

## Singapore

**ADD** (no change)

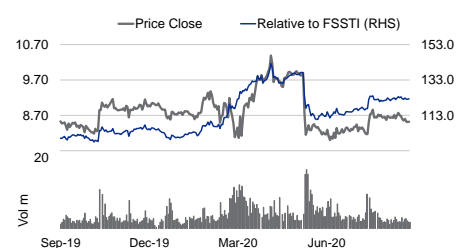
Consensus ratings\*: Buy 4 Hold 7 Sell 3

Current price:	S\$8.52
Target price:	S\$9.00
Previous target:	S\$9.00
Up/downside:	5.7%
CGS-CIMB / Consensus:	3.5%
Reuters:	SGXL.SI
Bloomberg:	SGX SP
Market cap:	US\$6,690m
	S\$9,126m
Average daily turnover:	US\$19.89m
	S\$27.47m
Current shares o/s:	1,071m
Free float:	71.7%

\*Source: Bloomberg

### Key changes in this note

➤ No change.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-2.2	3.3	-0.2
Relative (%)	1.6	10.8	22.5

Major shareholders	% held
SEL Holdings	23.4
Tokyo Stock Exchange	5.0
Blackrock	3.8

### Analyst(s)



**NGOH Yi Sin**

T (65) 6210 8604

E yisin.ngoh@cgs-cimb.com

# Singapore Exchange

## Bidding up its multi-asset platform

- BidFX combines SGX's capabilities for both OTC FX and FX futures, thereby expanding its addressable market and suite of risk management tools.
- SGX's Jul-Aug trading data track slightly above our FY21F expectations; its new FTSE Taiwan contract is gaining traction vs. HKEx's MSCI Taiwan Index.
- Reiterate Add on valuation (0.5 s.d. below historical mean) and 3.8% yield. Its S\$603m net cash (as of end-FY20) paves the way for potential M&As.

### Reiterate Add on its FX growth engine

SGX hosted an analyst briefing to share more about its US\$128m (c.S\$179m) BidFX acquisition; we remain constructive that this could be a stronger earnings contributor in the medium-term given its positioning in the fast-growing FX market and complementary OTC product offering, which could pose upside to our FY22-23F EPS forecasts. Other structural tailwinds include the electronification of FX trading and uncleared margin rules for non-centrally cleared derivatives. Coupled with a 3.8% FY21F dividend yield, our target price of S\$9.00 (pegged to its 10-year mean of 22.7x forward P/E) implies c.10% upside from the current level. Reiterate Add on the stock, with faster ramp-up of its recent acquisitions, initiatives and the new FTSE Taiwan index futures as key re-rating catalysts. Downside risks: market risk-off, as well as unfavourable developments from the MSCI A-share futures and SGX-NSE Nifty resolution.

### Jul-Aug market stats tracking slightly above our FY21F forecasts

Based on its recent trading data, SGX's SDAV increased 14.8% and 18.4% yoy to S\$1.2bn and S\$1.4bn in Jul and Aug, respectively, thanks to portfolio rebalancing activity, a buoyant US market and vaccine hopes. The total derivatives volumes for the same period were c.2% higher yoy, driven by China A50 growth but fewer FX futures. FYTD both segments are performing marginally above our FY21F projections of S\$1.19bn SDAV and c.244m derivatives contracts traded; we see upside potential should there be greater market volatility. SGX continues to develop more equity derivatives and initiatives, including Asia's first international REIT futures and 13 new futures contracts in partnership with FTSE. We believe these would be incrementally more positive after 1-2 years when there is sufficient liquidity in the market.

### Slow and steady for SGX's FTSE Taiwan index products

Launched on 20 Jul (US CFTC approved on 24 Jul), SGX's FTSE Taiwan index futures have been gradually ramping up in volumes to 82k and 352k in Jul and Aug, respectively, as compared to HKEx's MSCI Taiwan Index futures of 4.7k and 7.5k in the same two months. Open interest for SGX's FTSE Taiwan index futures is also higher at 6.5k (vs. HKEx MSCI Taiwan futures: 1.5k) as of end Aug 20, with client participation in Aug growing more than 50% to over 90 trading entities. The introduction of these two new contracts has not resulted in a steep drop in SGX's existing MSCI Taiwan index volume (expiring in Feb 21).

### Financial Summary

	Jun-19A	Jun-20A	Jun-21F	Jun-22F	Jun-23F
Revenue (S\$m)	910	1,053	1,030	1,053	1,078
Operating EBITDA (S\$m)	523.5	655.7	590.3	608.5	628.9
Net Profit (S\$m)	391.1	471.8	412.7	426.3	441.4
Core EPS (S\$)	0.37	0.45	0.39	0.40	0.41
Core EPS Growth	8.0%	21.9%	(13.4%)	3.3%	3.5%
FD Core P/E (x)	23.35	19.12	22.08	21.36	20.63
DPS (S\$)	0.30	0.31	0.32	0.32	0.33
Dividend Yield	3.52%	3.58%	3.76%	3.76%	3.81%
EV/EBITDA (x)	15.99	12.89	14.52	13.93	13.32
P/FCFE (x)	33.90	14.98	39.53	20.13	19.37
Net Gearing	(61.1%)	(48.3%)	(35.9%)	(40.3%)	(44.7%)
P/BV (x)	8.36	7.32	6.92	6.51	6.10
ROE	35.8%	40.8%	32.2%	31.4%	30.5%
CGS-CIMB/Consensus EPS (x)			0.95	0.98	0.97

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

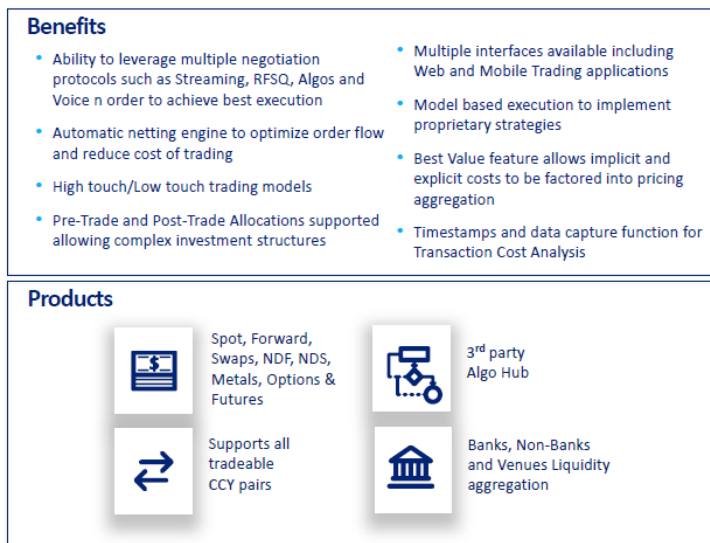
# Bidding up its multi-asset platform

## More about BidFX >

We recently attended SGX's briefing to learn more about its recent 80% stake purchase of BidFX from Jean-Philippe Male, CEO of BidFX. While management has previously guided that the acquisition would be EPS accretive but will not have a material impact on its FY21F financial results, we are positive on its medium-term market potential (for both FX futures and over-the-counter "OTC" FX) and complementary offerings to SGX's multi-asset capabilities. BidFX recorded average daily volume CAGR of 57% to >US\$30bn in May 20 and >60% revenue CAGR over 2017-2019.

