

Company Note

I Malaysia

ADD (no change)

Consensus ratings*: Buy 1 Hold 0 Sell 0

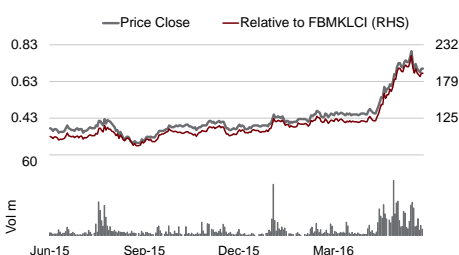
Current price: RM0.70
 Target price: RM1.13
 Previous target: RM1.13
 Up/downside: 60.9%
 CIMB / Consensus: -0.3%

Reuters: AWC.F.KL
 Bloomberg: AWC.F.MK
 Market cap: US\$43.35m
 RM179.7m
 Average daily turnover: US\$1.37m
 RM5.51m
 Current shares o/s: 256.0m
 Free float: 66.0%

* Source: Bloomberg

Key changes in this note

No changes

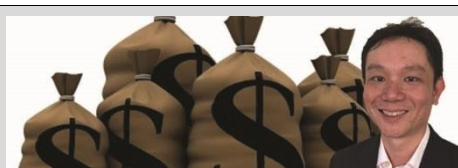


Source: Bloomberg

| Price performance | 1M | 3M | 12M |
|-------------------|------|------|------|
| Absolute (%) | 13.8 | 60.9 | 81.8 |
| Relative (%) | 14.7 | 64 | 88.3 |

| Major shareholders | % held |
|--------------------|--------|
| Dato' Ahmad Kabeer | 34.0 |

Analyst(s)



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AWC Berhad

Singapore loves STREAM

- We organised a non-deal roadshow (NDR) in Singapore where AWC management met with 10 fund managers.
- We sense that clients were impressed by STREAM's global competitiveness in winning and executing projects for the Singapore government.
- Management is bullish on earnings visibility in FY16-18.
- We maintain our Add rating with an unchanged SOP-based target price.

Flying to the Lion City

We organised a non-deal roadshow (NDR) in Singapore for AWC management to meet with institutional investors. We met with 10 fund managers, all of whom were meeting AWC for the first time. AWC was represented by its CFO, Mr Randy Chitty.

Clients impressed by STREAM's global competitiveness

Compared to our domestic meetings, we sensed that Singapore-based clients had a better appreciation of AWC's STREAM division as STREAM is being implemented in HDB developments, Changi General Hospital (CGH), Changi Airport T3 and T4, and the Singapore Ministry of Home Affairs. They were impressed that STREAM was a globally competitive product that could even beat Envac for Singapore government projects, where stringent quality control and security are paramount considerations.

NDR questions focused on margins and growth potential

The questions from participants centered on: 1) margins for the three businesses – facilities, environment and engineering and their various sub-segments; and 2) the growth potential of the various divisions.

Long-term structural story

We believe that the long-term structural story for AWC is positive. As land becomes scarcer in the Klang Valley, high-end and high-rise office/residential buildings will widen STREAM's and QDT's addressable markets. Regulatory requirements for new and refurbished HDB developments to use pneumatic waste collection systems will also expand STREAM's opportunities. In Malaysia, the Signature Tower win opens up ample opportunities for QDT to win plumbing jobs for other high-rise buildings at TRX.

STREAM for hospitals

Following a site visit to CGH, we believe that hospitals are a new potential growth area for STREAM as our visit revealed that pneumatic linen collection is an overlooked area by most hospitals. Under the conventional system, there is a risk of cross-infection between patients when soiled and infected linen are transported manually through hospital corridors using open trolleys.

