

Berli Jucker

BJC TB / BJC.BK

12 November 2015

Boosted by extra gain

Core profit beat our estimate by 6%

BJC reported 3Q15 net profit of Bt825m, up 204% YoY and 11% QoQ. Stripping out a Bt344m gain from the decrease in amount due to the former major shareholder of an indirect subsidiary under the share sales and purchase agreement, core profit was Bt481m, up 21% YoY and 20% QoQ, which was 6% above our estimate thanks to stronger-than-expected performance of Packaging Supply Chain.

Results highlights

Packaging Supply Chain sales were Bt4.3bn, up 14% YoY on the back of a 17% increase in sales of glass bottles and 11% increase in aluminum can sales. Note that the strong increase in glass bottles sales came mainly from that Chang Beer changes its bottle design. Coupled improved gross margin following lower raw material and energy costs, the chain's profit jumped 92% YoY to Bt475m.

Consumer Supply Chain sales were Bt3.7bn, flattish YoY. Food sales dipped 2.7% YoY, while non-food sales fell 3.6% YoY due to lower consumer spending. Overseas revenue rose 13.2% YoY on improved demand in Vietnam. The chain's profit (minus the Bt344m extra gain) was only Bt2m, down 89% YoY and 98% QoQ, due to higher advertising expenses.

Healthcare & Technical Supply Chain sales fell 12% YoY to Bt1.7bn, while its profit sank 45% YoY to Bt68m, due mainly to lower sales figures for galvanized steel structures.

Outlook

Even without extra gain, 4Q15 should be another good quarter on the back of robust Packaging Supply Chain performances following higher orders from Chang beer, greater aluminum can sales in CLMV market and lower raw material and energy costs.

What's changed?

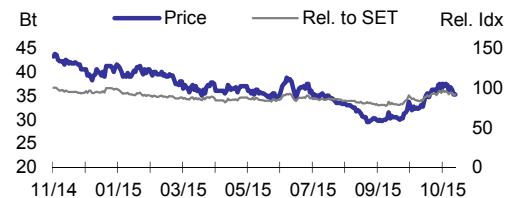
We have raised our FY15 earnings forecast by 16% to Bt2.78bn to factor in the extra gain in 3Q15. However, given that it is a non-cash item, our DCF target price has remained unchanged.

Recommendation

The recent share price rally has squeezed upside to our YE16 target to only 4%, so we downgrade our rating to HOLD from BUY.

Sector: Consumer/Retail – OVERWEIGHT
Rating: HOLD
Target Price: Bt36.50
Price (11 November 2015): Bt35.25

Price chart

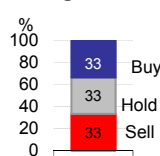


Share price perf. (%)	1M	3M	12M
Relative to SET	8.4	12.3	(7.5)
Absolute	6.8	11.0	(18.5)

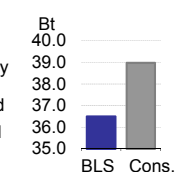
Key statistics

Market cap	Bt56.1bn	USD1.6bn
12-mth price range	Bt28.8/Bt43.8	
12-mth avg daily volume	Bt23m	USD0.6m
# of shares (m)	1,592	
Est. free float (%)	21.1	
Foreign limit (%)	49.0	

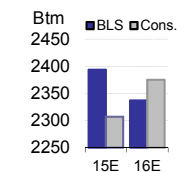
Consensus rating



BLS Target price vs. Consensus



BLS earnings vs. Consensus



Financial summary

FY Ended 31 Dec	2014	2015E	2016E	2017E
Revenues (Btm)	43,423	43,056	45,576	47,709
Net profit (Btm)	1,680	2,784	2,365	2,551
EPS (Bt)	1.05	1.74	1.48	1.59
EPS growth (%)	-30.8%	+65.3%	-15.3%	+7.7%
Core profit (Btm)	1,808	2,097	2,365	2,551
Core EPS (Bt)	1.14	1.31	1.48	1.59
Core EPS growth (%)	-25.6%	+15.7%	+12.5%	+7.7%
PER (x)	46.6	20.2	23.9	22.2
PBV (x)	3.1	1.9	1.8	1.7
Dividend (Bt)	0.6	1.0	0.8	0.9
Dividend yield (%)	1.2	2.7	2.3	2.5
ROE (%)	17.2	25.5	19.4	19.4

CG rating

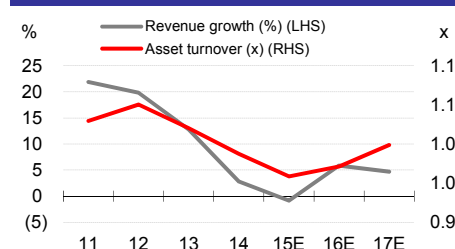


Chaiyatorn Sricharoen, CFA
 Securities Fundamental Investment Analyst
 chaiyatorn@bualuang.co.th
 +66 2 618 1344

