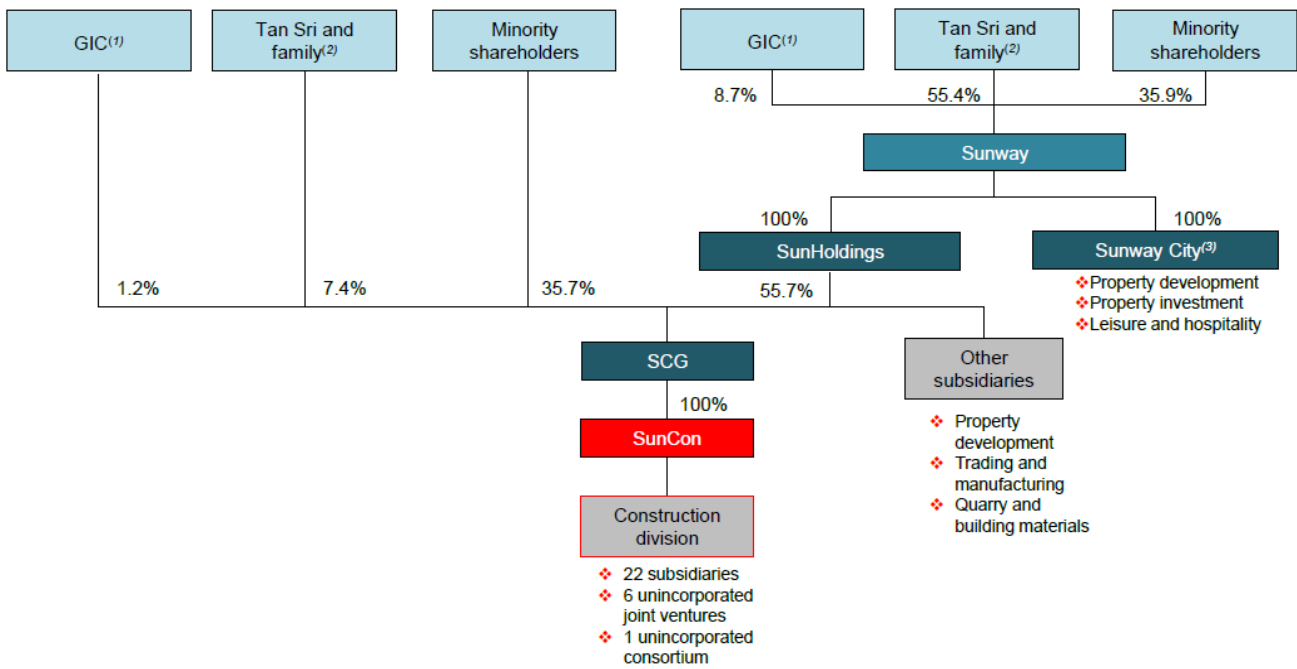
Source: RHB

Figure 5: Group structure pre-listing



Source: Company

Figure 6: Group structure post listing (before over-allotment)