Maintain Add

We maintain our EPS forecasts and SOP-based target price. Management remains bullish about AWC's earnings visibility for FY16-18. The stock is attractively valued at 9.3x FY17 P/E and FY17F ex-cash P/E of 6.1x. Key risks to the achievement of our target price include project execution and delays. Potential re-rating catalysts are contract wins and special dividends.

| Financial Summary | Jun-14A | Jun-15A | Jun-16F | Jun-17F | Jun-18F |
|------------------------|---------|---------|---------|---------|---------|
| Revenue (RMm) | 119.5 | 128.0 | 221.0 | 256.5 | 268.8 |
| Operating EBITDA (RMm) | 14.86 | 14.15 | 28.95 | 35.15 | 38.87 |
| Net Profit (RMm) | 6.95 | 8.03 | 15.05 | 19.34 | 21.56 |
| Core EPS (RM) | 0.031 | 0.036 | 0.063 | 0.076 | 0.084 |
| Core EPS Growth | 52.6% | 15.5% | 75.6% | 20.8% | 11.5% |
| FD Core P/E (x) | 22.69 | 19.66 | 11.19 | 9.27 | 8.31 |
| DPS (RM) | - | - | 0.020 | 0.025 | 0.030 |
| Dividend Yield | 0.00% | 0.00% | 2.86% | 3.57% | 4.29% |
| EV/EBITDA (x) | 9.77 | 9.31 | 4.84 | 4.20 | 3.53 |
| P/FCFE (x) | NA | 9.91 | 14.10 | 11.38 | 7.11 |
| Net Gearing | (37.8%) | (43.9%) | (45.0%) | (45.6%) | (50.4%) |
| P/BV (x) | 2.00 | 1.72 | 1.77 | 1.57 | 1.40 |
| ROE | 9.3% | 9.4% | 15.6% | 17.9% | 17.8% |
| CIMB/consensus EPS (x) | | | 0.99 | 0.99 | 1.00 |

SOURCE: COMPANY DATA, CIMB FORECASTS

Frequently-asked questions at the NDR meetings

Margins and orderbook ►

Clients were interested to know the margin differentials among the three businesses – facilities, environment and engineering and their various sub-segments. In facilities, the highest gross profit margin (GPM) was in healthcare at 15-18%, while the lowest was the concession at 12-15%; commercial margins were in between these two. Management did not reveal the margins for the environmental division (STREAM), but we gather that some projects could be enjoying GPM in excess of 30%. QDT, the plumbing subsidiary, earns a GPM of at least 15%. Its orderbook breakdown is as follows: 1) STREAM at RM105m, 2) QDT at RM130m, and 3) M&E/Air-conditioning at RM35m. Management also highlighted that STREAM's orderbook does not include RM150m worth of potential contracts in the Al-Raha development in Abu Dhabi as it had already laid the infrastructure back in 2011. Any new developments at Al-Raha that chooses to install a pneumatic system will need to use STREAM.

Growth potential: STREAM ►

The various divisions have different growth drivers. The most exciting are STREAM, QDT and DDT (rainwater harvesting). From a macro standpoint, the scarcity of land in the Klang Valley augurs well for both STREAM and QDT. As more high-end residential and office towers are built, STREAM and QDT's addressable market widens. Using the example in Singapore, regulatory requirements demand that new and refurbished HDB developments use pneumatic waste collection systems. Many Singapore-based clients were unaware of this, and were impressed by STREAM as many of them had previously lived on the lower floors of HDB developments where they regularly experienced unpleasant odours from conventionally-collected waste. AWC is currently in talks with PEMANDU to push for similar regulations in Malaysia, but acknowledged that this required awareness and political will may be lacking.

Figure 1: How STREAM differs from conventional waste collection



SOURCE: AWC

Management explained that while most utilities such as water, sewerage, gas and power have evolved to become underground infrastructure over time, waste collection methods remain fairly ancient, continuing to use the 'bucket' system. Urban authorities continue to face two problems: 1) irregular collection schedules due to the high number of separate collection points coupled with frequent delays due to road congestion; and 2) leachate (a.k.a "rubbish juice") spillage into the streets caused by conventional rear loader garbage trucks not being adequately sealed. The STREAM container is completely sealed, thus

guaranteeing that no leachate spillage occurs during loading and transportation to the transfer station. In addition, there is only a single collection point.

We also found that compared to our domestic meetings, Singapore clients had a better appreciation of AWC's STREAM division as STREAM is being implemented in HDB developments, Changi General Hospital (CGH), Changi Airport T3 and T4, and the Singapore Ministry of Home Affairs. They were impressed that STREAM was a globally competitive product that could even beat Envac (the global market leader) for Singapore government projects, where stringent quality control and security are paramount considerations. STREAM and Envac have an equal market share, and between them control 70-80% of the pneumatic waste collection market in Singapore.