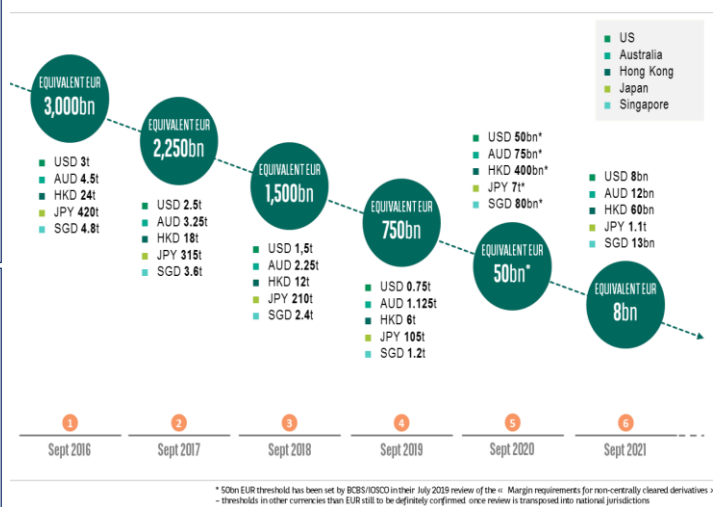
Apart from the "electronification" of FX trading (c.60% of the global OTC FX market is traded electronically), we also see the uncleared margin rules (UMR) and the phasing in of initial margin requirements (US\$50bn by Sep 21 and US\$8bn by Sep 22) as the next catalyst for the adoption of central clearing for OTC FX derivatives which could benefit SGX. From 2016 to 2019, the dealer to financial client (D2C) segment of the foreign exchange market turnover has grown from 51% to 55% according to SGX; with its customer base made up of 40+ liquidity providers and 65+ buyside clients globally, we think BidFX is well-positioned to leverage the growing segment.

**Figure 1: BidFX is a cloud-based provider of FX electronic trading solutions and operates on a fee-based revenue model**



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 2: Timeline for the uncleared margin rules (UMR)**



\* 50bn EUR threshold has been set by BIS/IOSCO in their July 2019 review of the "Margin requirements for non-centrally cleared derivatives" - thresholds in other currencies than EUR still to be definitely confirmed once review is transposed into national jurisdictions

SOURCES: BNP PARIBAS SECURITIES SERVICES

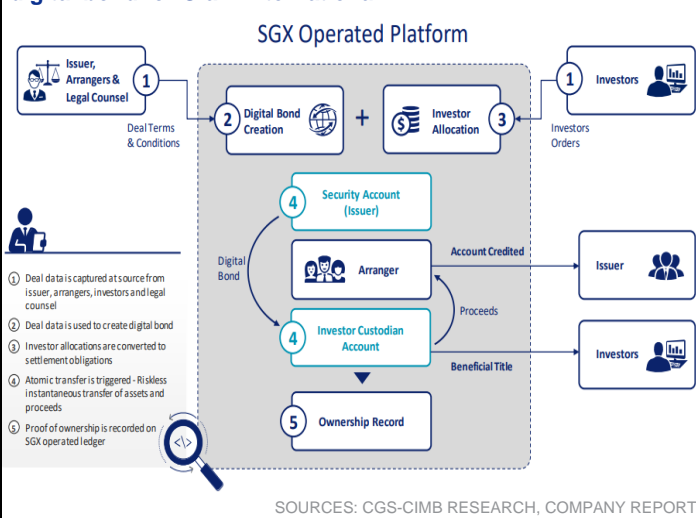
## Small steps can go a long way >

Apart from the recent acquisitions of BidFX and Scientific Beta, SGX continues to make in-roads into each of its segments with the following new initiatives. While we do not see them as a game changer for the group, we think these small steps could be incrementally positive in the longer run on stronger volumes and accord them first-mover advantage.

- SGX collaborates with HSBC and Temasek to complete the first digital syndicated public corporate bond in Asia for Olam International (Fig 3).
- SGX and FTSE Russell sign a long-term strategic partnership agreement across asset classes.
- SGX expands All-Asia waterfront for equity derivatives (Fig 4).

- SGX introduces Asia's first international REIT futures (SGX FTSE EPRA Nareit Asia ex-Japan Index Futures and SGX iEdge S-REIT Leaders Index Futures).

**Figure 3: SGX's digital asset issuance platform for the pilot digital bond for Olam International**



**Figure 4: SGX launches 13 new futures contracts during Aug-Sep, covering almost 100% of Asia's GDP**

- SGX FTSE Equity Net Total Return (NTR) Index Futures - to be launched on 24 August 2020
1. SGX FTSE Asia ex-Japan NTR (USD) Index Futures\*
  2. SGX FTSE Emerging Market Asia NTR (USD) Index Futures\*
  3. SGX FTSE Malaysia NTR (USD) Index Futures\*
  4. SGX FTSE Philippines NTR (USD) Index Futures
  5. SGX FTSE Taiwan NTR (USD) Index Futures
  6. SGX FTSE Thailand NTR (USD) Index Futures\*
- SGX FTSE Equity Price Return Index Futures (denominated in USD) - subject to final regulatory process for launch in mid-September 2020
1. SGX FTSE Asia ex-Japan Index Futures\*
  2. SGX FTSE Emerging Market Asia Index Futures\*
  3. SGX FTSE Indonesia Index Futures
  4. SGX FTSE Malaysia Index Futures\*
  5. SGX FTSE Philippines Index Futures
  6. SGX FTSE Thailand Index Futures\*
  7. SGX FTSE Vietnam 30 Index Futures
- SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

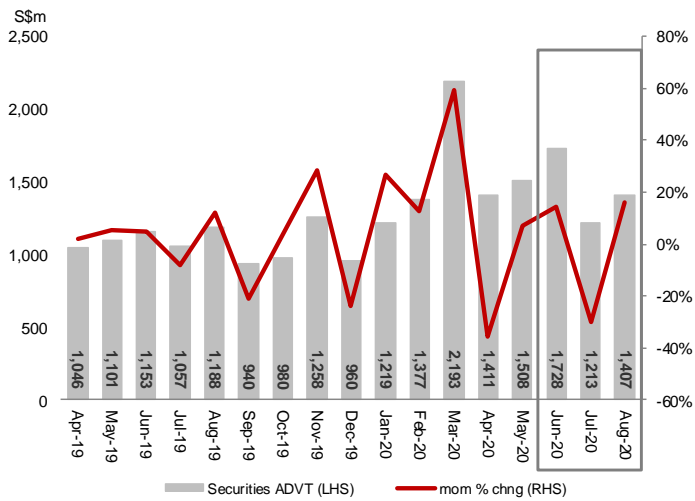
## Market stats tracking slightly above our FY21F expectations ▶

SGX's **securities daily average traded value (SDAV)** in Jul and Aug rose 14.8% and 18.4% yoy to S\$1.21bn and S\$1.41bn, respectively, on the back of portfolio rebalancing activity, a buoyant US market and Covid-19 vaccine hopes. This continues to track above our FY21F SDAV of S\$1.19bn. The Catalyst market recorded the highest turnover velocity (Jul: 319%, Aug: 303%), as compared to 43% and 51% for the Mainboard in Jul and Aug, respectively.

For its **derivatives segment**, the combined Jul and Aug volumes of 23.8m and 19.7m were marginally higher yoy, and ahead of our monthly implied average volume of 20.3m (FY21F: 243.7m). We saw a yoy and mom spike in equity index futures in Jul 20 led by China A50 futures, which were offset by lower FX futures.