Source: Company

Figure 7: Sunway's RNAV

Developments	Remaining Landbank (acre)	Remaining GDV (MYR m)	Effective stake	NPV @ 11%	
<b>Selangor/KL</b>					
Sunway Damansara	15.36	1,691.28	60%	114.6	
Sunway South Quay	42.17	3,296.66	60%	213.2	
Sunway Monterez	5.36	43.67	60%	2.9	
Sunway Semenyih	398.11	728.59	70%	45.3	
Sunway Cheras	5.97	16.82	100%	1.2	
Sunway Duta	3.16	120.00	60%	5.0	
Sunway Montana	1.99	55.51	100%	5.7	
Sunway Alam Suria	0.65	12.00	100%	1.1	
Sunway Resort City	14.9	660	100%	56.3	
Casa Kiara III	2.88	210.00	80%	15.8	
Sunway Velocity	17.94	2,858.98	85%	242.7	
Sunway Tower KL 1	1.00	240.00	100%	17.5	
Bangi	3.00	59.00	100%	5.5	
Melawati	2.00	43.00	100%	3.7	
Sg Long	111.00	277.00	80%	17.6	
Mont Putra, Rawang	163.00	156.00	100%	12.4	
<b>Perak</b>					
Sunway City Ipoh	440.5	1,048.38	65%	65.5	
<b>Penang</b>					
Sunway Hills	80.70	849.00	100%	65.3	
Sunway Cassia, Batu Maung	6.62	74.00	100%	7.0	
Sunway Wellesley, Bukit Mertajam	63.00	845.00	100%	78.7	
Paya Terubong	24.46	1,500.00	100%	116.4	
Sunway Tunas, Balik Pulau	9.00	60.00	100%	6.2	
Sunway Betong, Balik Pulau	19.87	110.00	100%	11.3	
<b>S'pore</b>					
Mount Sophia	5.87	2,137.20	30%	74.6	
Sembawang, Singapore	0.77	75.00	100%	9.2	
Royal Square @ Novena	1.65	2,287.50	30%	79.9	
<b>Johor</b>					
Bukit Lenang	64.79	698.40	80%	65.0	
Medini	691.00	12,000.00	60%	594.3	
Pendas	1,079.07	18,000.00	60%	694.2	
<b>China</b>					
Sunway Guanghao	3.73	66.78	65%	4.2	
Tianjin Eco City	24.00	1,300.00	60%	59.5	
<b>India</b>					
Sunway OPUS Grand India	23.80	702.36	50%	19.9	
Sunway MAK Signature Residence (JV with M.A.K Builders)	14.00	181.22	60%	6.5	
<b>Australia</b>					
Wonderland Business Park (Sydney)	48.40	378.10	45%	9.2	
Unbilled sales				336.0	
<b>TOTAL</b>	<b>3,389.75</b>	<b>52,781.52</b>		<b>3,063.28</b>	
<b>Investment properties</b>					
	EBITDA (MYR m)	Market value (MYR m)	Book value (MYR m)	Equity interest	Net surplus (MYR m)
Monash University Campus	17	299.5	299.5	100%	0
Monash U Residence	15	226.6	226.6	100%	0
Sunway University College	10	255.0	255.0	100%	0
Sunway Hotel Georgetown	2	64.7	64.7	100%	0
Sunway Hotel Phnom Penh	2	17.3	17.3	53%	0
Sunway Hotel Hanoi	2	8.8	8.8	100%	0
Sunway Giza	5	55.1	55.1	60%	0
Sunway Pinnacle	N/A	280.0	280.0	100%	0
<b>Other divisions</b>					
	Market value (MYR m)	Book value (MYR m)	Est. FY14 earnings (MYR m)	PE target (x)	Equity value surplus (MYR m)
34% Sunway REIT	1,440.0	1,334.1			105.88
Others			70	6.5	455.00
Total					3,624.17
Shareholders' equity (ex cons.)					5,034.87
ESOS proceeds					551.52
Warrants conversion @ MYR2.50					723.48
Total RNAV (ex cons.)					9,934.03
Discount to RNAV					30%
Discounted RNAV					6,953.82
SCG's listing (based on 13x PE and MYR120m PATMI)					1,560.00
SOP value					8,513.82
Share base (mil)					1,723.52
No. of warrants					289.39
ESOS					172.35
Enlarged share base (mil)					2,185.27
Fair value (MYR)					3.90

Source: RHB

## Financial Exhibits

<b>Profit &amp; Loss (MYRm)</b>	<b>Dec-11</b>	<b>Dec-12</b>	<b>Dec-13</b>	<b>Dec-14F</b>	<b>Dec-15F</b>
Total turnover	3,739	3,877	4,734	5,258	5,742
Cost of sales	(2,755)	(2,809)	(3,382)	(3,772)	(4,186)
<b>Gross profit</b>	<b>984</b>	<b>1,068</b>	<b>1,352</b>	<b>1,486</b>	<b>1,556</b>
Gen & admin expenses	(785)	(775)	(698)	(1,078)	(1,252)
Other operating costs	172	212	1,170	129	143
<b>Operating profit</b>	<b>371</b>	<b>504</b>	<b>1,824</b>	<b>537</b>	<b>447</b>
Operating EBITDA	438	575	1,914	641	549
Depreciation of fixed assets	(67)	(71)	(91)	(104)	(102)
<b>Operating EBIT</b>	<b>371</b>	<b>504</b>	<b>1,824</b>	<b>537</b>	<b>447</b>
Net income from investments	199	301	172	406	528
Interest income	30	27	36	37	39
Interest expense	(86)	(105)	(138)	(122)	(122)
Other non-recurring income	(8)	0	1	127	185
<b>Pre-tax profit</b>	<b>507</b>	<b>728</b>	<b>1,894</b>	<b>985</b>	<b>1,078</b>
Taxation	(99)	(129)	(121)	(246)	(269)
Minority interests	(38)	(67)	(273)	(217)	(237)
<b>Profit after tax &amp; minorities</b>	<b>370</b>	<b>532</b>	<b>1,500</b>	<b>522</b>	<b>571</b>
<b>Reported net profit</b>	<b>370</b>	<b>532</b>	<b>1,500</b>	<b>522</b>	<b>571</b>
<b>Recurring net profit</b>	<b>326</b>	<b>351</b>	<b>483</b>	<b>522</b>	<b>571</b>

