

Singapore

HOLD (no change)

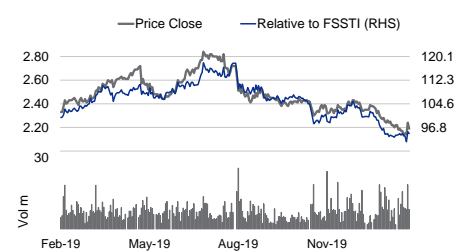
Consensus ratings*: Buy 9 Hold 4 Sell 1

Current price:	S\$2.19
Target price:	S\$2.09
Previous target:	S\$2.28
Up/downside:	-4.6%
CGS-CIMB / Consensus:	-17.5%
Reuters:	CMDG.SI
Bloomberg:	CD SP
Market cap:	US\$3,411m
	S\$4,743m
Average daily turnover:	US\$13.95m
	S\$18.96m
Current shares o/s:	2,165m
Free float:	99.6%

*Source: Bloomberg

Key changes in this note

- FY19-21F EPS cut by 0.5-5.1%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-6.4	-7.6	-7.2
Relative (%)	-4.3	-4.4	-6.6

Major shareholders	% held
Blackrock	7.0
Vanguard Group	2.7
Norges Bank	1.4

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ComfortDelGro

Taxi disrupted

- Earnings decline in FY20F (-3% yoy) is inevitable as taxi operations are likely to be hit by coronavirus, with CD potentially giving out rental rebates.
- We reiterate Hold but lower TP to S\$2.09. CD trades at 15.5x CY21F P/E, below historical average (16x), pricing in some taxi disruptions, in our view.
- Dividend yield of 4.8% is supported by strong FCF. Downside risk: erosion of taxi margin from shrinking taxi fleet /higher-than expected rebates.

Taxi, private-car hire drivers among new local coronavirus cases

News emerged over the weekend that a Singapore taxi driver and a private-car driver are among new infected coronavirus cases. Singapore streets are also visibly quieter now outside of work hours. In 2003, CD offered daily rental rebates of up to S\$10, as well as diesel price discounts of S\$0.04-0.06 per litre for four months to aid taxi drivers in Singapore. In China, CD also heeded Beijing local government's call to provide taxi drivers with 50% taxi rental discount for three months. We think this time will be the same, with CD rolling out further taxi rental rebates to stabilise its fleet size. We model in 1) two months of S\$10 daily rental rebates for Singapore taxis, and 2) one-off Rmb3,000 rental rebate per taxi for Chinese operations. Our taxi FY20F EBIT is reduced by c.12% for FY20F (estimated 25% group EBIT).

Public transport segment also impacted, albeit to a lesser extent

Impact of lower ridership on the public transport segment will mainly be to the CD's rail business, in our view, but the railway operational framework offers some level of protection against revenue risks arising from uncertainties in ridership and fares. Meanwhile, CD is not exposed to fare revenue for its public buses in Singapore, which operate under the bus contracting model. We trim public transport FY20F EBIT by c.1%.

4Q19F: S\$81m profit (results on 14 Feb, after market close)

We forecast 4Q19F net profit to shrink 3% yoy (+15% qoq) to S\$80.7m. We expect earnings drag from 1) higher licence charge for Downtown Line (DTL) MRT line, and 2) rebalanced incentives and rental rebates which CD rolled out in 3Q19 to improve taxi fleet retention. Supported by strong FCF, we expect CD to keep total dividend payout for FY19F stable at 10.5 Scts, which translates into 4.8% dividend yield.

Reiterate Hold with a lower DCF-based TP of S\$2.09

We cut our FY19-21F EPS by 0.5-5.1% to factor in impact from coronavirus and weaker taxi margins. Our DCF-based TP is lowered to S\$2.09 (WACC: 7.6%), which implies 14.8x FY21F P/E (0.5 s.d. below CD's historical mean). We keep our Hold call due to near-term uncertainties but believe dividend yield of 4.8% is the key support to share price. We believe a better entry point could be at the -1 s.d. level or 13.5x forward P/E (c.S\$1.90). Upside risks include possible earnings-accretive M&As while downside risks include worse-than-expected margin erosion from taxi rental discounts, further detriment in CD's rail earnings and cut in dividend payout.

