

Company Note

Singapore

ADD (no change)

Consensus ratings*: Buy 1 Hold 0 Sell 0

Current price:	S\$4.97
Target price:	S\$6.62
Previous target:	S\$5.97
Up/downside:	33.1%
CIMB / Consensus:	10.8%
Reuters:	AEM.SI
Bloomberg:	AEM SP
Market cap:	US\$248.8m
	S\$325.4m
Average daily turnover:	US\$1.58m
	S\$2.11m
Current shares o/s:	66.33m
Free float:	73.7%

*Source: Bloomberg

Key changes in this note

- FY18F EPS increased by 7.8%.
- FY19F EPS increased by 10.8%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	48.4	58.8	684.8
Relative (%)	44.2	53.7	668.4

Major shareholders	% held
Orion Phoenix	24.0

Analyst(s)



William TNG, CFA

T (65) 6210 8676

E william.tng@cimb.com

AEM Holdings Ltd

Stars are aligned

- Announced the acquisition of Afore, a profitable leading MEMS test solution company.
- Accretive acquisition as cash forms two-thirds of the acquisition payment and new shares to be issued is just 1.3% of AEM's share base.
- Given Afore's small earnings base and integration synergies with AEM, we believe Afore could register 20% profit growth in FY18-19F.
- Announced the retirement of its current CEO and appointment of new CEO.
- We revise our earnings forecasts further and incorporate the acquisition impact, leading to a higher TP of S\$6.62, still based on 10x CY19F earnings.

Game-changing acquisition

AEM has signed an agreement to purchase a 100% stake in Afore Oy, a leading micro-electro-mechanical systems (MEMS) test solutions provider based in Finland, for EUR7.6m (S\$12.3m). Afore was incorporated in 1998 and offers innovative MEMS solutions including wafer level probers and test handlers with multi-stimulus and multi-package options, as well as tri-temp testing. Afore is one of the top 5 global MEMS test solutions providers and offers the world's only wafer-level MEMS test solution.

Accretive acquisition

Afore reported unaudited net profit of S\$1.2m for FY17. Based on that, the acquisition P/E and P/BV multiples are 10.6x and 5.45x, respectively. AEM will pay the acquisition consideration with EUR5.0m (S\$8.1m) cash and EUR2.6m (S\$4.2m) in 867,555 new shares. Vesa Henttonen, the founder and managing director of Afore, will be allotted shares (1.3% of AEM's issued capital) which will be subjected to a 3-year moratorium from the completion date.

CEO change part of succession plan

Mr Charles Cher will retire from his position as CEO and Director of AEM on 1 Apr 2018 but will remain as Senior Advisor of the Board of AEM till 31 Dec 2018. Charles has been the CEO for the past four years and his retirement is part of AEM's succession plan. Mr Chok Yean Hung will be the new CEO from 1 Apr 2018. Mr Chok has been with AEM since 2012. Prior to assuming the CEO position, he was the company's COO.

Stronger management team

AEM further strengthened its senior management team with the promotion of Mr Goh Meng Kiang to VP of Operations, Mr Soh Wai Kong to VP of Finance, and a new appointment of Mr Chua Tat Ming as VP of Engineering. Meanwhile, Mr Keith Hsiang-Wen Toh has been re-designated to Non-Executive Non-Independent Director. Mr Toh will devote more time in assisting AEM with strategic projects including the integration of recently announced acquisitions.

Raising forecasts, higher target price

We believe our previously revised gross material margins for FY18-19F are still too conservative and hence adjust them upwards again in this note. We also factor in the profit contribution from the Afore acquisition for the FY18-19F period and the higher share base of 66.3m due to 867,555 shares to be issued for the acquisition. Our revised target price is S\$6.62, still based on 10x CY19F earnings (18% discount to sector average P/E of 12.2x). Downside risks to our call are order cancellations/delays.

Financial Summary

	Dec-15A	Dec-16A	Dec-17F	Dec-18F	Dec-19F
Revenue (S\$m)	51.5	70.4	220.0	255.0	266.2
Net Profit (S\$m)	6.52	4.42	29.70	40.83	43.90
Core EPS (S\$)	0.10	0.07	0.46	0.62	0.66
Core EPS Growth		(32%)	562%	35%	6%
FD Core P/E (x)	48.77	71.58	10.81	8.00	7.51
Price To Sales (x)	6.42	4.61	1.46	1.28	1.24
DPS (S\$)	0.01	0.01	0.12	0.15	0.17
Dividend Yield	0.13%	0.24%	2.33%	3.10%	3.33%
EV/EBITDA (x)	60.40	42.60	7.88	5.88	4.97
P/FCFE (x)	NA	NA	19.71	12.30	7.78
Net Gearing	(52.0%)	(20.8%)	(35.1%)	(44.7%)	(59.7%)
P/BV (x)	13.50	10.65	6.10	3.94	2.83
ROE	32.0%	16.7%	71.6%	59.8%	43.9%
% Change In Core EPS Estimates			0.0%	7.8%	10.8%
CIMB/consensus EPS (x)			1.00	1.07	1.10