Source: Company data, RHB estimates

<b>Cash flow (MYRm)</b>	<b>Dec-11</b>	<b>Dec-12</b>	<b>Dec-13</b>	<b>Dec-14F</b>	<b>Dec-15F</b>
<b>Operating profit</b>	<b>371</b>	<b>504</b>	<b>1,824</b>	<b>537</b>	<b>447</b>
<b>Depreciation &amp; amortisation</b>	<b>67</b>	<b>71</b>	<b>91</b>	<b>104</b>	<b>102</b>
<b>Change in working capital</b>	<b>385</b>	<b>(741)</b>	<b>(148)</b>	<b>(678)</b>	<b>(175)</b>
Other operating cash flow	146	295	(449)	212	267
<b>Operating cash flow</b>	<b>970</b>	<b>129</b>	<b>1,317</b>	<b>174</b>	<b>641</b>
Interest received	30	27	36	37	39
Interest paid	(86)	(105)	(138)	(122)	(122)
Tax paid	(99)	(129)	(121)	(246)	(269)
<b>Cash flow from operations</b>	<b>816</b>	<b>(77)</b>	<b>1,094</b>	<b>(157)</b>	<b>290</b>
Capex	(261)	(148)	(780)	-	-
Other investing cash flow	(537)	79	(280)	(180)	(123)
<b>Cash flow from investing activities</b>	<b>(799)</b>	<b>(69)</b>	<b>(1,060)</b>	<b>(180)</b>	<b>(123)</b>
Dividends paid	-	(118)	(490)	(172)	(207)
Proceeds from issue of shares	15	161	766	-	-
Increase in debt	(65)	483	49	-	-
Other financing cash flow	(52)	(23)	(189)	(108)	(103)
<b>Cash flow from financing activities</b>	<b>(102)</b>	<b>503</b>	<b>135</b>	<b>(281)</b>	<b>(310)</b>
Cash at beginning of period	869	784	1,140	1,519	901
<b>Total cash generated</b>	<b>(85)</b>	<b>357</b>	<b>169</b>	<b>(618)</b>	<b>(143)</b>
Forex effects			210		
<b>Implied cash at end of period</b>	<b>784</b>	<b>1,140</b>	<b>1,519</b>	<b>901</b>	<b>758</b>