Financial Summary

	Dec-17A	Dec-18A	Dec-19F	Dec-20F	Dec-21F
Revenue (S\$m)	3,576	3,805	3,935	3,971	4,091
Operating EBITDA (S\$m)	818.0	828.0	873.3	864.1	898.3
Net Profit (S\$m)	301.5	303.3	297.0	288.3	305.1
Core EPS (S\$)	0.14	0.14	0.14	0.13	0.14
Core EPS Growth	(7.79%)	1.63%	(0.74%)	(2.94%)	5.84%
FD Core P/E (x)	16.11	15.85	15.97	16.45	15.54
DPS (S\$)	0.10	0.11	0.11	0.11	0.11
Dividend Yield	4.75%	4.79%	4.79%	4.79%	4.82%
EV/EBITDA (x)	5.94	6.20	5.84	5.84	5.56
P/FCFE (x)	17.08	19.24	14.76	14.58	14.34
Net Gearing	(9.36%)	(0.54%)	(2.13%)	(3.58%)	(5.08%)
P/BV (x)	1.81	1.81	1.77	1.73	1.68
ROE	11.5%	11.4%	11.2%	10.6%	11.0%
% Change In Core EPS Estimates			(0.92%)	(5.08%)	(0.52%)
CGS-CIMB/Consensus EPS (x)			1.00	0.93	0.96

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Case study: Impact from SARS in 2003

What happened during SARS?

Based on CD's management commentary in the 2003 Annual Report, we estimate negative impact from SARS to be approximately S\$30m on PBT and S\$20m on net profit in FY03. This includes 1) the loss of income resulting from lower taxi rental rates, as well as 2) higher expenses connected with epidemic.

Singapore ►

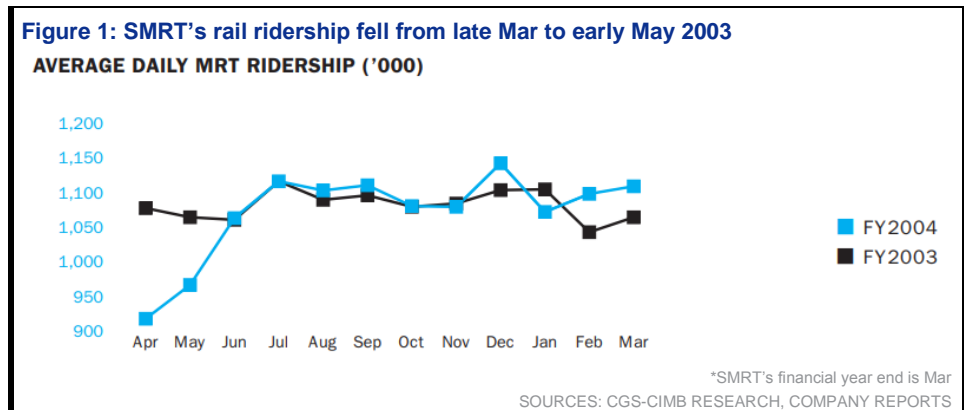
Back in Apr 2003, taxi drivers' average daily net income fell by 33%, from an average of S\$68 to S\$46, after Singapore authorities embarked on an island-wide search for a taxi driver who had ferried a passenger infected with SARS to hospital. Back then, there was no compulsory issue of receipts to passengers/compulsory logging of trips by drivers, thereby hindering contact tracing.

Taxis were shunned further in May 2003, after it was reported that a 43-year old driver, who had died and had been diagnosed earlier as having viral fever, had actually been suffering from SARS.

To aid the taxi drivers, CD offered daily rental rebates of up to S\$10 for four months. Diesel price discounts between S\$0.04-0.06 per litre were also offered. CD also passed on benefits provided under the SARS assistance package offered by the government, which included an S\$2,000 diesel tax cut per taxi, and waiver for monthly S\$25 licence fee which each operator was to pay for each vehicle in its fleet.

Life returned to normal by Jun 2003 for taxi drivers, with average daily net income of drivers returning to S\$66, according to a Straits Times report.

CD did not have rail operations back in 2003; so we referred to SMRT Corporation (Unlisted) to gauge the impact. According to SMRT's annual report, its MRT ridership was severely affected by SARS during the months of Apr and May 2003; this resulted in an 8.0% drop in its average daily ridership for its 1QFY04. Ridership recovered to normal levels in Jun 2003. On a full year basis, SMRT's average daily ridership fell 1% yoy in FY04, helped by the commencement of operations of the North East Line (NEL), which brought more passengers to the system, according to SMRT.



China ►

CD's operations in China was also affected. In 2003, CD operated 6,537 taxis across nine cities. Flagship operation was in Beijing, with a fleet of over 5,000 taxis.

With the onset of SARS, the Beijing local government mandated an industry-wide 50% taxi rental discount for three months from May to Jul 2003. At the peak of the SARS virus, some 33% of hires also applied to suspend rentals on their taxis. While the government provided assistance in the form of a discount on sales tax and full waiver of road tax between May and Sep 2003, this was not enough to fully mitigate the drop in revenue.

A strong recovery was seen post SARS. Overall, total turnover generated from the China operations rose 4% yoy in FY03, while PBT was down by 69% yoy to S\$6.8m.