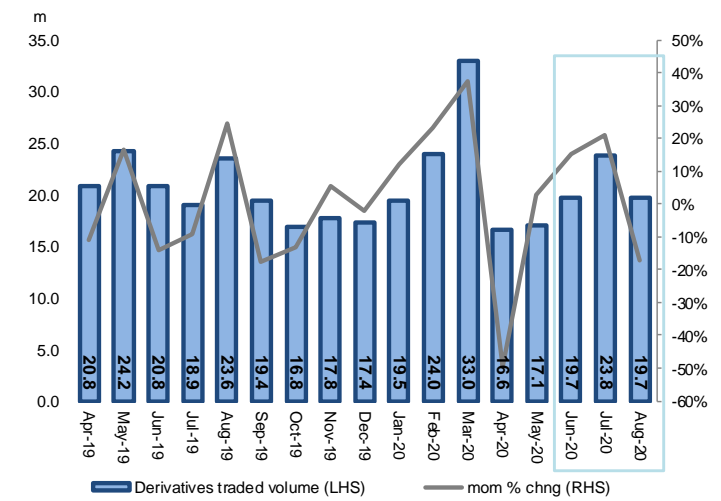
Since its launch on 20 Jul (US CFTC approved on 24 Jul), **SGX's FTSE Taiwan index futures** have been slowly ramping up in volumes (Fig 4) to 82k and 352k in Jul and Aug, respectively, as compared to HKEx's MSCI Taiwan Index futures of 4.7k and 7.5k in the respective two months. Open interest for SGX's FTSE Taiwan index futures is also higher at 6.5k (vs HKEx MSCI Taiwan futures: 1.5k) as of end-Aug 20; client participation in Aug also grew more than 50% to over 90 trading entities. We note that SGX is offering waiver of clearing fees for its FTSE Taiwan Index Futures till end-2020, which has been factored in our FY21F earnings forecasts.

**Figure 5: For the months of Jul and Aug, securities ADVT stayed above S\$1bn and grew yoy**



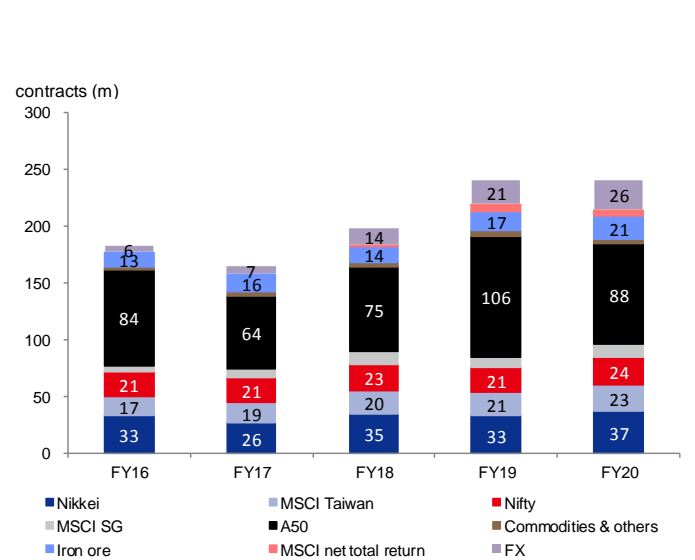
SOURCES: CGS-CIMB, SGX

**Figure 6: Total derivatives volume in Jul and Aug 20 increased c.2% yoy**



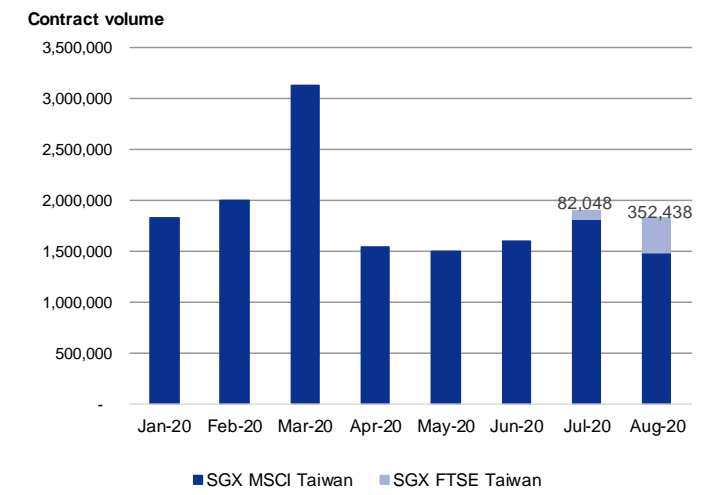
SOURCES: CGS-CIMB, SGX

**Figure 7: FY16-19 derivative volume mix**



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 8: SGX's newly launched FTSE Taiwan index futures have been gradually gaining traction, ahead of competing HKEx's MSCI Taiwan product**



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## No change to our Add call and S\$9.00 TP ➤

The stock currently trades at 21.3x FY6/22F P/E, close to 0.5 s.d. below its 10-year historical average of 22.7x. We continue to like SGX for its multi-asset strategy and proxy to market volatility. We reiterate our Add call with an unchanged EPS and TP of S\$9.00, still pegged to its long-term mean of 22.7x FY22F P/E.

Downside risks to our Add call: risk-off mode, and further negative developments from the MSCI A-share futures and SGX-NSE Nifty resolution. With a net cash position of S\$603m as of end-FY20 and having established a S\$1.5bn multicurrency debt issuance programme in Oct 10, we think SGX has a sufficient war chest to pursue more M&As, which could re-rate the stock. Other catalysts include faster ramp-up of its recent acquisitions and the FTSE Taiwan Index Futures.