Source: Company data, RHB estimates

## Financial Exhibits

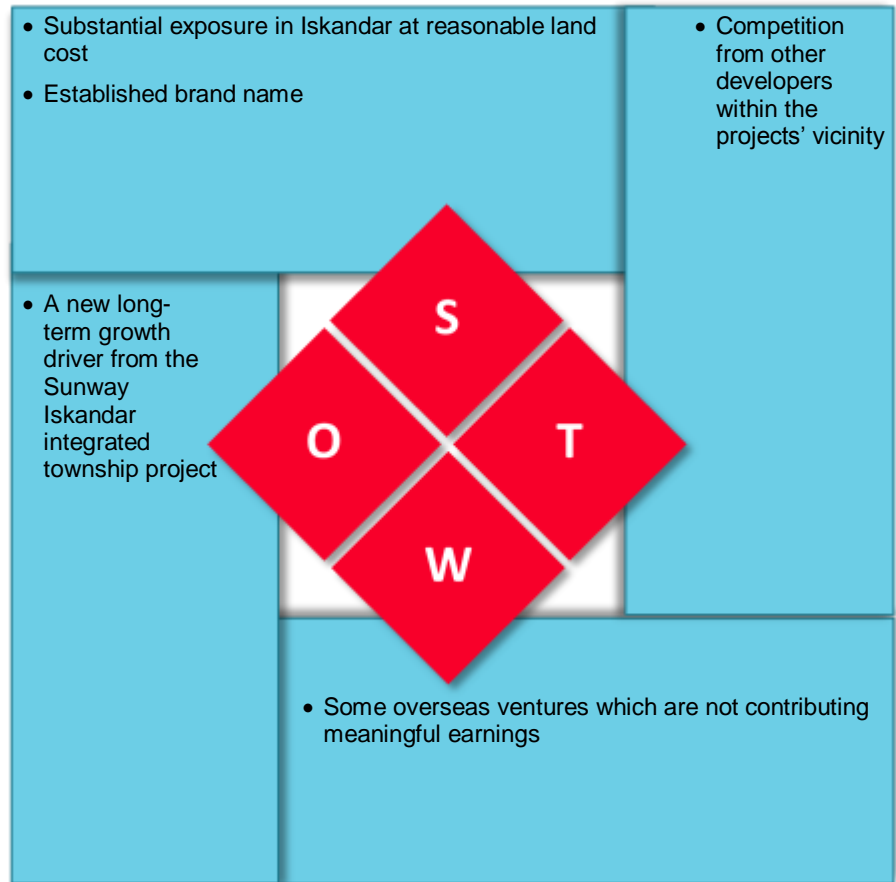
<b>Balance Sheet (MYRm)</b>	<b>Dec-11</b>	<b>Dec-12</b>	<b>Dec-13</b>	<b>Dec-14F</b>	<b>Dec-15F</b>
Total cash and equivalents	784	1,140	1,519	901	758
Inventories	1,101	1,226	1,899	2,292	2,473
Accounts receivable	1,096	1,400	1,403	1,837	2,052
Other current assets	58	48	63	63	63
<b>Total current assets</b>	<b>3,039</b>	<b>3,814</b>	<b>4,883</b>	<b>5,093</b>	<b>5,346</b>
Tangible fixed assets	4,350	4,553	5,834	5,710	5,531
Intangible assets	325	319	320	320	320
Total other assets	101	58	75	681	1,409
Total non-current assets	4,776	4,931	6,229	6,711	7,260
<b>Total assets</b>	<b>7,815</b>	<b>8,745</b>	<b>11,112</b>	<b>11,805</b>	<b>12,607</b>
Short-term debt	301	783	1,805	1,805	1,805
Accounts payable	1,931	1,605	2,154	2,303	2,524
Other current liabilities	28	31	24	24	24
<b>Total current liabilities</b>	<b>2,260</b>	<b>2,419</b>	<b>3,983</b>	<b>4,132</b>	<b>4,353</b>
Total long-term debt	1,963	1,964	991	967	946
Other liabilities	278	493	486	486	486
<b>Total non-current liabilities</b>	<b>2,241</b>	<b>2,458</b>	<b>1,477</b>	<b>1,454</b>	<b>1,433</b>
<b>Total liabilities</b>	<b>4,501</b>	<b>4,876</b>	<b>5,460</b>	<b>5,586</b>	<b>5,786</b>
Share capital	1,293	1,293	1,724	1,724	1,724
Retained earnings reserve	372	937	1,896	2,245	2,610
Other reserves	1,319	1,329	1,716	1,716	1,716
<b>Shareholders' equity</b>	<b>2,983</b>	<b>3,558</b>	<b>5,335</b>	<b>5,685</b>	<b>6,049</b>
Minority interests	331	310	317	534	771
<b>Total equity</b>	<b>3,314</b>	<b>3,868</b>	<b>5,652</b>	<b>6,219</b>	<b>6,820</b>
<b>Total liabilities &amp; equity</b>	<b>7,815</b>	<b>8,745</b>	<b>11,112</b>	<b>11,805</b>	<b>12,607</b>