SOURCE: COMPANY DATA, CIMB FORECASTS

Stars are aligned

Afore acquisition brings exciting opportunities

All about MEMS >

AEM has signed an agreement to purchase a 100% stake in Afore Oy, a leading micro-electro-mechanical systems (MEMS) test solutions provider based in Finland, for EUR7.6m (approximately S\$12.3m).

Afore was incorporated in 1998 and offers innovative MEMS solutions including wafer level probers and test handlers with multi-stimulus and multi-package options, as well as tri-temp testing. Afore is a pioneer in wafer-level MEMS testing, enabling its customers to realise the full cost and speed efficiencies of advanced packaging. Afore’s solutions are used in MEMS development and manufacturing in the automotive, industrial, and consumer sectors in Europe, USA and Japan. Its key customer is a major automotive MEMS sensor supplier based in Japan. Afore is one of the top 5 global MEMS test solutions providers, and offers the world’s only wafer-level MEMS test solution.

Figure 1: Afore’s key products



SOURCE: CIMB RESEARCH, COMPANY

AEM has been guiding investors that it is actively seeking acquisitions that are synergistic to its core growth business of integrated circuit chips handling and automation solutions. Management believes Afore will provide AEM with high-performance test capabilities and solutions in MEMS, a strategic high-growth semiconductor end-market forecasted to reach US\$22bn in 2021 (source: Yole Development). AEM intends to leverage Afore's capabilities to expand its product and customer portfolio in the semiconductor and industrials sectors. The combination of AEM and Afore should yield significant business synergies through the combination of Afore's products and technology capabilities with AEM's global sales, manufacturing and field support networks. The enlarged company should be well positioned to provide high-performance MEMS test solutions to large, advanced manufacturers worldwide.

Figure 2: MEMS industry could be a US\$22bn revenue market by 2021F

MEMS industry growth is propelled by powerful mobile and IoT end-markets

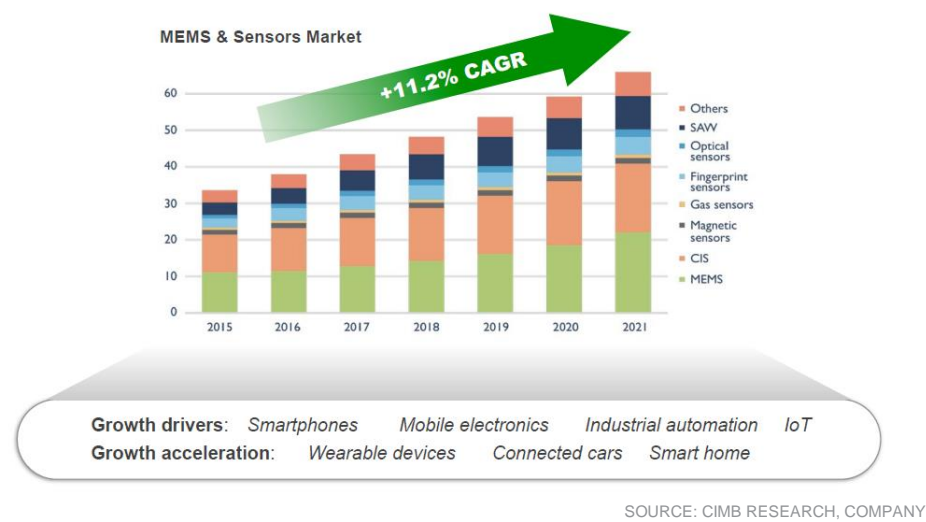
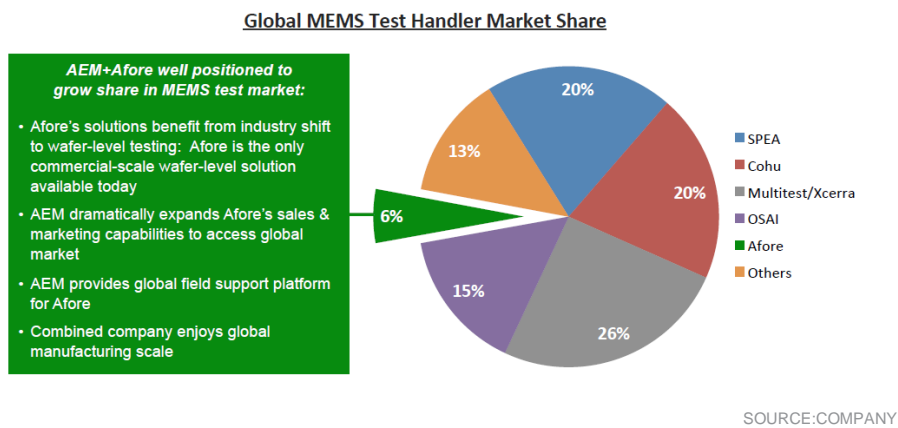