Following a site visit to CGH, we believe that hospitals are a new potential growth area for STREAM as our visit revealed that pneumatic linen collection is an overlooked area by most hospitals. Under the conventional system, there is a risk of cross-infection between patients when soiled and infected linen are transported manually through hospital corridors using open trolleys.

Growth potential: QDT ►

For QDT, management is bullish about the prospects in the Tun Razak Exchange (TRX). This 70-acre site should see at least 10-15 new high-rise buildings over the next decade. With QDT winning the plumbing contract for the maiden and tallest office building (Signature Tower) last week, AWC is confident of securing more plumbing jobs at TRX. However, QDT's capacity is almost full, having seen its orderbook treble in the past year, from high-profile job wins at KL119 and the MAS building earlier.

Growth potential: DDT ►

For DDT, rainwater harvesting has become mandatory since 2011 in various states (Perak, Selangor, Johor, Melaka, Kelantan and Perlis) as a component of building plans for commercial and industrial buildings, semi-detached houses and bungalows with roof areas exceeding 100 sq. m. As other states start to follow suit in requiring the mandatory incorporation of rainwater harvesting systems, DDT is poised to capture an even greater market share. Management believes that while there are 4-5 players in this industry, many of its competitors are merely equipment traders, unlike DDT which provides a one-stop-shop solution that includes design, supply and installation services. DDT's financials demonstrate this very clearly. It turned profitable within a year of operation and revenues and pretax margins have been climbing sharply since 2013.

Figure 2: Qudotech Group

| RMm | 2012 | 2013 | 2014 | 2015 |
|---------------|-------|--------|-------|--------|
| Revenue | 15.11 | 15.658 | 19.96 | 11.891 |
| Pretax profit | 1.451 | 1.616 | 2.338 | 1.873 |
| Net profit | 1.069 | 1.185 | 1.719 | 1.43 |
| Pretax margin | 9.6% | 10.3% | 11.7% | 15.8% |
| Net margin | 7.1% | 7.6% | 8.6% | 12.0% |

SOURCES: CIMB, COMPANY REPORTS

Figure 3: DDT

| RMm | 2012 | 2013 | 2014 | 2015 |
|---------------|--------|-------|-------|-------|
| Revenue | 0.621 | 2.341 | 3.511 | 4.74 |
| Pretax profit | (0.12) | 0.391 | 0.589 | 1.185 |
| Net profit | (0.12) | 0.377 | 0.455 | 0.914 |
| Pretax margin | -19.2% | 16.7% | 16.8% | 25.0% |
| Net margin | -19.2% | 16.1% | 13.0% | 19.3% |

SOURCES: CIMB, COMPANY REPORTS

Valuation and recommendation

Trading at ex-cash FY17F P/E of only 4.7x ►

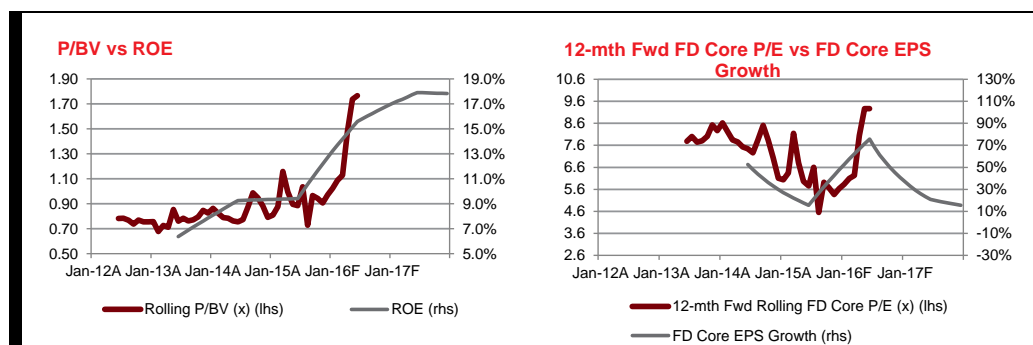
We maintain our EPS forecasts and SOP-based target price. Management remains bullish about AWC's earnings visibility for FY16-18. The stock is attractively valued at 9.3x FY17 P/E and FY17F ex-cash P/E of 6.1x. We value AWC's business at a CY17F P/E of 11x, a 10% discount (on account of its smaller cap and lack of liquidity) to its only other larger-cap listed peer in a similar segment, UEM Edgenta. Key risks to the achievement of our target price include project execution and delays.