**Figure 9: SGX currently trades below its 10-year historical mean of 22.7x forward P/E**

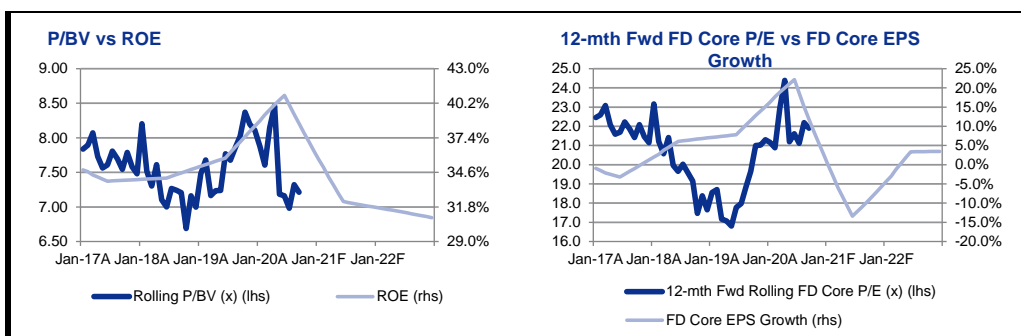


**Figure 10: Peers comparison**

Company	Bloomberg Ticker	Recom.	Price (lcl curr)	Target Price (lcl curr)	Market Cap (US\$ m)	Core P/E (x)		3-year EPS CAGR (%)	P/BV (x)		Recurring ROE (%)		EV/EBITDA (x)		Dividend Yield (%)	
						CY2020	CY2021		CY2020	CY2021	CY2020	CY2021	CY2020	CY2021	CY2020	CY2021
Singapore Exchange	SGX SP	Add	8.51	9.00	6,668	20.4	21.7	0.2%	7.1	6.7	36.3%	31.6%	13.8	14.3	3.7%	3.8%
Bursa Malaysia Bhd	BURSA MK	Reduce	8.79	8.60	1,713	21.7	30.8	1.6%	8.9	8.5	42.2%	28.3%	11.8	16.6	4.1%	2.9%
Hong Kong Exchanges & Clearing	388 HK	Add	371.2	411.3	60,363	40.9	34.9	16.6%	9.4	8.7	24.2%	25.9%	24.4	20.4	2.2%	2.6%
London Stock Exchange Group PL	LSE LN	Not rated	9,030	na	40,638	43.8	38.8	28.8%	6.3	5.2	16.2%	18.4%	23.6	18.8	0.8%	1.0%
Nasdaq Inc	NDAQ US	Not rated	125.7	na	20,647	21.3	21.2	11.0%	3.4	3.2	16.7%	15.7%	15.6	15.5	1.5%	1.6%
Deutsche Boerse AG	DB1 GR	Not rated	153.1	na	34,447	23.4	22.8	9.9%	4.5	4.2	19.7%	19.0%	15.8	15.4	2.0%	2.2%
CME Group Inc	CME US	Not rated	163.2	na	58,531	23.3	23.2	8.1%	2.2	2.2	9.3%	9.2%	18.2	17.7	3.9%	4.1%
<b>Average</b>						<b>27.8</b>	<b>27.6</b>	<b>10.9%</b>	<b>6.0</b>	<b>5.5</b>	<b>23.5%</b>	<b>21.2%</b>	<b>17.6</b>	<b>17.0</b>	<b>2.6%</b>	<b>2.6%</b>

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS, BLOOMBERG (as of 14 Sep 2020)

## BY THE NUMBERS



### Profit & Loss

(\$m)	Jun-19A	Jun-20A	Jun-21F	Jun-22F	Jun-23F
<b>Total Net Revenues</b>	<b>909.8</b>	<b>1,052.7</b>	<b>1,030.2</b>	<b>1,052.6</b>	<b>1,078.2</b>
<b>Gross Profit</b>	<b>909.8</b>	<b>1,052.7</b>	<b>1,030.2</b>	<b>1,052.6</b>	<b>1,078.2</b>
<b>Operating EBITDA</b>	<b>523.5</b>	<b>655.7</b>	<b>590.3</b>	<b>608.5</b>	<b>628.9</b>
Depreciation And Amortisation	(62.5)	(89.9)	(95.0)	(97.0)	(99.0)
<b>Operating EBIT</b>	<b>461.0</b>	<b>565.8</b>	<b>495.3</b>	<b>511.5</b>	<b>529.9</b>
Financial Income/(Expense)	13.5	13.2	7.0	7.0	7.0
Pretax Income/(Loss) from Assoc.	(1.5)	(2.3)	(2.0)	(1.5)	(1.5)
Non-Operating Income/(Expense)	(0.1)	0.5	0.0	0.0	0.0
<b>Profit Before Tax (pre-EI)</b>	<b>473.0</b>	<b>577.1</b>	<b>500.3</b>	<b>517.0</b>	<b>535.4</b>
Exceptional Items	0.0	(6.2)	0.0	0.0	0.0
<b>Pre-tax Profit</b>	<b>473.0</b>	<b>570.9</b>	<b>500.3</b>	<b>517.0</b>	<b>535.4</b>
Taxation	(81.9)	(99.0)	(86.5)	(89.4)	(92.6)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>391.1</b>	<b>472.0</b>	<b>413.7</b>	<b>427.6</b>	<b>442.8</b>
Minority Interests	0.0	(0.2)	(1.1)	(1.3)	(1.4)
Preferred Dividends	0.0	0.0	0.0	0.0	0.0
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>391.1</b>	<b>471.8</b>	<b>412.7</b>	<b>426.3</b>	<b>441.4</b>
Recurring Net Profit	391.1	476.9	412.7	426.3	441.4
<b>Fully Diluted Recurring Net Profit</b>	<b>391.1</b>	<b>476.9</b>	<b>412.7</b>	<b>426.3</b>	<b>441.4</b>

### Cash Flow

(\$m)	Jun-19A	Jun-20A	Jun-21F	Jun-22F	Jun-23F
<b>EBITDA</b>	<b>523.5</b>	<b>655.7</b>	<b>590.3</b>	<b>608.5</b>	<b>628.9</b>
Cash Flow from Inv. & Assoc.					
Change In Working Capital	(48.7)	23.2	(32.9)	3.8	4.2
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	10.7	10.7	10.7	10.7	10.7
Other Operating Cashflow	11.1	5.9	0.0	0.0	0.0
Net Interest (Paid)/Received	12.7	10.5	7.0	7.0	7.0
Tax Paid	(79.7)	(72.4)	(86.5)	(89.4)	(92.6)
<b>Cashflow From Operations</b>	<b>429.7</b>	<b>633.6</b>	<b>488.5</b>	<b>540.5</b>	<b>558.2</b>
Capex	(47.3)	(34.6)	(55.0)	(55.0)	(55.0)
Disposals Of FAs/subsidiaries	0.0	0.0	0.0	0.0	0.0
Acq. Of Subsidiaries/investments	(126.1)	(292.8)	(210.0)	(40.0)	(40.0)
Other Investing Cashflow	13.2	13.3	7.0	7.0	7.0
<b>Cash Flow From Investing</b>	<b>(160.2)</b>	<b>(314.1)</b>	<b>(258.0)</b>	<b>(88.0)</b>	<b>(88.0)</b>
Debt Raised/(repaid)	0.0	289.4	0.0	0.0	0.0
Proceeds From Issue Of Shares	(9.5)	(17.0)	0.0	0.0	0.0
Shares Repurchased	0.0	0.0	0.0	0.0	0.0
Dividends Paid	(401.4)	(321.2)	(342.1)	(342.1)	(347.4)
Preferred Dividends					
Other Financing Cashflow	0.0	(21.0)	0.0	0.0	0.0
<b>Cash Flow From Financing</b>	<b>(410.9)</b>	<b>(69.7)</b>	<b>(342.1)</b>	<b>(342.1)</b>	<b>(347.4)</b>
Total Cash Generated	(141.5)	249.8	(111.5)	110.5	122.8
<b>Free Cashflow To Equity</b>	<b>269.4</b>	<b>608.9</b>	<b>230.5</b>	<b>452.5</b>	<b>470.2</b>
<b>Free Cashflow To Firm</b>	<b>269.4</b>	<b>319.5</b>	<b>230.5</b>	<b>452.5</b>	<b>470.2</b>

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## BY THE NUMBERS... cont'd

### Balance Sheet

(S\$m)	Jun-19A	Jun-20A	Jun-21F	Jun-22F	Jun-23F
Total Cash And Equivalents	667	907	778	871	976
Total Debtors	885	758	610	623	638
Inventories	0	0	210	250	290
Total Other Current Assets	6	2	2	2	2
<b>Total Current Assets</b>	<b>1,558</b>	<b>1,668</b>	<b>1,601</b>	<b>1,747</b>	<b>1,907</b>
Fixed Assets	268	243	203	161	117
Total Investments	79	72	70	68	67
Intangible Assets	0	0	0	0	0
Total Other Non-Current Assets	227	696	696	696	696
<b>Total Non-current Assets</b>	<b>574</b>	<b>1,011</b>	<b>969</b>	<b>926</b>	<b>880</b>
Short-term Debt	0	304	304	304	304
Current Portion of Long-Term Debt					
Total Creditors	912	809	650	665	681
Other Current Liabilities	90	126	103	105	109
<b>Total Current Liabilities</b>	<b>1,001</b>	<b>1,238</b>	<b>1,057</b>	<b>1,074</b>	<b>1,093</b>
Total Long-term Debt	0	0	0	0	0
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	0	130	130	130	130
<b>Total Non-current Liabilities</b>	<b>0</b>	<b>130</b>	<b>130</b>	<b>130</b>	<b>130</b>
Total Provisions	40	62	62	62	62
<b>Total Liabilities</b>	<b>1,041</b>	<b>1,430</b>	<b>1,249</b>	<b>1,266</b>	<b>1,285</b>
Shareholders' Equity	1,091	1,245	1,315	1,400	1,494
Minority Interests	0	4	5	7	8
<b>Total Equity</b>	<b>1,091</b>	<b>1,249</b>	<b>1,321</b>	<b>1,406</b>	<b>1,502</b>