Estimating the impact from coronavirus

While we expect CD to be impacted by lower ridership both in China and Singapore, we expect less profound impact on CD's financials from coronavirus compared to SARS. For now, our base case scenario points towards a negative impact of S\$15m for FY20F, or c.5% of net profit.

Impact on Singapore public transport segment ►

On the Singapore front, lower ridership could hurt public transport segment (mainly on the rail business); while bus operations will be less affected.

CD's rail business is expected to see weaker topline due to coronavirus outbreak as the public chooses to stay home, resulting in lower ridership numbers. Nevertheless, we believe negative financial impact from rail operations can be partly mitigated due to the New Rail Financing Framework (NRFF) in place.

Under the framework, the licence charge structure has a Fare Revenue Shortfall Sharing (FRSS) mechanism which offers some level of protection against revenue risks arising from uncertainties in ridership and fares. Land Transport Authority (LTA) will bear 50-75% of the revenue shortfall should the actual revenue be lower than the target revenue by more than 2%. There is also an EBIT cap and collar mechanism whereby LTA shares in the upside of the EBIT above the cap as well as downside risks below the collar.

We see limited financial impact on CD's bus operations, given it is operating under the bus-contracting model (BCM). Under the BCM, LTA retains all fare revenue collected from the provision of the bus services; while revenue for CD is derived from the provision of bus services which comprises service fee and leasing fee. The service fee is indexed to changes in wage levels, inflation and fuel costs. In addition, CD retains revenue from other commercial services comprising advertising and rental.

Impact on Singapore taxi segment ►

Singapore's Health Ministry announced over the weekend that a taxi driver and a private-car driver are among new infected coronavirus cases, which could potentially lead to lower demand for these services. Streets are also visibly quieter now outside of work hours. Should more companies in Singapore encourage staff to work from home, this could be another hit to taxi drivers'

income, in our view. We see a high possibility of CD rolling out more taxi rental rebates in a bid to stabilise its fleet size, which could affect its taxi segment profitability in FY20F (25% EBIT contribution).

However, CD's fleet size in Singapore (at end-Nov 2019) stands at c.11k, lower than the c.16k level back in 2003; thus financial impact from rental rebates (if any) will likely be lower.

Impact on China operations ►

In China, CD's taxi operations in Beijing, Jilin, Shenyang, Chengdu, Shanghai, Suzhou, Nanjing and Nanning (total fleet size of 11,000), saw drivers reporting a drop in demand for their services, but this has had limited impact on CD thus far.

We note that provinces where CD has taxi operations are less impacted by coronavirus (compared to SARS, where Beijing was the worst hit), but we still see risk of local government mandating taxi rental discounts.

Over the past week, several local governments or taxi associations in China have already announced initiatives to assist taxi drivers. In Shenzhen, local government is encouraging taxi enterprises to distribute incentives of Rmb3,000/taxi. Major taxi corporations in Shanghai have announced daily taxi rental discounts of Rmb80-120/taxi between 24 Jan and 29 Feb; Beijing local government is also encouraging taxi corporations to provide appropriate taxi rental rebates to taxi drivers who continue to operate during the virus outbreak.

Figure 2: Coronavirus cases by province (provinces with CD taxi operations highlighted in blue)

Province	Number of cases
Hubei	29,631
Guangdong	1,151
Zhejiang	1,092
Henan	1,073
Hunan	879
Anhui	830
Jiangxi	771
Jiangsu	492
Chongqing	468
Shandong	459
Sichuan	405
Beijing	337
Heilongjiang	331
Shanghai	295
Fujian	261
Hebei	218
Shaanxi	213
Guangxi	210
Yunnan	141
Hainan	136
Shanxi	119
Guizhou	109
Liaoning	107
Tianjin	94
Gansu	83
Jilin	80
Inner Mongolia	58
Ningxia	49
Xinjiang	49
Qinghai	18
Tibet	1

*As of 9am, 10th Feb 2020

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 3: SARS cases by province (provinces with CD taxi operations highlighted in blue)

Province	Number of cases
Beijing	2,434
Guangdong	1,514
Shanxi	445
Inner Mongolia	42
Hebei	210
Tianjin	176
Jilin	35
Guangxi	22
Sichuan	17
Henan	15
Shaanxi	12
Anhui	10
Gansu	8
Shanghai	7
Jiangsu	7
Ningxia	6
Hubei	6
Hunan	6
Zhejiang	4
Liaoning	3
Chongqing	3
Fujian	3
Jiangxi	1
Shandong	1

SOURCES: CGS-CIMB RESEARCH, MINISTRY OF HEALTH PRC

Furthermore, impact on CD's China operations till date includes:

- Suspension of operations of its Nanjing driver training centre (60% owned), which has about 600 students enrolled.
- CD's other driving school in Chengdu continues to operate, but students are allowed to defer confirmed test dates in Feb and still receive a full refund.
- Tianhe bus station in Guangzhou (60% owned) saw c.15% reduction in number of bus trips operated for CNY.