Figure 4: SOP-based target price

| | |
|------------------------------|-------------|
| Share capital (m) | 256 |
| CY17 EPS (sen) | 8.0 |
| Target P/E | 11.2 |
| Value of business (RM/share) | 0.89 |
| Net cash per share | 0.24 |
| Target price | 1.13 |

SOURCES: CIMB, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

| (RMm) | Jun-14A | Jun-15A | Jun-16F | Jun-17F | Jun-18F |
|---|--------------|--------------|--------------|--------------|--------------|
| Total Net Revenues | 119.5 | 128.0 | 221.0 | 256.5 | 268.8 |
| Gross Profit | 41.4 | 40.9 | 66.8 | 76.8 | 84.9 |
| Operating EBITDA | 14.9 | 14.1 | 29.0 | 35.1 | 38.9 |
| Depreciation And Amortisation | (1.6) | (1.5) | (1.6) | (1.7) | (1.8) |
| Operating EBIT | 13.2 | 12.7 | 27.4 | 33.4 | 37.1 |
| Financial Income/(Expense) | 0.5 | 0.1 | 0.2 | 0.4 | 0.5 |
| Pretax Income/(Loss) from Assoc. | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Non-Operating Income/(Expense) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Profit Before Tax (pre-EI) | 13.8 | 12.8 | 27.5 | 33.9 | 37.6 |
| Exceptional Items | | | | | |
| Pre-tax Profit | 13.8 | 12.8 | 27.5 | 33.9 | 37.6 |
| Taxation | (3.8) | (1.1) | (6.3) | (7.8) | (8.7) |
| Exceptional Income - post-tax | | | | | |
| Profit After Tax | 10.0 | 11.7 | 21.2 | 26.1 | 29.0 |
| Minority Interests | (3.0) | (3.6) | (6.1) | (6.7) | (7.4) |
| Preferred Dividends | | | | | |
| FX Gain/(Loss) - post tax | | | | | |
| Other Adjustments - post-tax | | | | | |
| Net Profit | 7.0 | 8.0 | 15.1 | 19.3 | 21.6 |
| Recurring Net Profit | 7.0 | 8.0 | 15.1 | 19.3 | 21.6 |
| Fully Diluted Recurring Net Profit | 7.0 | 8.0 | 15.1 | 19.3 | 21.6 |

Cash Flow

| (RMm) | Jun-14A | Jun-15A | Jun-16F | Jun-17F | Jun-18F |
|----------------------------------|---------------|--------------|--------------|--------------|--------------|
| EBITDA | 14.86 | 14.15 | 28.95 | 35.15 | 38.87 |
| Cash Flow from Inv. & Assoc. | | | | | |
| Change In Working Capital | -32.98 | 5.83 | -6.67 | -10.11 | -3.51 |
| (Incr)/Decr in Total Provisions | | | | | |
| Other Non-Cash (Income)/Expense | | | | | |
| Other Operating Cashflow | 0.90 | -2.40 | 0.00 | 0.00 | 0.00 |
| Net Interest (Paid)/Received | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Tax Paid | -3.66 | -2.59 | -6.33 | -7.79 | -8.65 |
| Cashflow From Operations | -20.87 | 14.99 | 15.96 | 17.25 | 26.71 |
| Capex | -0.76 | -1.46 | -2.50 | -1.50 | -1.50 |
| Disposals Of FAs/subsidiaries | | | | | |
| Acq. Of Subsidiaries/investments | | | | | |
| Other Investing Cashflow | 0.53 | 3.24 | 0.00 | 0.00 | 0.00 |
| Cash Flow From Investing | -0.23 | 1.78 | -2.50 | -1.50 | -1.50 |
| Debt Raised/(repaid) | -2.07 | -0.86 | -1.51 | 0.00 | 0.00 |
| Proceeds From Issue Of Shares | | | | | |
| Shares Repurchased | 0.00 | 0.00 | | | |
| Dividends Paid | 0.00 | -7.35 | -5.12 | -6.40 | -7.68 |
| Preferred Dividends | | | | | |
| Other Financing Cashflow | 0.00 | 0.00 | 0.15 | 0.45 | 0.60 |
| Cash Flow From Financing | -2.07 | -8.21 | -6.48 | -5.95 | -7.08 |
| Total Cash Generated | -23.17 | 8.57 | 6.98 | 9.80 | 18.13 |
| Free Cashflow To Equity | -23.17 | 15.92 | 11.95 | 15.75 | 25.21 |
| Free Cashflow To Firm | -21.10 | 16.77 | 13.46 | 15.75 | 25.21 |