Source: Company data, RHB estimates

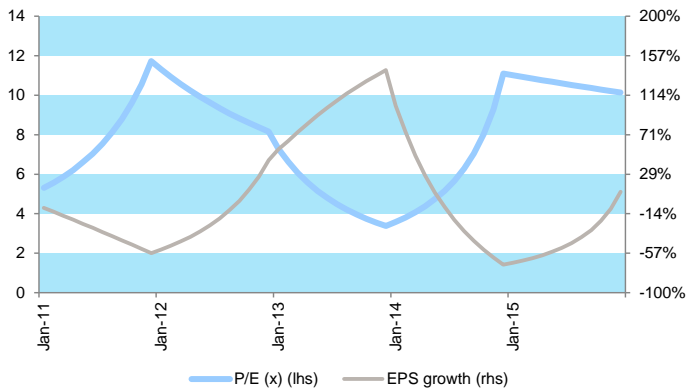
<b>Key Ratios (MYR)</b>	<b>Dec-11</b>	<b>Dec-12</b>	<b>Dec-13</b>	<b>Dec-14F</b>	<b>Dec-15F</b>
Revenue growth (%)	19.3	3.7	22.1	11.1	9.2
Operating profit growth (%)	(37.3)	35.8	261.7	(70.6)	(16.8)
Net profit growth (%)	(46.3)	44.0	181.9	(65.2)	9.4
EPS growth (%)	(57.0)	43.8	141.6	(69.6)	9.4
Bv per share growth (%)	14.5	19.3	28.5	(6.8)	6.4
Operating margin (%)	9.9	13.0	38.5	10.2	7.8
Net profit margin (%)	9.9	13.7	31.7	9.9	9.9
Return on average assets (%)	5.0	6.4	15.1	4.6	4.7
Return on average equity (%)	13.2	16.3	33.7	9.5	9.7
Net debt to equity (%)	44.7	41.5	22.6	30.1	29.2
DPS	0.00	0.06	0.10	0.10	0.12
Recurrent cash flow per share	0.63	(0.06)	0.73	(0.09)	0.17

Source: Company data, RHB estimates

## SWOT Analysis

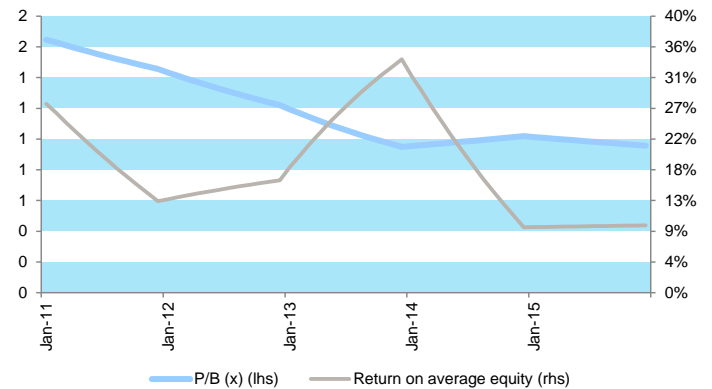


P/E (x) vs EPS growth



Source: Company data, RHB estimates

P/BV (x) vs ROAE

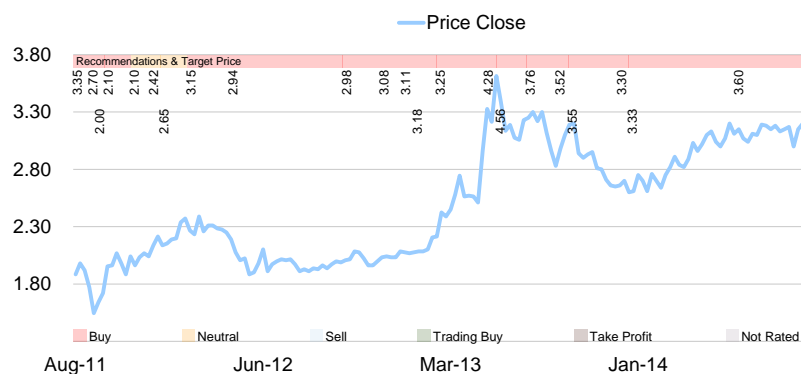


Source: Company data, RHB estimates

## Company Profile

A well-known developer in the Klang Valley. Its flagship project - Bandar Sunway is a well-established integrated township. The company has successfully transformed mining land into a matured residential and commercial cluster.

## Recommendation Chart



Source: RHB estimates, Bloomberg

Date	Recommendation	Target Price	Price
2014-08-29	Buy	3.60	3.00
2014-05-29	Buy	3.60	3.19
2014-02-28	Buy	3.33	2.91
2013-12-18	Buy	3.33	2.59
2013-12-02	Buy	3.30	2.55
2013-09-18	Buy	3.55	3.05
2013-08-30	Buy	3.52	2.83
2013-07-16	Buy	3.76	3.36
2013-05-31	Buy	4.56	3.61
2013-05-13	Buy	4.28	3.26