Figure 3: Attractive US\$100m market and growing

*MEMS test handling is an attractive, US \$100m market growing rapidly:
 AEM+Afore combination is well positioned to grow Afore's 6% market share*



The unaudited net profit for Afore was EUR0.7m (S\$1.2m) for FY17 and its unaudited net asset was EUR1.4m (S\$2.3m). Historical FY17 acquisition P/E and P/BV multiples are 10.6x and 5.45x, respectively. Using the last 12 months' revenue of S\$8.8m provided in AEM's presentation slides, historical FY17 ROE for Afore of 51.5% suggests that its business is a high-margin one.

The acquisition consideration will be paid for with EUR5.0m (S\$8.1m) cash and EUR2.6m (S\$4.2m) in 867,555 new AEM shares. Vesa Henttonen is the founder and managing director of Afore and the shares allotted to him will be subjected to a 3-year moratorium from the completion date. During the 3-year moratorium period, only 1/3 of the shares may be sold every year. Other than Henttonen, the remaining vendors of Afore will be paid in cash.

Management team further strengthened

Succession and a stronger team ►

Along with this acquisition, AEM also announced a few key management changes:

- 1) Mr Keith Hsiang-Wen Toh has been re-designated from Independent Director to Non-Executive Non-Independent Director of the company. Mr Toh will devote more time to assisting AEM with strategic projects including the integration of recently announced acquisitions.
- 2) Mr Charles Cher will retire from his position as CEO and Director of AEM on 1 Apr 2018 but will remain as Senior Advisor of the Board of AEM till 31 Dec 2018. Charles has been the CEO for the past four years and his retirement is part of AEM's succession plan for the company. Charles has a direct interest in approximately 1.0m AEM shares and 233,543 ESOS. To recap, Charles was persuaded out of retirement previously to help drive AEM's business with its key customer.
- 3) Mr Chok Yean Hung (54 years old) will be the new CEO from 1 Apr 2018. Mr Chok has been with AEM since 2012. Prior to assuming the CEO position, he was the company's COO. Mr Chok has more than 27 years of management and technical experience in the semiconductor industry. He was a founding management team of Ellipsiz Test, EEMS Asia Pte Ltd and United Test and Assembly Center Pte Ltd (UTAC). In UTAC, Mr Chok was the Vice President of Test Operation from 1998 to 2004, managing memory IC and mix signal ICs test's manufacturing, engineering and development. Mr Chok started his career as Product and Test Engineer in Texas Instruments (S) Pte Ltd in 1988 and eventually became a Product Engineering Manager. In 1998, he was elected as Senior Member of Technical Staff, of Texas Instruments. He was awarded the Ministerial Citation for Excellence in Test Development from Singapore, National Science and Technology Board (NSTB) in 1997. He jointly holds the patent on 'A Method in Testing Semiconductor Devices' with Texas Instruments, Dallas memory designers.
- 4) The senior management team will be strengthened with the promotion of Mr Goh Meng Kiang (joined AEM on 18 Mar 2013) to Vice President of Operations, Mr Soh Wai Kong (joined AEM on 1 Jun 2009) to Vice President of Finance, and the appointment of Mr Chua Tat Ming, an industry veteran as Vice President of Engineering. Mr Chua spent 18 years at Motorola Electronics (S) Pte Ltd and close to another 12 years at Hi-P International Ltd's R&D division.

Guidance & current order momentum

Outperformed guidance ►

Figure 4 shows AEM's guidance history. AEM's actual 1H17 results saw sales exceeding its guidance by 49.3% while PBT exceeded guidance by 124.6%. 9M17 PBT exceeded the company's initial guidance by 49.7%.