Earnings decline inevitable in FY20F

4Q19F net profit announcement which is due on 14 Feb (+15% qoq, -3% yoy) will be overshadowed by concerns over impact of coronavirus on FY20F earnings. Factoring in lower ridership assumptions arising from the coronavirus outbreak, we lower our FY19-21F EPS forecasts by 0.5-5.1%. We now forecast CD to report 3% net profit decline in FY20F.

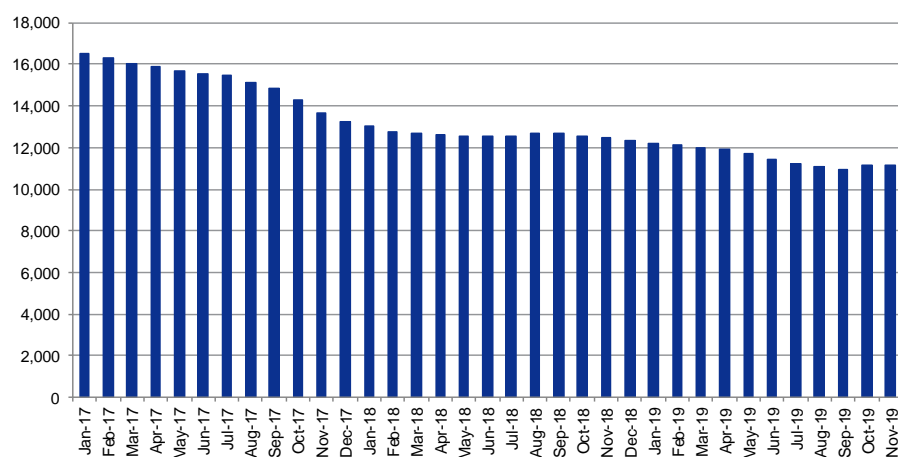
Figure 4: Earnings revision

Earnings revision (S\$m)	FY19F			FY20F			FY21F		
	Old	New	% chg	Old	New	% chg	Old	New	% chg
Revenue	3,934	3,935	0.0%	4,018	3,971	-1.2%	4,097	4,091	-0.1%
EBITDA	861	873	1.4%	876	864	-1.4%	891	898	0.9%
Net profit	300	297	-0.9%	304	288	-5.1%	307	305	-0.5%
Core net profit	300	297	-0.9%	304	288	-5.1%	307	305	-0.5%
Core EPS (S\$ cents)	13.8	13.7	-0.9%	14.0	13.3	-5.1%	14.2	14.1	-0.5%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

We expect further weakness in CD's public transport segment margins in FY20F, as we believe that the 7% rail fare hike (by end-Dec 2019) will be insufficient to offset the higher maintenance expenses for its rail lines and the annual DTL licence payments, especially with near-term pressure on ridership numbers. In 3Q19, CD began making licence charge payments for the Downtown Line (DTL) to the LTA, despite the DTL's loss-making status. The licence charge is expected to increase by S\$5m annually, which we believe could further delay DTL's breakeven point.

We also expect further erosion of the CD taxi segment's profits in FY20F as it continues to be affected by: 1) a smaller taxi fleet, and 2) the roll-out of new incentives and rental rebates for driver conversion to hybrid taxis for a longer two-year term. Rental rebates and rebalanced incentives in end-3Q19 have helped to stabilise its fleet size and management noted that the industry competition for drivers has eased slightly in 4Q19. However, we believe that it is still too early to call for a reversal of trend.

Figure 5: CD's taxi fleet continued to shrink in Nov 2019


SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

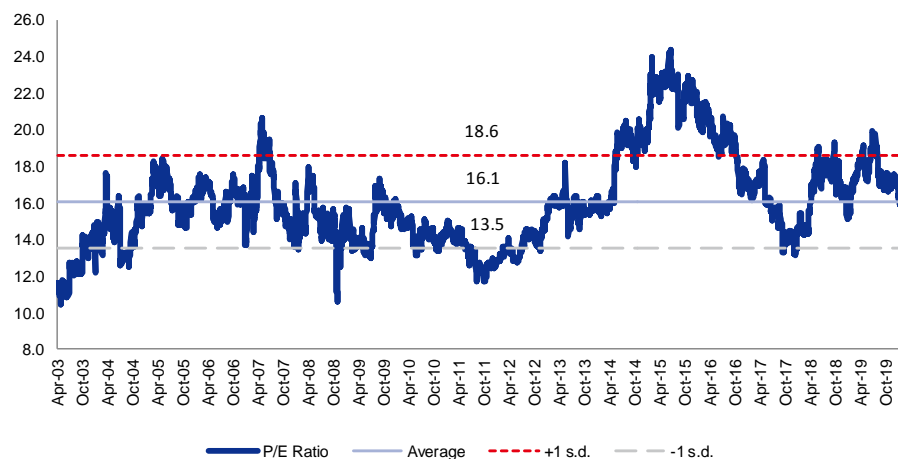
Reiterate Hold with a lower DCF-based TP of S\$2.09