### Key Ratios

	Jun-19A	Jun-20A	Jun-21F	Jun-22F	Jun-23F
Revenue Growth	7.7%	15.7%	(2.1%)	2.2%	2.4%
Operating EBITDA Growth	7.8%	25.2%	(10.0%)	3.1%	3.4%
Operating EBITDA Margin	57.5%	62.3%	57.3%	57.8%	58.3%
Net Cash Per Share (S\$)	0.62	0.56	0.44	0.53	0.63
BVPS (S\$)	1.02	1.16	1.23	1.31	1.40
Gross Interest Cover	N/A	N/A	N/A	N/A	N/A
Effective Tax Rate	17.3%	17.3%	17.3%	17.3%	17.3%
Net Dividend Payout Ratio	82.1%	68.2%	82.9%	80.2%	78.7%
Accounts Receivables Days	343.5	285.7	242.4	213.8	213.5
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 (%)	175%	147%	65%	53%	55%
ROCE (%)	42.0%	42.2%	30.4%	30.0%	29.5%
Return On Average Assets	17.8%	19.3%	15.5%	16.0%	16.0%

### Key Drivers

	Jun-19A	Jun-20A	Jun-21F	Jun-22F	Jun-23F
Total Traded Value (S\$m)	259,500	332,100	298,890	283,946	286,785
Trading Days In The Period	249	249	249	249	249
Avg Daily Traded Value (S\$m)	1,042	1,334	1,200	1,140	1,152
Securities Clearing Fees (S\$m)	138.9	178.7	159.6	150.5	150.8
Effective Clearing Rate (%)	0.05%	0.05%	0.05%	0.05%	0.05%
Derivatives Contracts Traded (S\$m)	240	244	244	249	254
Derivatives Clearing Revenue (S\$m)	460	519	487	510	526
Avg Fees Per Contract (S\$)	1.91	2.13	2.00	2.05	2.07
Other Revenue (S\$m)	311	355	383	393	402

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## DISCLAIMER

The content of this report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by and belongs to CGS-CIMB. Reports relating to a specific geographical area are produced and distributed by the corresponding CGS-CIMB entity as listed in the table below.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.

By accepting this report, the recipient hereof represents and warrants that he is entitled to receive such report in accordance with the restrictions set forth below and agrees to be bound by the limitations contained herein (including the "Restrictions on Distributions" set out below). Any failure to comply with these limitations may constitute a violation of law. This publication is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of CGS-CIMB.

The information contained in this research report is prepared from data believed to be correct and reliable at the time of issue of this report. CGS-CIMB may or may not issue regular reports on the subject matter of this report at any frequency and may cease to do so or change the periodicity of reports at any time. CGS-CIMB has no obligation to update this report in the event of a material change to the information contained in this report. CGS-CIMB does not accept any obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant, (ii) ensure that the content of this report constitutes all the information a prospective investor may require, (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, CGS-CIMB, its affiliates and related persons including China Galaxy International Financial Holdings Limited ("CGIFHL") and CIMB Group Sdn. Bhd. ("CIMBG") and their respective related corporations (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof. In particular, CGS-CIMB disclaims all responsibility and liability for the views and opinions set out in this report.

Unless otherwise specified, this report is based upon sources which CGS-CIMB considers to be reasonable. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research.

Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of CGS-CIMB or any of its affiliates (including CGIFHL, CIMBG and their respective related corporations) to any person to buy or sell any investments.

CGS-CIMB, its affiliates and related corporations (including CGIFHL, CIMBG and their respective related corporations) and/or 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 of, or may be materially interested in, any such securities. Further, CGS-CIMB, its affiliates and their respective related corporations (including CGIFHL, CIMBG and their respective related corporations) 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 to or buy them from customers on a principal basis and may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) as well as solicit such investment, advisory or other services from any entity mentioned in this report.

CGS-CIMB or its affiliates (including CGIFHL, CIMBG and their respective related corporations) may enter into an agreement with the company(ies) covered in this report relating to the production of research reports. CGS-CIMB may disclose the contents of this report to the company(ies) covered by it and may have amended the contents of this report following such disclosure.

The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously. No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report. The analyst(s) who prepared this research report is prohibited from receiving any compensation, incentive or bonus based on specific investment banking transactions or for providing a specific recommendation for, or view of, a particular company. Information barriers and other arrangements may be established where necessary to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations and the research personnel involved in the preparation of this report may also participate in the solicitation of the businesses as described above. In reviewing this research report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request.

Reports relating to a specific geographical area are produced by the corresponding CGS-CIMB entity as listed in the table below. The term "CGS-CIMB" shall denote, where appropriate, the relevant entity distributing or disseminating the report in the particular jurisdiction referenced below, or, in every other case except as otherwise stated herein, CGS-CIMB Securities International Pte. Ltd. and its affiliates, subsidiaries and related corporations.



Country	CGS-CIMB Entity	Regulated by
Hong Kong	CGS-CIMB Securities (Hong Kong) Limited	Securities and Futures Commission Hong Kong
India	CGS-CIMB Securities (India) Private Limited	Securities and Exchange Board of India (SEBI)
Indonesia	PT CGS-CIMB Sekuritas Indonesia	Financial Services Authority of Indonesia
Malaysia	CGS-CIMB Securities Sdn. Bhd. (formerly known as Jupiter Securities Sdn. Bhd.)	Securities Commission Malaysia
Singapore	CGS-CIMB Research Pte. Ltd.	Monetary Authority of Singapore
South Korea	CGS-CIMB Securities (Hong Kong) Limited, Korea Branch	Financial Services Commission and Financial Supervisory Service
Thailand	CGS-CIMB Securities (Thailand) Co. Ltd.	Securities and Exchange Commission Thailand

#### Other Significant Financial Interests:

(i) As of August 31, 2020 CGS-CIMB has a proprietary position in the securities (which may include but not be limited to shares, warrants, call warrants and/or any other derivatives) in the following company or companies covered or recommended in this report:

(a) Singapore Exchange

(ii) Analyst Disclosure: As of September 14, 2020, the analyst(s) who prepared this report, and the associate(s), has / have an interest in the securities (which may include but not be limited to shares, warrants, call warrants and/or any other derivatives) in the following company or companies covered or recommended in this report:

(a) -

This report does not purport to contain all the information that a prospective investor may require. Neither CGS-CIMB nor any of its affiliates (including CGIFHL, CIMBG and their related corporations) make any guarantee, representation or warranty, express or implied, as to the adequacy, accuracy, completeness, reliability or fairness of any such information and opinion contained in this report. Neither CGS-CIMB nor any of its affiliates nor their related persons (including CGIFHL, CIMBG and their related corporations) shall be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

This report is general in nature and has been prepared for information purposes only. It is intended for circulation amongst CGS-CIMB's clients generally and does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. The information and opinions in this report are not and should not be construed or considered as an offer, recommendation or solicitation to buy or sell the subject securities, related investments or other financial instruments or any derivative instrument, or any rights pertaining thereto.