Figure 4: Guidance history			
Date	Sales	Guidance	
		PBT	
23-Feb-17	1H17 - S\$70m	1H17 - S\$6.5m	
24-Apr-17	9M17 - S\$142m	9M17 - S\$17.5m	
7-Aug-17	FY17 - S\$200m	FY17 - S\$24m	
16-Oct-17	No change	9M17 revised to S\$25m to S\$27m	
		FY17 revised to S\$32m	
2-Nov-17	FY17 revised to S\$215m	No change	
22-Jan-18	No change	FY17 revised to S\$35m to S\$37m	
22-Jan-18	FY18 - S\$255m	FY18 - S\$42m	

SOURCE: CIMB RESEARCH, COMPANY

AEM continues to see strong order momentum from its key customer. We understand that the company's guidance is based on actual purchase orders received from its customer. Given the strong order momentum so far, we believe there is room for its sales order and PBT guidance to be raised further into the year.

AEM started receiving orders for 1H18 revenue recognition on 30 Nov 2017 – a figure of S\$76m. On 21 Dec 2017, this figure rose to S\$100m and further rose to S\$115m on 1 Feb 2018. Orders received for 1H18 revenue recognition has increased 51.3% since 30 Nov 2017.

Key changes

Upping our forecasts again ►

We are making a few key changes in this note:

Afore acquisition

- 1) We are factoring in the impact from the Afore acquisition into our FY18-19F figures.
- 2) We increase the share base of AEM by 867,555 shares (per AEM announcement) due to new shares issued in relation to the acquisition. This brings AEM's share base to 66.3m shares.
- 3) Afore's FY17 net profit was S\$1.2m and AEM expects to complete the acquisition by the end of Feb 2018. We assume Afore will have a profit growth potential of at least 20% in FY18-19F. Based on AEM's presentation slides, the MEMS and sensor market could see a revenue CAGR of 11.2% over 2015-2021F. Being a smaller company with a 6% market share and having launched a new product launch in 2017, a minimum 20% profit growth rate over a small profit base from the potential synergies with AEM seems reasonable, in our view.
- 4) Note that we have not separately made any forecasts on Afore's revenue as its full income statement is not available. As such, our FY18-19 forecasts will not incorporate revenue contribution from Afore for the moment. We will only attempt to factor in the potential profit contribution from Afore at the bottomline.

- 5) Assuming the acquisition is completed at end-Feb 2018, we factor in 10 months of profit contribution, or S\$1.2m from Afore in FY18F. For FY19F, we assume Afore will contribute S\$1.7m profit.

FY18-19 forecasts for AEM's test handler business

- 1) The further increase in sales order for 1H18 revenue recognition to S\$115m, coupled with the ongoing cost reduction on AEM's production process and supply chain management, puts us at risk of still underestimating its FY18-19 profitability. As such, we further adjust our FY18F/FY19F gross material margin assumptions from 30.0%/30.5% to 31.0%/32%.

Figure 5: Earnings revisions

(S\$m)	2016				2017F			2018F			2019F		
		Old	New	% chg	Old	New	% chg	Old	New	% chg	Old	New	% chg
Revenue	70.4	220.0	220.0	0.0	255.0	255.0	(0.0)	266.2	266.2	(0.0)			
Operating EBITDA	7.4	37.9	37.9	0.0	45.9	48.5	5.6	47.6	51.6	8.4			
Net profit	4.4	29.7	29.7	0.0	37.5	40.8	8.8	38.9	43.9	13.0			
Core EPS (S\$)*	0.1	0.5	0.5	0.0	0.6	0.6	7.8	0.6	0.7	10.8			

*Note** previously 65.0m shares versus 66.3m shares now.*

SOURCE: CIMB RESEARCH, COMPANY

Target price raised ➤

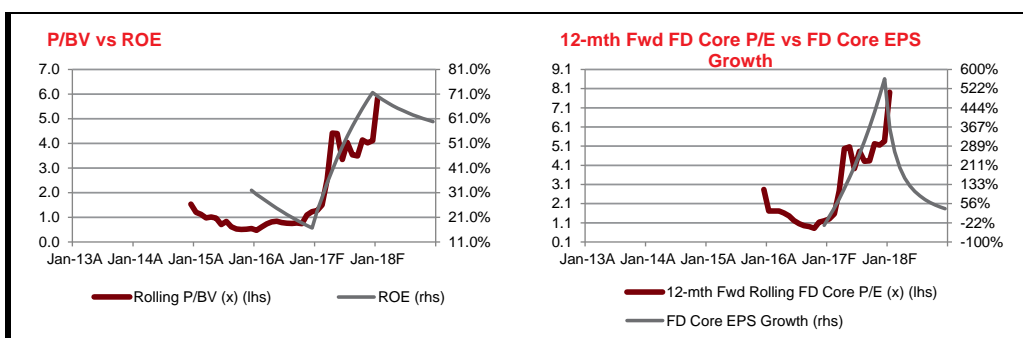
Given our higher FY19 profit forecast, our target price rises to S\$6.62, still based on 10x CY19F earnings (18% discount to sector average P/E of 12.2x).