We reiterate our Hold call due to near-term uncertainties. We cut our FY19-21F EPS by 0.5-5.1% to factor in impact from coronavirus. Our DCF-based TP is lowered to S\$2.09, which implies 14.8x FY21F P/E (0.5x s.d. below CD's historical mean); we see potential downside of -1 s.d. (13.5x) from the novel coronavirus impact. We believe dividend yield of 4.8% is the key support to share price. Upside risks include possible earnings-accretive M&As while downside risks include margin erosion from taxi rental discounts.

Figure 6: DCF valuation

S\$m (FYE Dec)	FY19F	FY20F	FY21F	FY22F	FY23F	FY24F	FY25F	FY26F	FY27F	FY28F	Terminal
EBIT (less taxes)	355	347	365	369	369						
Add: depreciation and amortisation	429	436	448	456	444						
Less: working capital changes	-7	3	-2	0	-2						
Less: capex	-454	-459	-472	-480	-469						
Net acquisitions, asset sale and disposals	6	6	0	0	0						
<i>Prev free cash flow (FCF)</i>	347	366	374	385	387	390	397	405	413	422	7,677
Revised FCF	321	325	331	336	334	340	347	354	361	368	5,220
Discounted FCF*			319	301	278	263	250	237	224	213	2,702
<i>* mid-year discounting applied</i>											
Risk-parameters											
Risk-free rate %	2.6%										
Market risk premium %	7.5%										
Beta	0.8										
Cost of equity %	8.3%										
After-tax cost of debt %	1.5%										
WACC %	7.6%										
Terminal growth %	0.5%										
Enterprise Value (S\$m)	4,787										
Less: net debt	165 << as at end FY21F										
Less: minority interest	-420 << as at end FY21F										
Fair Value (S\$m)	4,532										
Shares outstanding (m)	2,165										
Target price (S\$)	2.09										

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

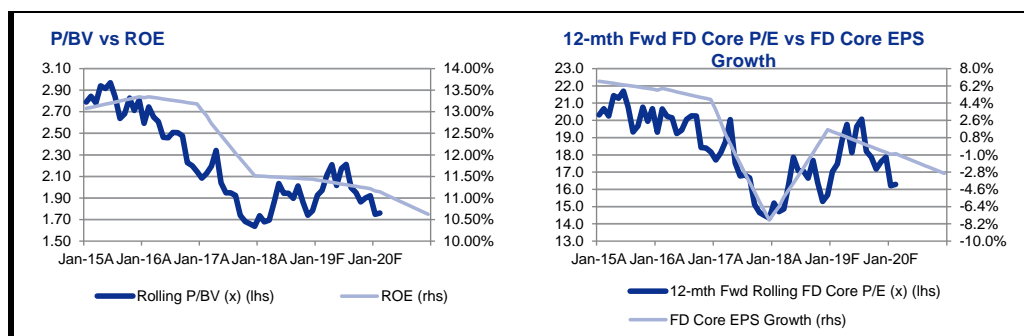
Figure 7: Historical P/E trend


SOURCES: CGS-CIMB RESEARCH, BLOOMBERG

Figure 8: Peers comparison

Company	Bloomberg Ticker	Recom.	Price (lcl curr)	Target Price (lcl curr)	Market Cap (US\$ m)	P/E (x)		3-year EPS CAGR (%)	P/BV (x)		Recurring ROE (%)			EV/EBITDA (x)		Dividend Yield (%)	
						CY19F	CY20F		CY19F	CY20F	CY19F	CY20F	CY21F	CY19F	CY20F	CY19F	CY20F
ComfortDelGro	CD SP	HOLD	2.19	2.09	3,411	16.0	16.4	-0.3%	1.77	1.73	11.1%	10.8%	11.0%	5.7	5.7	4.8%	4.8%
Thailand																	
BTS Group	BTS TB	Hold	13.10	13.00	5,507	63.1	50.9	15.7%	3.50	3.50	6.1%	7.0%	8.4%	44.6	42.2	2.8%	3.3%
Hong Kong																	
MTR Corp Ltd	66 HK	Not rated	44.50	na	35,285	25.1	22.8	-6.2%	1.47	1.44	5.7%	6.3%	6.9%	16.5	15.5	2.8%	2.9%
Simple average (ex ComfortDelgro)						44.1	36.8	4.7%	2.48	2.47	5.9%	6.6%	7.7%	30.5	28.9	2.8%	3.1%