BY THE NUMBERS

Balance Sheet

| (RMm) | Jun-14A | Jun-15A | Jun-16F | Jun-17F | Jun-18F |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Total Cash And Equivalents | 43.4 | 53.6 | 60.5 | 70.3 | 88.4 |
| Total Debtors | 74.0 | 59.5 | 72.7 | 84.3 | 88.4 |
| Inventories | 11.4 | 17.5 | 30.3 | 35.1 | 36.8 |
| Total Other Current Assets | 2.9 | 2.5 | 2.5 | 2.5 | 2.5 |
| Total Current Assets | 131.6 | 133.1 | 165.9 | 192.2 | 216.0 |
| Fixed Assets | 6.8 | 8.2 | 9.1 | 8.9 | 8.6 |
| Total Investments | 1.9 | 2.8 | 2.8 | 2.8 | 2.8 |
| Intangible Assets | 5.9 | 5.9 | 5.9 | 5.9 | 5.9 |
| Total Other Non-Current Assets | 2.1 | 3.0 | 3.0 | 3.0 | 3.0 |
| Total Non-current Assets | 16.7 | 19.9 | 20.8 | 20.6 | 20.3 |
| Short-term Debt | 1.1 | 1.8 | 0.3 | 0.3 | 0.3 |
| Current Portion of Long-Term Debt | | | | | |
| Total Creditors | 32.9 | 30.4 | 49.7 | 56.1 | 58.3 |
| Other Current Liabilities | 2.9 | 0.6 | 0.6 | 0.6 | 0.6 |
| Total Current Liabilities | 36.9 | 32.8 | 50.5 | 57.0 | 59.2 |
| Total Long-term Debt | 1.9 | 0.3 | 0.3 | 0.3 | 0.3 |
| Hybrid Debt - Debt Component | | | | | |
| Total Other Non-Current Liabilities | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Total Non-current Liabilities | 4.4 | 2.8 | 2.8 | 2.8 | 2.8 |
| Total Provisions | 0.2 | 0.4 | 0.4 | 0.4 | 0.4 |
| Total Liabilities | 41.5 | 36.0 | 53.8 | 60.2 | 62.4 |
| Shareholders' Equity | 79.0 | 91.6 | 101.5 | 114.5 | 128.3 |
| Minority Interests | 27.8 | 25.4 | 31.5 | 38.2 | 45.6 |
| Total Equity | 106.8 | 117.0 | 133.0 | 152.7 | 174.0 |