Investors are advised to make their own independent evaluation of the information contained in this research report, consider their own individual investment objectives, financial situation and particular needs and consult their own professional and financial advisers as to the legal, business, financial, tax and other aspects before participating in any transaction in respect of the securities of company(ies) covered in this research report.

The securities of such company(ies) may not be eligible for sale in all jurisdictions or to all categories of investors.

#### Restrictions on Distributions

**Australia:** Despite anything in this report to the contrary, this research is provided in Australia by CGS-CIMB Securities (Singapore) Pte. Ltd. and CGS-CIMB Securities (Hong Kong) Limited. This research is only available in Australia to persons who are "wholesale clients" (within the meaning of the Corporations Act 2001 (Cth) and is supplied solely for the use of such wholesale clients and shall not be distributed or passed on to any other person. You represent and warrant that if you are in Australia, you are a "wholesale client". This research is of a general nature only and has been prepared without taking into account the objectives, financial situation or needs of the individual recipient. CGS-CIMB Securities (Singapore) Pte. Ltd. and CGS-CIMB Securities (Hong Kong) Limited do not hold, and are not required to hold an Australian financial services license. CGS-CIMB Securities (Singapore) Pte. Ltd. and CGS-CIMB Securities (Hong Kong) Limited rely on "passporting" exemptions for entities appropriately licensed by the Monetary Authority of Singapore (under ASIC Class Order 03/1102) and the Securities and Futures Commission in Hong Kong (under ASIC Class Order 03/1103).

**Canada:** This research report has not been prepared in accordance with the disclosure requirements of Dealer Member Rule 3400 – Research Restrictions and Disclosure Requirements of the Investment Industry Regulatory Organization of Canada. For any research report distributed by CIBC, further disclosures related to CIBC conflicts of interest can be found at <https://researchcentral.cibcwm.com>.

**China:** For the purpose of this report, the People's Republic of China ("PRC") does not include the Hong Kong Special Administrative Region, the Macau Special Administrative Region or Taiwan. The distributor of this report has not been approved or licensed by the China Securities Regulatory Commission or any other relevant regulatory authority or governmental agency in the PRC. This report contains only marketing information. The distribution of this report is not an offer to buy or sell to any person within or outside PRC or a solicitation to any person within or outside of PRC to buy or sell any instruments described herein. This report is being issued outside the PRC to a limited number of institutional investors and may not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose.

**France:** Only qualified investors within the meaning of French law shall have access to this report. This report shall not be considered as an offer to subscribe to, or used in connection with, any offer for subscription or sale or marketing or direct or indirect distribution of financial instruments and it is not intended as a solicitation for the purchase of any financial instrument.

**Germany:** This report is only directed at persons who are professional investors as defined in sec 31a(2) of the German Securities Trading Act (WpHG). This publication constitutes research of a non-binding nature on the market situation and the investment instruments cited here at the time of the publication of the information.

The current prices/yields in this issue are based upon closing prices from Bloomberg as of the day preceding publication. Please note that neither the German Federal Financial Supervisory Agency (BaFin), nor any other supervisory authority exercises any control over the content of this report.

**Hong Kong:** This report is issued and distributed in Hong Kong by CGS-CIMB Securities (Hong Kong) Limited ("CHK") which is licensed in Hong Kong by the Securities and Futures Commission for Type 1 (dealing in securities) and Type 4 (advising on securities) activities. Any investors wishing to purchase or otherwise deal in the securities covered in this report should contact the Head of Sales at CGS-CIMB Securities (Hong Kong) Limited.

The views and opinions in this research report are our own as of the date hereof and are subject to change. If the Financial Services and Markets Act of the United Kingdom or the rules of the Financial Conduct Authority apply to a recipient, our obligations owed to such recipient therein are unaffected. CHK has no obligation to update its opinion or the information in this research report.

This publication is strictly confidential and is for private circulation only to clients of CHK.

CHK does not make a market on other securities mentioned in the report.

**India:** This report is issued and distributed in India by CGS-CIMB Securities (India) Private Limited (“CGS-CIMB India”). CGS-CIMB India is a subsidiary of CGS-CIMB Securities International Pte. Ltd. which is in turn is a 50:50 joint venture company of CGIFHL and CIMBG. The details of the members of the group of companies of CGS-CIMB can be found at [www.cgs-cimb.com](http://www.cgs-cimb.com), CGIFHL at [www.chinastock.com.hk/en/ACG/ContactUs/index.aspx](http://www.chinastock.com.hk/en/ACG/ContactUs/index.aspx) and CIMBG at [www.cimb.com/en/who-we-are.html](http://www.cimb.com/en/who-we-are.html). CGS-CIMB India is registered with the National Stock Exchange of India Limited and BSE Limited as a trading and clearing member (Merchant Banking Number: INM000012037) under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992. In accordance with the provisions of Regulation 4(g) of the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013, CGS-CIMB India is not required to seek registration with the Securities and Exchange Board of India (“SEBI”) as an Investment Adviser. CGS-CIMB India is registered with SEBI (SEBI Registration Number: INZ000209135) as a Research Analyst (INH000000669) pursuant to the SEBI (Research Analysts) Regulations, 2014 (“Regulations”).

This report does not take into account the particular investment objectives, financial situations, or needs of the recipients. It is not intended for and does not deal with prohibitions on investment due to law/jurisdiction issues etc. which may exist for certain persons/entities. Recipients should rely on their own investigations and take their own professional advice before investment.

The report is not a “prospectus” as defined under Indian Law, including the Companies Act, 2013, and is not, and shall not be, approved by, or filed or registered with, any Indian regulator, including any Registrar of Companies in India, SEBI, any Indian stock exchange, or the Reserve Bank of India. No offer, or invitation to offer, or solicitation of subscription with respect to any such securities listed or proposed to be listed in India is being made, or intended to be made, to the public, or to any member or section of the public in India, through or pursuant to this report.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of CGS-CIMB India and they have received compensation based upon various factors, including quality, accuracy and value of research, firm profitability or revenues, client feedback and competitive factors. Research analysts', strategists' or economists' compensation is not linked to investment banking or capital markets transactions performed or proposed to be performed by CGS-CIMB India or its affiliates.

CGS-CIMB India does not have actual / beneficial ownership of 1% or more securities of the subject company in this research report, at the end of the month immediately preceding the date of publication of this research report. However, since affiliates of CGS-CIMB India are engaged in the financial services business, they might have in their normal course of business financial interests or actual / beneficial ownership of one per cent or more in various companies including the subject company in this research report.

CGS-CIMB India or its associates, may: (a) from time to time, have long or short position in, and buy or sell the securities of the subject company in this research report; or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company in this research report or act as an advisor or lender/borrower to such company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

CGS-CIMB India, its associates and the analyst engaged in preparation of this research report have not received any compensation for investment banking, merchant banking or brokerage services from the subject company mentioned in the research report in the past 12 months.

CGS-CIMB India, its associates and the analyst engaged in preparation of this research report have not managed or co-managed public offering of securities for the subject company mentioned in the research report in the past 12 months. The analyst from CGS-CIMB India engaged in preparation of this research report or his/her relative (a) do not have any financial interests in the subject company mentioned in this research report; (b) do not own 1% or more of the equity securities of the subject company mentioned in the research report as of the last day of the month preceding the publication of the research report; (c) do not have any material conflict of interest at the time of publication of the research report.

**Indonesia:** This report is issued and distributed by PT CGS-CIMB Sekuritas Indonesia (“CGS-CIMB Indonesia”). The views and opinions in this research report are our own as of the date hereof and are subject to change. CGS-CIMB Indonesia has no obligation to update its opinion or the information in this research report. This report is for private circulation only to clients of CGS-CIMB Indonesia. Neither this report nor any copy hereof may be distributed in Indonesia or to any Indonesian citizens wherever they are domiciled or to Indonesian residents except in compliance with applicable Indonesian capital market laws and regulations.