SOURCES: CIMB, COMPANY REPORTS, BLOOMBERG

BY THE NUMBERS

Profit & Loss

(\$m)	Dec-17A	Dec-18A	Dec-19F	Dec-20F	Dec-21F
Total Net Revenues	3,576	3,805	3,935	3,971	4,091
Gross Profit	3,576	3,805	3,935	3,971	4,091
Operating EBITDA	818	828	873	864	898
Depreciation And Amortisation	-409	-394	-429	-436	-448
Operating EBIT	409	434	444	428	451
Financial Income/(Expense)	2	0	-10	-10	-10
Pretax Income/(Loss) from Assoc.	5	0	0	0	0
Non-Operating Income/(Expense)	0	0	0	0	0
Profit Before Tax (pre-EI)	415	434	434	419	441
Exceptional Items	10	5	0	0	0
Pre-tax Profit	425	439	434	419	441
Taxation	-77	-81	-87	-80	-84
Exceptional Income - post-tax					
Profit After Tax	349	359	347	339	357
Minority Interests	-47	-56	-50	-51	-52
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	302	303	297	288	305
Recurring Net Profit	293	299	297	288	305
Fully Diluted Recurring Net Profit	293	299	297	288	305

Cash Flow

(\$m)	Dec-17A	Dec-18A	Dec-19F	Dec-20F	Dec-21F
EBITDA	818.0	828.0	873.3	864.1	898.3
Cash Flow from Inv. & Assoc.					
Change In Working Capital	(145.6)	(55.0)	(7.0)	3.1	(1.6)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	0.0	0.0	0.0	0.0	0.0
Other Operating Cashflow	(20.1)	(22.5)	0.0	0.0	0.0
Net Interest (Paid)/Received	1.6	0.4	(9.7)	(9.7)	(9.7)
Tax Paid	(72.0)	(82.1)	(86.9)	(79.5)	(83.8)
Cashflow From Operations	581.9	668.8	769.8	778.0	803.3
Capex	(393.6)	(352.8)	(454.4)	(458.7)	(472.5)
Disposals Of FAs/subsidiaries	81.8	(319.9)	5.8	5.8	0.0
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	57.9	34.8	0.0	0.0	0.0
Cash Flow From Investing	(253.9)	(637.9)	(448.6)	(452.8)	(472.5)
Debt Raised/(repaid)	(51.5)	215.5	0.0	0.0	0.0
Proceeds From Issue Of Shares	0.0	0.0	0.0	0.0	0.0
Shares Repurchased					
Dividends Paid	(224.9)	(225.1)	(227.4)	(227.4)	(227.4)
Preferred Dividends					
Other Financing Cashflow	(230.6)	(19.4)	(43.9)	(50.8)	(52.0)
Cash Flow From Financing	(507.0)	(29.0)	(271.3)	(278.2)	(279.4)
Total Cash Generated	(179.0)	1.9	49.9	47.0	51.4
Free Cashflow To Equity	276.5	246.4	321.2	325.2	330.8
Free Cashflow To Firm	338.8	42.3	342.6	346.6	352.2

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

BY THE NUMBERS... cont'd
Balance Sheet

(S\$m)	Dec-17A	Dec-18A	Dec-19F	Dec-20F	Dec-21F
Total Cash And Equivalents	607	586	636	683	734
Total Debtors	251	275	280	283	291
Inventories	114	139	153	155	160
Total Other Current Assets	195	277	291	294	303
Total Current Assets	1,166	1,277	1,360	1,415	1,488
Fixed Assets	2,723	2,691	2,711	2,728	2,752
Total Investments	0	0	0	0	0
Intangible Assets	640	896	896	896	896
Total Other Non-Current Assets	299	272	272	272	272
Total Non-current Assets	3,662	3,860	3,879	3,896	3,921
Short-term Debt	114	90	90	90	90
Current Portion of Long-Term Debt					
Total Creditors	677	691	717	728	748
Other Current Liabilities	154	228	228	228	228
Total Current Liabilities	945	1,009	1,036	1,046	1,066
Total Long-term Debt	208	480	480	480	480
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	378	371	371	371	371
Total Non-current Liabilities	586	851	851	851	851
Total Provisions	259	249	249	249	249
Total Liabilities	1,790	2,110	2,136	2,147	2,167
Shareholders' Equity	2,618	2,614	2,683	2,744	2,822
Minority Interests	420	414	420	420	420
Total Equity	3,038	3,027	3,103	3,164	3,242