Key Ratios

| | Jun-14A | Jun-15A | Jun-16F | Jun-17F | Jun-18F |
|---------------------------|---------|---------|---------|---------|---------|
| Revenue Growth | (17.6%) | 7.1% | 72.7% | 16.1% | 4.8% |
| Operating EBITDA Growth | 30% | (5%) | 105% | 21% | 11% |
| Operating EBITDA Margin | 12.4% | 11.0% | 13.1% | 13.7% | 14.5% |
| Net Cash Per Share (RM) | 0.18 | 0.23 | 0.23 | 0.27 | 0.34 |
| BVPS (RM) | 0.35 | 0.41 | 0.40 | 0.45 | 0.50 |
| Gross Interest Cover | N/A | N/A | N/A | N/A | N/A |
| Effective Tax Rate | 27.6% | 8.7% | 23.0% | 23.0% | 23.0% |
| Net Dividend Payout Ratio | NA | NA | 24.0% | 23.6% | 25.4% |
| Accounts Receivables Days | 193.9 | 190.3 | 109.4 | 111.7 | 117.2 |
| Inventory Days | 53.05 | 60.56 | 56.71 | 66.45 | 71.39 |
| Accounts Payables Days | 90.70 | 89.65 | 71.98 | 87.71 | 94.23 |
| ROIC (%) | 35.6% | 18.9% | 41.7% | 45.7% | 44.6% |
| ROCE (%) | 13.1% | 11.1% | 21.7% | 23.5% | 22.9% |
| Return On Average Assets | 8.7% | 8.4% | 16.1% | 16.7% | 16.5% |

Key Drivers

| | Jun-14A | Jun-15A | Jun-16F | Jun-17F | Jun-18F |
|--|---------|---------|---------|---------|---------|
| ASP (% chg, main prod./serv.) | 0.0% | 0.0% | 6.5% | 13.0% | 0.0% |
| Unit sales grth (% , main prod./serv.) | -17.6% | 7.1% | 52.1% | 19.1% | 7.0% |
| Util. rate (% , main prod./serv.) | N/A | N/A | N/A | N/A | N/A |
| ASP (% chg, 2ndary prod./serv.) | N/A | N/A | N/A | N/A | N/A |
| Unit sales grth (% ,2ndary prod/serv) | N/A | N/A | N/A | N/A | N/A |
| Util. rate (% , 2ndary prod/serv) | N/A | N/A | N/A | N/A | N/A |
| Unit raw mat ASP (%chg,main) | N/A | N/A | N/A | N/A | N/A |
| Unit raw mat ASP (%chg,2ndary) | N/A | N/A | N/A | N/A | N/A |

SOURCE: CIMB RESEARCH, COMPANY DATA

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| Score Range: | 90 - 100 | 80 - 89 | 70 - 79 | Below 70 or | No Survey Result |
|--------------|-----------|-----------|---------|-------------|------------------|
| Description: | Excellent | Very Good | Good | N/A | |

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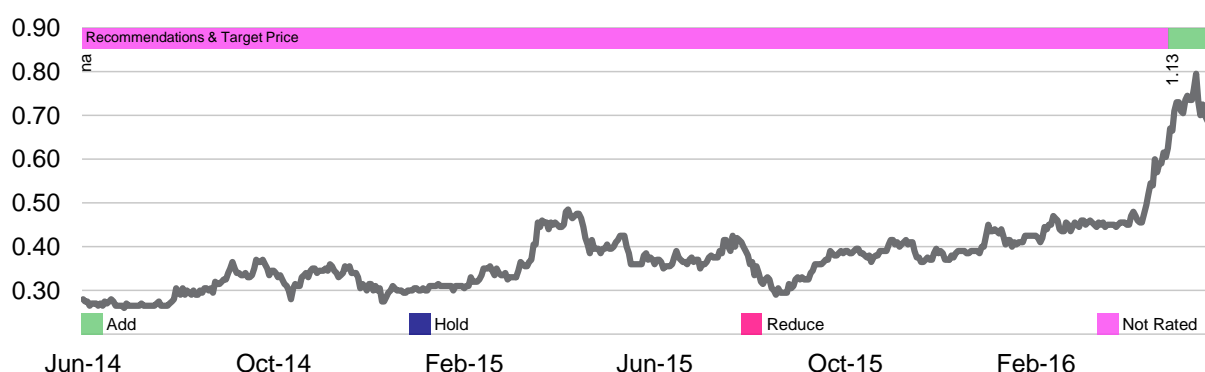
1539 companies under coverage for quarter ended on 31 March 2016

| | Rating Distribution (%) | Investment Banking clients (%) |
|--------|-------------------------|--------------------------------|
| Add | 59.2% | 6.9% |
| Hold | 30.9% | 3.1% |
| Reduce | 8.7% | 0.5% |

Spitzer Chart for stock being researched (2 year data)

AWC Berhad (AWCF MK)

— Price Close



Corporate Governance Report of Thai Listed Companies (CGR). CG Rating by the Thai Institute of Directors Association (Thai IOD) in 2015, Anti-Corruption Progress Indicator 2015.