This research report is not an offer of securities in Indonesia. The securities referred to in this research report have not been registered with the Financial Services Authority (Otoritas Jasa Keuangan) pursuant to relevant capital market laws and regulations, and may not be offered or sold within the territory of the Republic of Indonesia or to Indonesian citizens through a public offering or in circumstances which constitute an offer within the meaning of the Indonesian capital market law and regulations.

**Ireland:** CGS-CIMB is not an investment firm authorised in the Republic of Ireland and no part of this document should be construed as CGS-CIMB acting as, or otherwise claiming or representing to be, an investment firm authorised in the Republic of Ireland.

**Malaysia:** This report is distributed in Malaysia by CGS-CIMB Securities Sdn. Bhd. (formerly known as Jupiter Securities Sdn. Bhd.) (“CGS-CIMB Malaysia”) solely for the benefit of and for the exclusive use of our clients. Recipients of this report are to contact CGS-CIMB Malaysia, at 29th Floor Menara CIMB No. 1 Jalan Stesen Sentral 2, Kuala Lumpur Sentral 50470 Kuala Lumpur, Malaysia, in respect of any matters arising from or in connection with this report. CGS-CIMB Malaysia has no obligation to update, revise or reaffirm its opinion or the information in this research reports after the date of this report.

**New Zealand:** In New Zealand, this report is for distribution only to persons who are wholesale clients pursuant to section 5C of the Financial Advisers Act 2008.

**Singapore:** This report is issued and distributed by CGS-CIMB Research Pte Ltd (“CGS-CIMBR”). CGS-CIMBR is a financial adviser licensed under the Financial Advisers Act, Cap 110 (“FAA”) for advising on investment products, by issuing or promulgating research analyses or research reports, whether in electronic, print or other form. Accordingly, CGS-CIMBR is a subject to the applicable rules under the FAA unless it is able to avail itself to any prescribed exemptions.

Recipients of this report are to contact CGS-CIMB Research Pte Ltd, 50 Raffles Place, #16-02 Singapore Land Tower, Singapore in respect of any matters arising from, or in connection with this report. CGS-CIMBR has no obligation to update its opinion or the information in this research report. This publication is strictly confidential and is for private circulation only. If you have not been sent this report by CGS-CIMBR directly, you may not rely, use or disclose to anyone else this report or its contents.

If the recipient of this research report is not an accredited investor, expert investor or institutional investor, CGS-CIMBR accepts legal responsibility for the contents of the report without any disclaimer limiting or otherwise curtailing such legal responsibility. If the recipient is an accredited investor, expert investor or institutional investor, the recipient is deemed to acknowledge that CGS-CIMBR is exempt from certain requirements under the FAA and its attendant regulations, and as such, is exempt from complying with the following:

- (a) Section 25 of the FAA (obligation to disclose product information);
- (b) Section 27 (duty not to make recommendation with respect to any investment product without having a reasonable basis where you may be reasonably expected to rely on the recommendation) of the FAA;
- (c) MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA-N03];
- (d) MAS Notice on Recommendation on Investment Products [Notice No. FAA-N16];
- (e) Section 36 (obligation on disclosure of interest in specified products), and
- (f) any other laws, regulations, notices, directive, guidelines, circulars and practice notes which are relates to the above, to the extent permitted by applicable laws, as may be amended from time to time, and any other laws, regulations, notices, directive, guidelines, circulars, and practice notes as we may notify you from time to time. In addition, the recipient who is an accredited investor, expert investor or institutional investor acknowledges that as CGS-CIMBR is exempt from Section 27 of the FAA, the recipient will also not be able to file a civil claim against CGS-CIMBR for any loss or damage arising from the recipient's reliance on any recommendation made by CGS-CIMBR which would otherwise be a right that is available to the recipient under Section 27 of the FAA, the recipient will also not be able to file a civil claim against CGS-CIMBR for any loss or damage arising from the recipient's reliance on any recommendation made by CGS-CIMBR which would otherwise be a right that is available to the recipient under Section 27 of the FAA.

CGS-CIMBR, its affiliates and related corporations, their directors, associates, connected parties and/or employees may own or have positions in specified products of the company(ies) covered in this research report or any specified products related thereto and may from time to time add to or dispose of, or may be materially interested in, any such specified products. Further, CGS-CIMBR, its affiliates and its related corporations 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 specified products of such company(ies), may sell them to or buy them from customers on a principal basis and may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) as well as solicit such investment, advisory or other services from any entity mentioned in this report.

As of September 14, 2020, CGS-CIMBR does not have a proprietary position in the recommended specified products in this report.

CGS-CIMBR does not make a market on the securities mentioned in the report.

**South Korea:** This report is issued and distributed in South Korea by CGS-CIMB Securities (Hong Kong) Limited, Korea Branch ("CGS-CIMB Korea") which is licensed as a cash equity broker, and regulated by the Financial Services Commission and Financial Supervisory Service of Korea. In South Korea, this report is for distribution only to professional investors under Article 9(5) of the Financial Investment Services and Capital Market Act of Korea ("FSCMA").

**Spain:** This document is a research report and it is addressed to institutional investors only. The research report is of a general nature and not personalised and does not constitute investment advice so, as the case may be, the recipient must seek proper advice before adopting any investment decision. This document does not constitute a public offering of securities.

CGS-CIMB is not registered with the Spanish Comision Nacional del Mercado de Valores to provide investment services.

**Sweden:** This report contains only marketing information and has not been approved by the Swedish Financial Supervisory Authority. The distribution of this report is not an offer to sell to any person in Sweden or a solicitation to any person in Sweden to buy any instruments described herein and may not be forwarded to the public in Sweden.

**Switzerland:** This report has not been prepared in accordance with the recognized self-regulatory minimal standards for research reports of banks issued by the Swiss Bankers' Association (Directives on the Independence of Financial Research).

**Thailand:** This report is issued and distributed by CGS-CIMB Securities (Thailand) Co. Ltd. ("CGS-CIMB Thailand") based upon sources believed to be reliable (but their accuracy, completeness or correctness is not guaranteed). The statements or expressions of opinion herein were arrived at after due and careful consideration for use as information for investment. Such opinions are subject to change without notice and CGS-CIMB Thailand has no obligation to update its opinion or the information in this research report.

CGS-CIMB Thailand may act or acts as Market Maker, and issuer and offerer of Derivative Warrants and Structured Note which may have the following securities as its underlying securities. Investors should carefully read and study the details of the derivative warrants in the prospectus before making investment decisions.

AAV, ADVANC, AEONTS, AMATA, AOT, AWC, BANPU, BBL, BCH, BCP, BCPG, BDMS, BEC, BEM, BGC, BGRIM, BH, BJC, BPP, BTS, CBG, CENTEL, CHG, CK, CKP, COM7, CPALL, CPF, CPN, DELTA, DTAC, EA, EGCO, EPG, ERW, ESSO, GFPT, GLOBAL, GPSC, GULF, GUNKUL, HANA, HMPRO, INTUCH, IRPC, IVL, JAS, JMT, KBANK, KCE, KKP, KTB, KTC, LH, MAJOR, MBK, MEGA, MINT, MTC, ORI, OSP, PLANB, PRM, PSH, PSL, PTG, PTT, PTTEP, PTTGC, QH, RATCH, RS, SAWAD, SCB, SCC, SGP, SPALI, SPRC, STA, STEC, STPI, SUPER, TESCO, TCAP, THAI, THANI, THG, TISCO, TKN, TMB, TOA, TOP, TPIPP, TQM, TRUE, TTW, TU, VGI, WHA, BEAUTY, JMART, LPN, SISB, WORK.