Figure 6: Peer comparison

Company	Bloomberg Ticker	Recom.	Price (lcl curr)	Target Price (lcl curr)	Market Cap (US\$ m)	P/E (x) CY18F	P/E (x) CY19F	P/BV (x) CY18F	Recurring ROE (%) CY18F	Dividend Yield (%) CY18F
AEM Holdings Ltd	AEM SP	ADD	4.97	6.62	248.8	8.0	7.5	3.94	59.1%	3.1%
UMS Holdings Ltd	UMSH SP	Add	1.10	1.21	451.2	11.6	12.5	2.62	23.6%	5.5%
Cohu Inc	COHU US	NR	22.77	NA	644.1	13.7	12.0	na	13.9%	na
Xcerra Corp	XCRA US	NR	9.98	NA	547.7	10.4	na	na	na	na
Simple average excluding AEM						11.9	12.2	2.62	18.7%	5.5%

SOURCE: CIMB RESEARCH, COMPANY

BY THE NUMBERS



Profit & Loss

(\$m)	Dec-15A	Dec-16A	Dec-17F	Dec-18F	Dec-19F
Total Net Revenues	51.51	70.39	220.00	255.00	266.15
Gross Profit	24.12	26.50	64.80	79.05	85.17
Operating EBITDA	5.26	7.38	37.90	48.49	51.56
Depreciation And Amortisation	(1.26)	(0.82)	(0.70)	(0.70)	(0.70)
Operating EBIT	4.00	6.56	37.20	47.79	50.86
Financial Income/(Expense)	(0.03)	(0.02)	(0.09)	(0.09)	(0.09)
Pretax Income/(Loss) from Assoc.	0.00	(0.45)	0.04	0.04	0.04
Non-Operating Income/(Expense)	0.74	(0.35)	(1.16)	1.20	1.73
Profit Before Tax (pre-EI)	4.97	5.90	35.99	48.94	52.53
Exceptional Items	0.00	0.00	0.00	0.00	0.00
Pre-tax Profit	4.72	5.74	35.99	48.94	52.53
Taxation	1.81	(1.33)	(6.29)	(8.12)	(8.64)
Exceptional Income - post-tax	0.00	0.00	0.00	0.00	0.00
Profit After Tax	6.52	4.42	29.70	40.83	43.90
Minority Interests	0.00	0.00	0.00	0.00	0.00
Preferred Dividends	0.00	0.00	0.00	0.00	0.00
FX Gain/(Loss) - post tax	0.00	0.00	0.00	0.00	0.00
Other Adjustments - post-tax	0.00	0.00	0.00	0.00	0.00
Net Profit	6.52	4.42	29.70	40.83	43.90
Recurring Net Profit	6.78	4.54	29.70	40.83	43.90
Fully Diluted Recurring Net Profit	6.78	4.54	29.70	40.83	43.90

Cash Flow

(\$m)	Dec-15A	Dec-16A	Dec-17F	Dec-18F	Dec-19F
EBITDA	5.26	7.38	37.90	48.49	51.56
Cash Flow from Inv. & Assoc.	1.00	2.00	3.00	4.00	5.00
Change In Working Capital	(6.97)	(9.05)	(12.32)	(3.98)	(0.97)
(Incr)/Decr in Total Provisions	(2.40)	(3.15)	(3.99)	(4.99)	(5.89)
Other Non-Cash (Income)/Expense	1.26	0.82	0.70	0.70	0.70
Other Operating Cashflow	(0.50)	0.31	(10.10)	(2.70)	0.70
Net Interest (Paid)/Received	0.03	(0.02)	(0.09)	(0.09)	(0.09)
Tax Paid	0.80	0.11	(1.33)	(6.29)	(8.12)
Cashflow From Operations	(1.52)	(1.61)	13.78	35.15	42.90
Capex	(0.68)	(0.61)	(0.50)	(0.50)	(0.50)
Disposals Of FAs/subsidiaries	0.00	2.74	0.00	0.00	0.00
Acq. Of Subsidiaries/investments	0.00	0.00	0.00	0.00	0.00
Other Investing Cashflow	1.56	(3.20)	0.00	(8.10)	0.00
Cash Flow From Investing	0.88	(1.07)	(0.50)	(8.60)	(0.50)
Debt Raised/(repaid)	(0.30)	(0.08)	3.02	0.00	0.00
Proceeds From Issue Of Shares	0.00	0.00	0.00	0.00	0.00
Shares Repurchased	(0.08)	(0.76)	0.00	0.00	0.00
Dividends Paid	0.00	(0.66)	(0.77)	(7.68)	(10.21)
Preferred Dividends	0.00	0.00	0.00	0.00	0.00
Other Financing Cashflow	(0.10)	(0.02)	(0.09)	(0.09)	(0.09)
Cash Flow From Financing	(0.48)	(1.51)	2.16	(7.77)	(10.30)
Total Cash Generated	(1.12)	(4.19)	15.43	18.78	32.10
Free Cashflow To Equity	(0.94)	(2.75)	16.29	26.55	42.40
Free Cashflow To Firm	(0.61)	(2.65)	13.37	26.64	42.49