Key Ratios

	Dec-17A	Dec-18A	Dec-19F	Dec-20F	Dec-21F
Revenue Growth	(11.9%)	6.4%	3.4%	0.9%	3.0%
Operating EBITDA Growth	(4.68%)	1.22%	5.47%	(1.05%)	3.96%
Operating EBITDA Margin	22.9%	21.8%	22.2%	21.8%	22.0%
Net Cash Per Share (S\$)	0.13	0.01	0.03	0.05	0.08
BVPS (S\$)	1.21	1.21	1.24	1.27	1.30
Gross Interest Cover	37.89	38.04	20.69	19.96	21.00
Effective Tax Rate	18.0%	18.3%	20.0%	19.0%	19.0%
Net Dividend Payout Ratio	61.1%	60.0%	59.2%	61.8%	58.7%
Accounts Receivables Days	24.90	25.23	25.77	25.95	25.62
Inventory Days	N/A	N/A	N/A	N/A	N/A
Accounts Payables Days	N/A	N/A	N/A	N/A	N/A
ROIC (%)	12.0%	12.8%	12.2%	11.7%	12.3%
ROCE (%)	11.4%	11.9%	11.7%	11.1%	11.5%
Return On Average Assets	8.38%	8.71%	8.56%	8.12%	8.41%

Key Drivers

	Dec-17A	Dec-18A	Dec-19F	Dec-20F	Dec-21F
Avg fare/trip (%chg,main prod/serv)	N/A	N/A	N/A	N/A	N/A
Ridership grth (%.main prod/serv)	-21.3%	-6.7%	-11.6%	2.0%	2.0%
Avg fare/trip (%chg,2ndary prod/serv)	-4.2%	-2.2%	0.0%	0.0%	0.0%
Ridership grth (%.2ndary prod/serv)	8.5%	18.3%	3.5%	3.5%	3.5%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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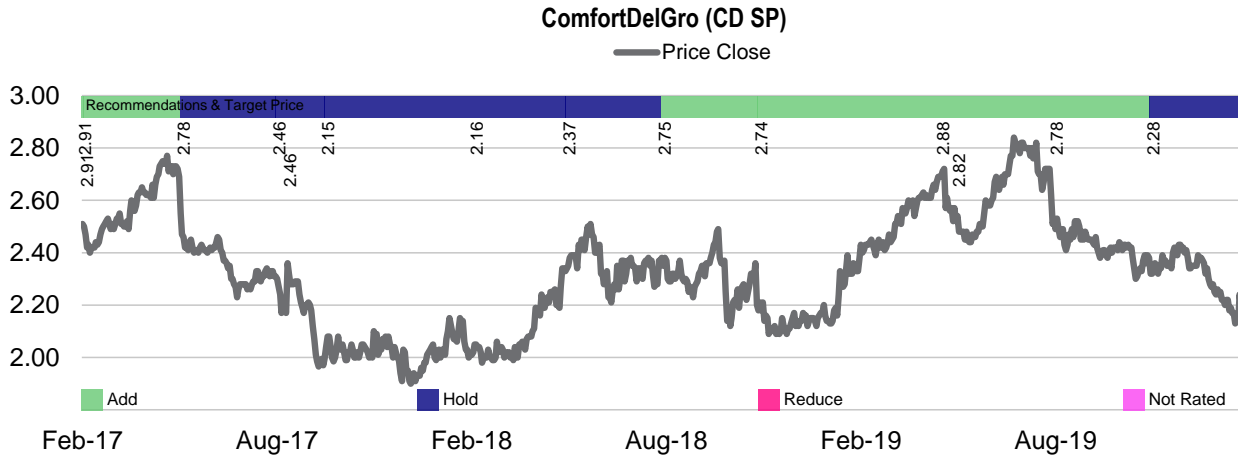
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Hold	25.2%	0.0%
Reduce	13.4%	0.0%

Spitzer Chart for stock being researched (2 year data)



Corporate Governance Report of Thai Listed Companies (CGR). CG Rating by the Thai Institute of Directors Association (Thai IOD) in 2019, Anti-Corruption 2019