Source : RHB estimates, Bloomberg



## RHB Guide to Investment Ratings

**Buy:** Share price may exceed 10% over the next 12 months

**Trading Buy:** Share price may exceed 15% over the next 3 months, however longer-term outlook remains uncertain

**Neutral:** Share price may fall within the range of +/- 10% over the next 12 months

**Take Profit:** Target price has been attained. Look to accumulate at lower levels

**Sell:** Share price may fall by more than 10% over the next 12 months

**Not Rated:** Stock is not within regular research coverage

## Disclosure & Disclaimer

All research is based on material compiled from data considered to be reliable at the time of writing, but RHB does not make any representation or warranty, express or implied, as to its accuracy, completeness or correctness. No part of this report is to be construed as an offer or solicitation of an offer to transact any securities or financial instruments whether referred to herein or otherwise. This report is general in nature and has been prepared for information purposes only. It is intended for circulation to the clients of RHB and its related companies. Any recommendation contained in this report does not have regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This report is for the information of addressees only and is not to be taken in substitution for the exercise of judgment by addressees, who should obtain separate legal or financial advice to independently evaluate the particular investments and strategies.

This report may further consist of, whether in whole or in part, summaries, research, compilations, extracts or analysis that has been prepared by RHB's strategic, joint venture and/or business partners. No representation or warranty (express or implied) is given as to the accuracy or completeness of such information and accordingly investors should make their own informed decisions before relying on the same.

RHB, its affiliates and related companies, their respective directors, associates, connected parties and/or employees may own or have positions in securities of the company(ies) covered in this research report or any securities related thereto, and may from time to time add to, or dispose off, or may be materially interested in any such securities. Further, RHB, its affiliates and related companies do and seek to do business with the company(ies) covered in this research report and may from time to time act as market maker or have assumed an underwriting commitment in securities of such company(ies), may sell them or buy them from customers on a principal basis and may also perform or seek to perform significant investment banking, advisory or underwriting services for or relating to such company(ies), as well as solicit such investment, advisory or other services from any entity mentioned in this research report.

RHB and its employees and/or agents do not accept any liability, be it directly, indirectly or consequential losses, loss of profits or damages that may arise from any reliance based on this report or further communication given in relation to this report, including where such losses, loss of profits or damages are alleged to have arisen due to the contents of such report or communication being perceived as defamatory in nature.

The term "RHB" shall denote where applicable, the relevant entity distributing the report in the particular jurisdiction mentioned specifically herein below and shall refer to RHB Research Institute Sdn Bhd, its holding company, affiliates, subsidiaries and related companies.

All Rights Reserved. This report is for the use of intended recipients only and may not be reproduced, distributed or published for any purpose without prior consent of RHB and RHB accepts no liability whatsoever for the actions of third parties in this respect.

### Malaysia

This report is published and distributed in Malaysia by RHB Research Institute Sdn Bhd (233327-M), Level 11, Tower One, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur, a wholly-owned subsidiary of RHB Investment Bank Berhad (RHBIB), which in turn is a wholly-owned subsidiary of RHB Capital Berhad.

### Singapore

This report is published and distributed in Singapore by DMG & Partners Research Pte Ltd (Reg. No. 200808705N), a wholly-owned subsidiary of DMG & Partners Securities Pte Ltd, a joint venture between Deutsche Asia Pacific Holdings Pte Ltd (a subsidiary of Deutsche Bank Group) and OSK Investment Bank Berhad, Malaysia which have since merged into RHB Investment Bank Berhad (the merged entity is referred to as "RHBIB", which in turn is a wholly-owned subsidiary of RHB Capital Berhad). DMG & Partners Securities Pte Ltd is a Member of the Singapore Exchange Securities Trading Limited. DMG & Partners Securities Pte Ltd may have received compensation from the company covered in this report for its corporate finance or its dealing activities; this report is therefore classified as a non-independent report.