SOURCE: CIMB RESEARCH, COMPANY DATA

BY THE NUMBERS... cont'd

Balance Sheet					
(\$m)	Dec-15A	Dec-16A	Dec-17F	Dec-18F	Dec-19F
Total Cash And Equivalents	12.91	6.31	21.71	40.51	72.62
Total Debtors	10.38	17.78	54.25	62.88	65.63
Inventories	8.90	17.44	29.76	33.74	34.71
Total Other Current Assets	0.00	0.00	0.00	0.00	0.00
Total Current Assets	32.19	41.53	105.72	137.13	172.96
Fixed Assets	3.24	2.23	2.03	1.83	1.63
Total Investments	0.00	4.22	3.77	3.81	3.85
Intangible Assets	0.22	0.07	0.07	8.07	8.07
Total Other Non-Current Assets	1.12	0.08	0.08	0.08	0.08
Total Non-current Assets	4.57	6.59	5.94	13.78	13.62
Short-term Debt	0.09	0.08	3.00	3.00	3.00
Current Portion of Long-Term Debt	0.00	0.00	0.00	0.00	0.00
Total Creditors	11.38	16.73	54.25	62.88	65.63
Other Current Liabilities	0.66	1.05	1.05	1.05	1.05
Total Current Liabilities	12.13	17.86	58.29	66.92	69.67
Total Long-term Debt	0.08	0.01	0.10	0.10	0.10
Hybrid Debt - Debt Component	0.00	0.00	0.00	0.00	0.00
Total Other Non-Current Liabilities	0.00	0.00	0.00	0.00	0.00
Total Non-current Liabilities	0.08	0.01	0.10	0.10	0.10
Total Provisions	0.04	0.31	0.30	0.30	0.30
Total Liabilities	12.25	18.17	58.69	67.32	70.07
Shareholders' Equity	24.50	29.95	52.98	83.60	116.52
Minority Interests	0.00	0.00	0.00	0.00	0.00
Total Equity	24.50	29.95	52.98	83.60	116.52

Key Ratios					
	Dec-15A	Dec-16A	Dec-17F	Dec-18F	Dec-19F
Revenue Growth	54%	37%	213%	16%	4%
Operating EBITDA Growth	N/A	40%	414%	28%	6%
Operating EBITDA Margin	10.2%	10.5%	17.2%	19.0%	19.4%
Net Cash Per Share (S\$)	0.19	0.10	0.29	0.56	1.05
BVPS (S\$)	0.37	0.47	0.81	1.26	1.76
Gross Interest Cover	157.7	319.7	413.3	531.0	565.1
Effective Tax Rate	0.0%	23.1%	17.5%	16.6%	16.4%
Net Dividend Payout Ratio	9.8%	16.8%	25.8%	25.0%	25.0%
Accounts Receivables Days	63.26	73.19	59.75	83.82	88.11
Inventory Days	119.6	109.8	55.5	65.9	69.0
Accounts Payables Days	179.0	117.2	83.5	121.5	129.6
ROIC (%)	61%	57%	188%	155%	119%
ROCE (%)	19.9%	24.4%	85.8%	66.7%	49.2%
Return On Average Assets	18.7%	10.8%	37.3%	31.2%	26.1%

Key Drivers					
	Dec-15A	Dec-16A	Dec-17F	Dec-18F	Dec-19F
ASP Change (% , Main Product)	0.0%	0.0%	0.0%	-10.0%	-10.0%
Unit sales growth (% , main prod)	N/A	N/A	N/A	N/A	N/A
No. Of Lines (main Product)	N/A	N/A	N/A	N/A	N/A
Rev per line (US\$, main prod)	N/A	N/A	N/A	N/A	N/A
ASP chg (% , 2ndary prod)	0.0%	0.0%	0.0%	0.0%	0.0%
Unit sales grth (% , 2ndary prod)	N/A	N/A	N/A	N/A	N/A
No. Of Lines (secondary Product)	N/A	N/A	N/A	N/A	N/A
Rev per line (US\$, 2ndary prod)	N/A	N/A	N/A	N/A	N/A

SOURCE: CIMB RESEARCH, COMPANY DATA

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 or CIMB Investment Bank Berhad ("CIMB"), as the case may be. Reports relating to a specific geographical area are produced and distributed by the corresponding CGS-CIMB entity as listed in the table below. Reports relating to Malaysia are produced and distributed by CIMB.