AAV – Very Good, 3B, ADVANC – Excellent, 3A, AEONTS – Good, 1, AMATA – Very Good, 2, ANAN – Very Good, 3A, AOT – Very Good, 2, AP – Good, 3A, ASK – Very Good, 3B, ASP – Very Good, 4, BANPU – Very Good, 4, BAY – Very Good, 4, BBL – Very Good, 4, BCH – not available, no progress, BCP – Excellent, 5, BEM – not available, no progress, BDMS – Very Good, 3B, BEAUTY – Good, 2, BEC – Good, 3B, BH – Good, 2, BIGC – Excellent, 3A, BJC – Good, 1, BLA – Very Good, 4, 1, BTS – Excellent, 3A, CBG – Good, 1, CCET – not available, 1, CENTEL – Very Good, 3A, CHG – Good, 3B, CK – Excellent, 3B, COL – Very Good, 3A, CPALL – Good, 3A, CPF – Very Good, 3A, CPN – Excellent, 5, DELTA – Very Good, 3A, DEMCO – Very Good, 3A, DTAC – Excellent, 3A, EA – not available, 3A, ECL – Good, 4, EGCO – Excellent, 4, EPG – not available, 3B, GFPT – Very Good, 3A, GLOBAL – Very Good, 2, GLOW – Good, 3A, GPSC – not available, 3B, GRAMMY – Excellent, 3B, GUNKUL – Very Good, 1, HANA – Excellent, 4, HMPRO – Excellent, 3A, ICHI – Very Good, 3A, INTUCH – Excellent, 4, ITD – Good, 1, IVL – Excellent, 4, JAS – not available, 3A, JASIF – not available, no progress, JUBILE – Good, 3A, KAMART – not available, no progress, KBANK – Excellent, 4, KCE – Excellent, 4, KGI – Good, 4, KKP – Excellent, 4, KSL – Very Good, 2, KTB – Excellent, 4, KTC – Very Good, 3A, LH – Very Good, 3B, LPN – Excellent, 3A, M – Good, 2, MAJOR – Good, 1, MAKRO – Good, 3A, MALEE – not available, 2, MBKET – Good, 2, MC – Very Good, 3A, MCOT – Excellent, 3A, MEGA – Very Good, 2, MINT – Excellent, 3A, MTLN – Good, 2, NYT – Good, no progress, OISHI – Very Good, 3B, PLANB – Good, 3B, PS – Excellent, 3A, PSL – Excellent, 4, PTT – Excellent, 5, PTTEP – Excellent, 4, PTTGC – Excellent, 5, QH – Very Good, 2, RATCH – Excellent, 3A, ROBINS – Excellent, 3A, RS – Very Good, 1, SMART – Excellent, 3B, SAPPE – Good, 3B, SAT – Excellent, 5, SAWAD – Good, 1, SC – Excellent, 3B, SCB – Excellent, 4, SCBLIF – not available, no progress, SCC – Excellent, 5, SCN – Good, 1, SCCC – Good, 3A, SIM – Excellent, 3B, SIRI – Good, 1, SPALI – Excellent, 3A, SPRC – not available, no progress, STA – Very Good, 1, STEC – Very Good, 3B, SVI – Very Good, 3A, TASCOT – Very Good, 3A, TCAP – Very Good, 4, THAI – Very Good, 3A, THANI – Very Good, 5, THCOM – Excellent, 4, THRE – Very Good, 3A, THREL – Very Good, 3A, TICON – Very Good, 3A, TISCO – Excellent, 4, TK – Very Good, 3B, TKN – not available, no progress, TMB – Excellent, 4, TPCH – Good, 3B, TOP – Excellent, 5, TRUE – Very Good, 2, TTW – Very Good, 2, TU – Very Good, 3A, UNIQ – not available, 2, VGI – Excellent, 3A, WHA – Good, 3A, WORK – not available, no progress.

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Level 2: Declared

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Level 4: Certified

Level 5: Extended.

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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.

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Definition:

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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.

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Definition:

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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.