#### **Corporate Governance Report:**

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey 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 or	No Survey Result
<b>Description:</b>	Excellent	Very Good	Good	N/A	

**United Arab Emirates:** The distributor of this report has not been approved or licensed by the UAE Central Bank or any other relevant licensing authorities or governmental agencies in the United Arab Emirates. This report is strictly private and confidential and has not been reviewed by, deposited or registered with UAE Central Bank or any other licensing authority or governmental agencies in the United Arab Emirates. This report is being issued outside the United Arab Emirates to a limited number of institutional investors and must not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose. Further, the information contained in this report is not intended to lead to the sale of investments under any subscription agreement or the conclusion of any other contract of whatsoever nature within the territory of the United Arab Emirates.

**United Kingdom and European Economic Area (EEA):** In the United Kingdom and European Economic Area, this material is also being distributed by CGS-CIMB Securities (UK) Limited (“CGS-CIMB UK”). CGS-CIMB UK is authorized and regulated by the Financial Conduct Authority and its registered office is at 27 Knightsbridge, London, SW1X7YB. The material distributed by CGS-CIMB UK has been prepared in accordance with CGS-CIMB’s policies for managing conflicts of interest arising as a result of publication and distribution of this material. This material is for distribution only to, and is solely directed at, selected persons on the basis that those persons: (a) are eligible counterparties and professional clients of CGS-CIMB UK; (b) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Order”), (c) fall within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc”) of the Order; (d) are outside the United Kingdom subject to relevant regulation in each jurisdiction, material(all such persons together being referred to as “relevant persons”). This material is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this material relates is available only to relevant persons and will be engaged in only with relevant persons.

This material is categorised as non-independent for the purposes of CGS-CIMB UK and therefore does not provide an impartial or objective assessment of the subject matter and does not constitute independent research. Consequently, this material has not been prepared in accordance with legal requirements designed to promote the independence of research and will not be subject to any prohibition on dealing ahead of the dissemination of research. Therefore, this material is considered a marketing communication.

**United States:** This research report is distributed in the United States of America by CGS-CIMB Securities (USA) Inc, a U.S. registered broker-dealer and an affiliate of CGS-CIMB Securities Sdn. Bhd. (formerly known as Jupiter Securities Sdn. Bhd.), CGS-CIMB Research Pte Ltd, PT CGS-CIMB Sekuritas Indonesia, CGS-CIMB Securities (Thailand) Co. Ltd, CGS-CIMB Securities (Hong Kong) Limited and CGS-CIMB Securities (India) Private Limited, and is distributed solely to persons who qualify as “U.S. Institutional Investors” as defined in Rule 15a-6 under the Securities and Exchange Act of 1934. This communication is only for Institutional Investors whose ordinary business activities involve investing in shares, bonds, and associated securities and/or derivative securities and who have professional experience in such investments. Any person who is not a U.S. Institutional Investor or Major Institutional Investor must not rely on this communication. The delivery of this research report to any person in the United States of America is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. CGS-CIMB Securities (USA) Inc, is a FINRA/SIPC member and takes responsibility for the content of this report. For further information or to place an order in any of the above-mentioned securities please contact a registered representative of CGS-CIMB Securities (USA) Inc.

CGS-CIMB Securities (USA) Inc. does not make a market on other securities mentioned in the report.

CGS-CIMB Securities (USA) Inc. has not managed or co-managed a public offering of any of the securities mentioned in the past 12 months.

CGS-CIMB Securities (USA) Inc. has not received compensation for investment banking services from any of the company mentioned in the past 12 months.

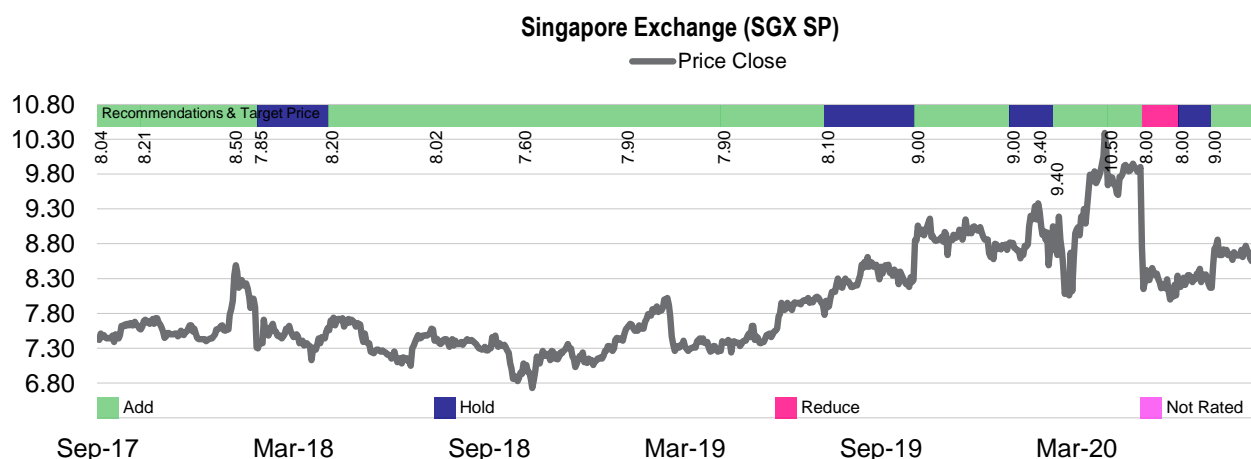
CGS-CIMB Securities (USA) Inc. neither expects to receive nor intends to seek compensation for investment banking services from any of the company mentioned within the next 3 months.

**United States Third-Party Disclaimer:** If this report is distributed in the United States of America by Raymond James & Associates, Inc (“RJA”), this report is third-party research prepared for and distributed in the United States of America by RJA pursuant to an arrangement between RJA and CGS-CIMB Securities International Pte. Ltd. (“CGS-CIMB”). CGS-CIMB is not an affiliate of RJA. This report is distributed solely to persons who qualify as “U.S. Institutional Investors” or as “Major U.S. Institutional Investors” as defined in Rule 15a-6 under the Securities and Exchange Act of 1934, as amended. This communication is only for U.S. Institutional Investors or Major U.S. Institutional Investor whose ordinary business activities involve investing in shares, bonds, and associated securities and/or derivative securities and who have professional experience in such investments. Any person who is not a U.S. Institutional Investor or Major U.S. Institutional Investor must not rely on this communication. The delivery of this report to any person in the U.S. is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. If you are receiving this report in the U.S from RJA, a FINRA/SIPC member, it takes responsibility for the content of this report. For further information or to place an order in any of the above-mentioned securities please contact a registered representative of CGS-CIMB Securities (USA) Inc. or RJA. <https://raymondjames.com/InternationalEquityDisclosures>

**Other jurisdictions:** In any other jurisdictions, except if otherwise restricted by laws or regulations, this report is only for distribution to professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.

Distribution of stock ratings and investment banking clients for quarter ended on 30 June 2020		
800 companies under coverage for quarter ended on 30 June 2020		
	Rating Distribution (%)	Investment Banking clients (%)
Add	60.1%	0.4%
Hold	25.9%	0.1%
Reduce	14.0%	0.3%

### 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, **BGP** – Excellent, Certified, **BPCG** – 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.

#01c