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 or CIMB, as the case may be.

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 or CIMB, as the case may be, 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. Neither CGS-CIMB nor CIMB has an obligation to update this report in the event of a material change to the information contained in this report. Neither CGS-CIMB nor CIMB accepts 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 and CIMB, their respective 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 and CIMB disclaim 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 or CIMB, as the case may be, 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 CIMB, as the case may be, or any of their respective affiliates (including CGIFHL, CIMBG and their respective related corporations) to any person to buy or sell any investments.

CGS-CIMB, CIMB, their respective 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, CIMB, their respective 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, CIMB or their respective 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 or CIMB, as the case may be, 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, CIMB Securities International Pte. Ltd. and its affiliates, subsidiaries and related corporations.

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

Reports relating to Malaysia are produced by CIMB as listed in the table below:

Country	CIMB Entity	Regulated by
Malaysia	CIMB Investment Bank Berhad	Securities Commission Malaysia

Other Significant Financial Interests:

(i) As of January 31, 2018 CIMB has a proprietary position in the securities (which may include but not limited to shares, warrants, call warrants and/or any other derivatives) in the following company or companies covered or recommended in this report:

(a) AEM Holdings Ltd, UMS Holdings Ltd

(ii) Analyst Disclosure: As of February 1, 2018, the analyst(s) who prepared this report, and the associate(s), has / have an interest in the securities (which may include but not limited to shares, warrants, call warrants and/or any other derivatives) in the following company or companies covered or recommended in this report:

This report does not purport to contain all the information that a prospective investor may require. Neither CGS-CIMB or CIMB, as the case may be, nor any of their respective 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 or CIMB, as the case may be, nor any of their respective 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 or CIMB's (as the case may be) 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.

Australia: Despite anything in this report to the contrary, this research is provided in Australia by CIMB Securities (Singapore) Pte. Ltd. and CIMB Securities 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. CIMB Securities (Singapore) Pte. Ltd. and CIMB Securities Limited do not hold, and are not required to hold an Australian financial services license. CIMB Securities (Singapore) Pte. Ltd. and CIMB Securities 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 CIMB Securities Limited ("CHK") which is licensed in Hong Kong by the Securities and Futures Commission for Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) activities. Any investors wishing to purchase or otherwise deal in the securities covered in this report should contact the Head of Sales at CIMB Securities 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 CIMB Securities (India) Private Limited ("CIMB India") which is registered with the National Stock Exchange of India Limited and BSE Limited as a trading and clearing member 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, CIMB India is not required to seek registration with the Securities and Exchange Board of India ("SEBI") as an Investment Adviser. CIMB India is registered with SEBI as a Research Analyst 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 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 CIMB India or its affiliates.

CIMB India has not received any investment banking related compensation from the companies mentioned in the report in the past 12 months.

CIMB India has not received any compensation from the companies mentioned in the report in the past 12 months.

Indonesia: This report is issued and distributed by PT CIMB Sekuritas Indonesia ("CIMBI"). The views and opinions in this research report are our own as of the date hereof and are subject to change. CIMBI has no obligation to update its opinion or the information in this research report. 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 by CIMB solely for the benefit of and for the exclusive use of our clients. CIMB 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 CIMB Research Pte Ltd ("CIMBR"). 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 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 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. 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 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, 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 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 securities), 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 a CIMBR is exempt from Section 27 of the FAA, the recipient will also not be able to file a civil claim against CIMBR for any loss or damage arising from the recipient's reliance on any recommendation made by 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 CIMBR for any loss or damage arising from the recipient's reliance on any recommendation made by CIMBR which would otherwise be a right that is available to the recipient under Section 27 of the FAA.

CIMBR, its affiliates and related corporations, their 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, 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 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.

As of January 31, 2018, CIMBR does not have a proprietary position in the recommended securities in this report.

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 CIMB Securities Limited, Korea Branch (“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 CIMB Securities (Thailand) Co. Ltd. (“CIMBT”) 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 CIMBT has no obligation to update its opinion or the information in this research report.