ADVANC – Excellent, Certified, **AEONTS** – Good, n/a, **AH** – Very Good, n/a, **AMATA** – Excellent, Declared, **ANAN** – Excellent, Declared, **AOT** – Excellent, n/a, **AP** – Excellent, Certified, **ASP** – Very Good, Certified, **BAM** – not available, n/a, **BANPU** – Excellent, Certified, **BAY** – Excellent, Certified, **BBL** – Very Good, Certified, **BCH** – Good, Certified, **BCP** – Excellent, Certified, **BCPG** – Excellent, Certified, **BDMS** – Very Good, n/a, **BEAUTY** – Good, n/a, **BEC** – Very Good, n/a, **BGRIM** – Very Good, Declared, **BH** – Good, n/a, **BJC** – Very Good, n/a, **BJCHI** – Very Good, Certified, **BLA** – Very Good, Certified, **BPP** – Very Good, Declared, **BR** – Good, n/a, **BTS** – Excellent, Certified, **CBG** – Very Good, n/a, **CCET** – Good, n/a, **CENDEL** – Very Good, Certified, **CHAYO** – Good, n/a, **CHG** – Very Good, Declared, **CK** – Excellent, n/a, **COL** – Excellent, Declared, **CPALL** – Excellent, Certified, **CPF** – Excellent, Certified, **CPN** – Excellent, Certified, **CPNREIT** – not available, n/a, **CRC** – not available, n/a, **DELTA** – Excellent, Declared, **DEMCO** – Excellent, Certified, **DDD** – Very Good, n/a, **DIF** – not available, n/a, **DREIT** – not available, n/a, **DTAC** – Excellent, Certified, **EA** – Excellent, n/a, **ECL** – Very Good, Certified, **EGCO** – Excellent, Certified, **EPG** – Very Good, n/a, **ERW** – Very Good, n/a, **GFPT** – Excellent, Certified, **GGC** – Excellent, Certified, **GLOBAL** – Very Good, n/a, **GLOW** – Very Good, Certified, **GPSC** – Excellent, Certified, **GULF** – Very Good, n/a, **GUNKUL** – Excellent, Certified, **HANA** – Excellent, Certified, **HMPRO** – Excellent, Certified, **HUMAN** – Good, n/a, **ICHI** – Excellent, Declared, **III** – Excellent, n/a, **INTUCH** – Excellent, Certified, **IRPC** – Excellent, Certified, **ITD** – Very Good, n/a, **IVL** – Excellent, Certified, **JASIF** – not available, n/a, **BJC** – Very Good, n/a, **JMT** – Very Good, n/a, **KBANK** – Excellent, Certified, **KCE** – Excellent, Certified, **KKP** – Excellent, Certified, **KSL** – Excellent, Certified, **KTB** – Excellent, Certified, **KTC** – Excellent, Certified, **LH** – Excellent, n/a, **LPN** – Excellent, Certified, **M** – Very Good, Certified, **MACO** – Very Good, n/a, **MAJOR** – Very Good, n/a, **MAKRO** – Excellent, Certified, **MALEE** – Excellent, Certified, **MC** – Excellent, Certified, **MCOT** – Excellent, Certified, **MEGA** – Very Good, n/a, **MINT** – Excellent, Certified, **MK** – Very Good, n/a, **MTC** – Excellent, n/a, **NETBAY** – Very Good, n/a, **OSP** – Very Good, n/a, **PLANB** – Excellent, Certified, **PLAT** – Very Good, Certified, **PR9** – Excellent, n/a, **PSH** – Excellent, Certified, **PSTC** – Very Good, Certified, **PTT** – Excellent, Certified, **PTTEP** – Excellent, Certified, **PTTGC** – Excellent, Certified, **QH** – Excellent, Certified, **RATCH** – Excellent, Certified, **ROBINS** – Excellent, Certified, **RS** – Excellent, n/a, **RSP** – not available, n/a, **S** – Excellent, n/a, **SAPPE** – Very Good, Declared, **SAT** – Excellent, Certified, **SAWAD** – Very Good, n/a, **SC** – Excellent, Certified, **SCB** – Excellent, Certified, **SCC** – Excellent, Certified, **SCN** – Excellent, Certified, **SF** – Good, n/a, **SHR** – not available, n/a, **SIRI** – Very Good, Certified, **SPA** – Good, n/a, **SPALI** – Excellent, n/a, **SPRC** – Excellent, Certified, **STA** – Very Good, Certified, **STEC** – Excellent, n/a, **SVI** – Excellent, Certified, **SYNEX** – Excellent, Certified, **TASCO** – Excellent, Certified, **TCAP** – Excellent, Certified, **THANI** – Excellent, Certified, **TIPCO** – Very Good, Certified, **TISCO** – Excellent, Certified, **TKN** – Very Good, n/a, **TMB** – Excellent, Certified, **TNR** – Very Good, Certified, **TOP** – Excellent, Certified, **TPCH** – Good, n/a, **TPIPP** – Good, n/a, **TRUE** – Excellent, Certified, **TU** – Excellent, Certified, **TVO** – Excellent, Declared, **UNIQ** – not available, n/a, **VGI** – Excellent, Certified, **WHA** – Excellent, Certified, **WHART** – not available, n/a, **WICE** – Excellent, Certified, **WORK** – Good, n/a.

1 CG Score 2019 from Thai Institute of Directors Association (IOD)

2 AGM Level 2018 from Thai Investors Association

3 Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 30, 2018) are categorised into:

companies that have declared their intention to join CAC, and companies certified by CAC.

4 The Stock Exchange of Thailand : the record of listed companies with corporate sustainable development "Thai sustainability Investment 2018" included:

SET and mai listed companies passed the assessment conducted by the Stock Exchange of Thailand: THSI (SET) and THSI (mai)

SET listed companies passed the assessment conducted by the Dow Jones Sustainability Indices (DJSI)

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.

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