As of 20 September 2014, DMG & Partners Securities Pte Ltd and its subsidiaries, including DMG & Partners Research Pte Ltd do not have proprietary positions in the securities covered in this report, except for:

a) -

As of 20 September 2014, none of the analysts who covered the securities in this report has an interest in such securities, except for:

a) -

### Special Distribution by RHB

Where the research report is produced by an RHB entity (excluding DMG & Partners Research Pte Ltd) and distributed in Singapore, it is only distributed to "Institutional Investors", "Expert Investors" or "Accredited Investors" as defined in the Securities and Futures Act, CAP. 289 of Singapore. If you are not an "Institutional Investor", "Expert Investor" or "Accredited Investor", this research report is not intended for you and you should disregard this research report in its entirety. In respect of any matters arising from, or in connection with this research report, you are to contact our Singapore Office, DMG & Partners Securities Pte Ltd

### Hong Kong

This report is published and distributed in Hong Kong by RHB OSK Securities Hong Kong Limited ("RHBSHK") (formerly known as OSK Securities Hong Kong Limited), a subsidiary of OSK Investment Bank Berhad, Malaysia which have since merged into RHB Investment Bank Berhad (the merged entity is referred to as "RHBIB"), which in turn is a wholly-owned subsidiary of RHB Capital Berhad.

RHBSHK, RHBIB and/or other affiliates may beneficially own a total of 1% or more of any class of common equity securities of the subject company. RHBSHK, RHBIB and/or other affiliates may, within the past 12 months, have received compensation and/or within the next 3 months seek to obtain compensation for investment banking services from the subject company.

### Risk Disclosure Statements

The prices of securities fluctuate, sometimes dramatically. The price of a security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling securities. Past performance is not a guide to future performance. RHBSHK does not maintain a predetermined schedule for publication of research and will not necessarily update this report

### Indonesia

This report is published and distributed in Indonesia by PT RHB OSK Securities Indonesia (formerly known as PT OSK Nusadana Securities Indonesia), a subsidiary of OSK Investment Bank Berhad, Malaysia, which have since merged into RHB Investment Bank Berhad, which in turn is a wholly-owned subsidiary of RHB Capital Berhad.

### Thailand

This report is published and distributed in Thailand by RHB OSK Securities (Thailand) PCL (formerly known as OSK Securities (Thailand) PCL), a subsidiary of OSK Investment Bank Berhad, Malaysia, which have since merged into RHB Investment Bank Berhad, which in turn is a wholly-owned subsidiary of RHB Capital Berhad.

### Other Jurisdictions

In any other jurisdictions, this report is intended to be distributed to qualified, accredited and professional investors, in compliance with the law and regulations of the jurisdictions.

Kuala Lumpur	Hong Kong	Singapore
<p><b>Malaysia Research Office</b> RHB Research Institute Sdn Bhd Level 11, Tower One, RHB Centre Jalan Tun Razak Kuala Lumpur Malaysia Tel : +(60) 3 9280 2185 Fax : +(60) 3 9284 8693</p>	<p><b>RHB OSK Securities Hong Kong Ltd. (formerly known as OSK Securities Hong Kong Ltd.)</b> 12<sup>th</sup> Floor World-Wide House 19 Des Voeux Road Central, Hong Kong Tel : +(852) 2525 1118 Fax : +(852) 2810 0908</p>	<p><b>DMG &amp; Partners Securities Pte. Ltd.</b> 10 Collyer Quay #09-08 Ocean Financial Centre Singapore 049315 Tel : +(65) 6533 1818 Fax : +(65) 6532 6211</p>
Jakarta	Shanghai	Phnom Penh
<p><b>PT RHB OSK Securities Indonesia (formerly known as PT OSK Nusadana Securities Indonesia)</b> Plaza CIMB Niaga 14th Floor Jl. Jend. Sudirman Kav.25 Jakarta Selatan 12920, Indonesia Tel : +(6221) 2598 6888 Fax : +(6221) 2598 6777</p>	<p><b>RHB OSK (China) Investment Advisory Co. Ltd. (formerly known as OSK (China) Investment Advisory Co. Ltd.)</b> Suite 4005, CITIC Square 1168 Nanjing West Road Shanghai 20041 China Tel : +(8621) 6288 9611 Fax : +(8621) 6288 9633</p>	<p><b>RHB OSK Indochina Securities Limited (formerly known as OSK Indochina Securities Limited)</b> No. 1-3, Street 271 Sangkat Toeuk Thla, Khan Sen Sok Phnom Penh Cambodia Tel: +(855) 23 969 161 Fax: +(855) 23 969 171</p>
Bangkok		
<p><b>RHB OSK Securities (Thailand) PCL (formerly known as OSK Securities (Thailand) PCL)</b> 10th Floor, Sathorn Square Office Tower 98, North Sathorn Road, Silom Bangrak, Bangkok 10500 Thailand Tel: +(66) 2 862 9999 Fax: +(66) 2 108 0999</p>		