CIMBT 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, AMATA, ANAN, AOT, AP, BA, BANPU, BBL, BCH, BCP, BCPG, BDMS, BEAUTY, BEC, BEM, BJC, BH, BIG, BLA, BLAND, BPP, BTS, CBG, CENTEL, CHG, CK, CKP, COM7, CPALL, CPF, CPN, DELTA, DTAC, EA, EGCO, EPG, GFPT, GLOBAL, GLOW, GPSC, GUNKUL, HMPRO, INTUCH, IRPC, ITD, IVL, KBANK, KCE, KKP, KTB, KTC, LH, LHBANK, LPN, MAJOR, MALEE, MEGA, MINT, MONO, MTLs, PLANB, PSH, PTL, PTG, PTT, PTTEP, PTTGC, QH, RATCH, ROBINS, S, SAWAD, SCB, SCC, SCCC, SIRI, SPALI, SPRC, STEC, STPI, SUPER, TASCOS, TCAP, THAI, THANI, THCOM, TISCO, TKN, TMB, TOP, TPIPL, TRUE, TTA, TU, TVO, UNIQ, VGI, WHA, 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. CIMBT does not confirm nor certify the accuracy of such survey result.

Score Range:	90 - 100	80 – 89	70 - 79	Below 70 or	No Survey Result
Description:	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 CIMB Securities (UK) Limited (“CIMB UK”). 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 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 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.

Where this material is labelled as non-independent, it does not provide an impartial or objective assessment of the subject matter and does not constitute independent “research” (cannot remove research from here under the applicable rules of the Financial Conduct Authority in the UK. Consequently, any such non-independent material will not have been prepared in accordance with legal requirements designed to promote the independence of research (cannot remove research from here) and will not subject to any prohibition on dealing ahead of the dissemination of

research. Any such non-independent material must be considered as a marketing communication.

United States: This research report is distributed in the United States of America by CIMB Securities (USA) Inc, a U.S. registered broker-dealer and a related company of CIMB Research Pte Ltd, PT CIMB Sekuritas Indonesia, CIMB Securities (Thailand) Co. Ltd, CIMB Securities Limited, 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. 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 CIMB Securities (USA) Inc.

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

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

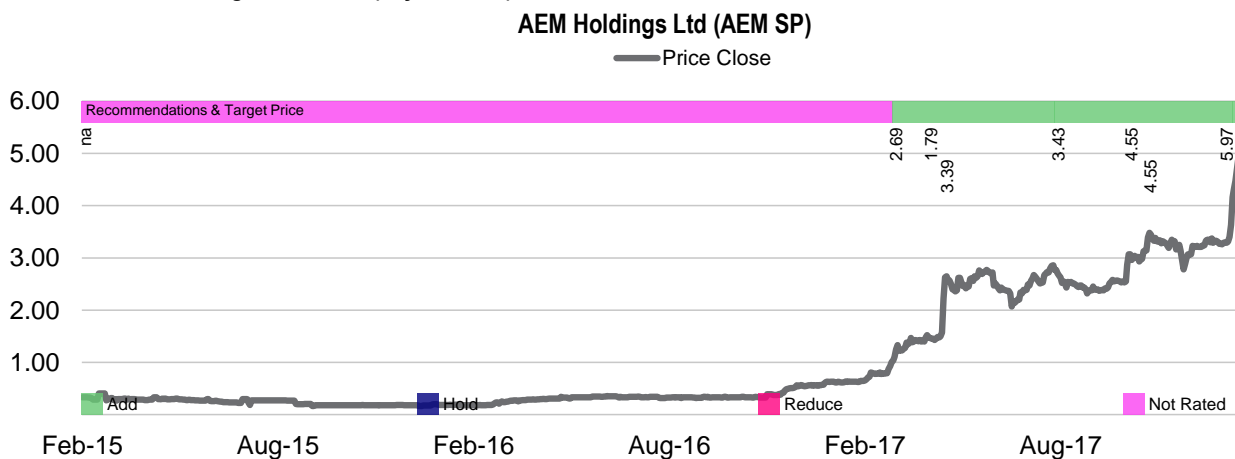
CIMB Securities (USA) Inc. has not received compensation for investment banking services from any of the company mentioned in the past 12 months.

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.

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 31 December 2017		
1235 companies under coverage for quarter ended on 31 December 2017		
	Rating Distribution (%)	Investment Banking clients (%)
Add	58.5%	6.4%
Hold	31.7%	2.6%
Reduce	9.0%	0.7%

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 2017, Anti-Corruption 2017

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

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

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

CIMB 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.