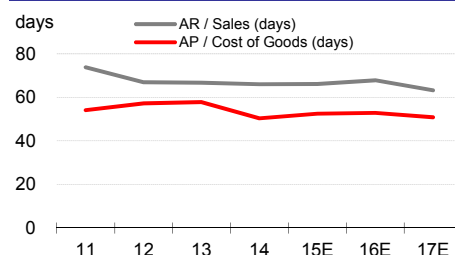
BJC: Financial Tables – Year

PROFIT & LOSS (Btm)	2013	2014	2015E	2016E	2017E
Revenue	42,226	43,423	43,056	45,576	47,709
Cost of sales and services	(32,131)	(33,643)	(32,874)	(34,651)	(36,279)
Gross profit	10,095	9,780	10,182	10,924	11,430
SG&A	(7,017)	(7,498)	(7,600)	(7,927)	(8,254)
EBIT	3,078	2,282	2,582	2,998	3,176
Finance costs	(575)	(612)	(493)	(529)	(525)
Other income/exp.	613	723	1,032	806	843
EBT	3,116	2,393	3,121	3,274	3,495
Corporate tax	(567)	(481)	(415)	(491)	(524)
After-tax net profit (loss)	2,550	1,912	2,706	2,783	2,970
Minority interest	(189)	(177)	(680)	(494)	(506)
Equity earnings from affiliates	65	72	71	76	86
Extra items	0	(128)	687	0	0
Net profit (loss)	2,426	1,680	2,784	2,365	2,551
Reported EPS	1.53	1.05	1.74	1.48	1.59
Fully diluted EPS	1.50	1.04	1.72	1.46	1.57
Core net profit	2,426	1,808	2,097	2,365	2,551
Core EPS	1.53	1.14	1.31	1.48	1.59
EBITDA	5,714	5,280	6,010	6,398	6,775
KEY RATIOS					
Revenue growth (%)	12.8	2.8	(0.8)	5.9	4.7
Gross margin (%)	23.9	22.5	23.6	24.0	24.0
EBITDA margin (%)	13.5	12.2	14.0	14.0	14.2
Operating margin (%)	8.7	6.9	8.4	8.3	8.4
Net margin (%)	5.7	3.9	6.5	5.2	5.3
Core profit margin (%)	5.7	4.2	4.9	5.2	5.3
ROA (%)	5.9	3.8	6.2	5.0	5.3
ROCE (%)	6.3	4.1	6.4	5.1	5.4
Asset turnover (x)	1.0	1.0	1.0	1.0	1.0
Current ratio (x)	1.3	1.0	1.3	1.3	1.4
Gearing ratio (x)	0.7	0.6	0.6	0.5	0.5
Interest coverage (x)	5.4	3.7	5.2	5.7	6.0
BALANCE SHEET (Btm)					
Cash & Equivalent	1,780	1,123	1,795	1,750	2,025
Accounts receivable	7,721	7,856	7,801	8,476	8,264
Inventory	8,443	7,410	7,880	8,052	8,439
PP&E-net	18,607	18,042	20,141	20,651	20,996
Other assets	7,951	9,000	8,773	8,547	8,329
Total assets	44,503	43,432	46,390	47,475	48,053
Accounts payable	5,094	4,647	4,735	5,015	5,052
ST debts & current portion	6,155	9,681	6,500	6,500	5,600
Long-term debt	10,521	6,551	10,200	9,800	9,700
Other liabilities	5,034	4,532	4,561	4,592	4,624
Total liabilities	26,804	25,411	25,997	25,907	24,976
Paid-up capital	1,590	1,592	1,597	1,601	1,603
Share premium	3,865	3,952	4,121	4,290	4,375
Retained earnings	0	0	0	0	0
Shareholders' equity	9,511	9,975	11,835	12,589	13,759
Minority interests	14,760	15,097	17,130	18,058	19,314
Total Liab.&Shareholders' equity	51,075	50,483	54,961	56,554	58,049
CASH FLOW (Btm)					
Net income	2,426	1,680	2,784	2,365	2,551
Depreciation and amortization	2,022	2,274	2,396	2,595	2,756
Change in working capital	(1,137)	(179)	(326)	(567)	(139)
FX, non-cash adjustment & others	597	708	1,102	947	945
Cash flows from operating activities:	3,908	4,483	5,956	5,340	6,112
Capex (Invest)/Divest	(3,800)	(3,324)	(4,508)	(3,018)	(3,018)
Others	(1,067)	52	0	0	0
Cash flows from investing activities:	(4,867)	(3,272)	(4,508)	(3,018)	(3,018)
Debt financing (repayment)	2,010	(340)	(25)	(929)	(1,525)
Equity financing	349	219	173	173	87
Dividend payment	(1,707)	(1,329)	(924)	(1,611)	(1,381)
Others	(1,067)	52	0	0	0
Cash flows from financing activities	651	(1,444)	(776)	(2,367)	(2,819)
Net change in cash	(307)	(232)	672	(45)	275
Free cash flow (Btm)	109	1,159	1,448	2,322	3,094
FCF per share (Bt)	0.1	0.7	0.9	1.5	1.9
Key Assumptions	2013	2014	2015E	2016E	2017E
Packaging sales growth	5.2%	-7.2%	8.1%	5.0%	5.0%
Consumer sales growth	40.4%	-1.8%	0.6%	3.0%	5.0%
Healthcare/Technical sales growth	-1.0%	6.7%	-9.9%	16.6%	5.0%

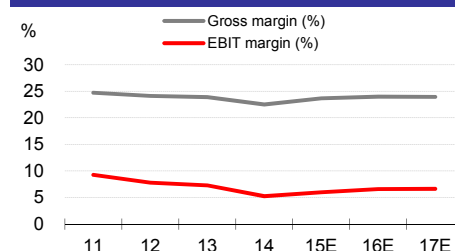
Revenue growth and asset turnover



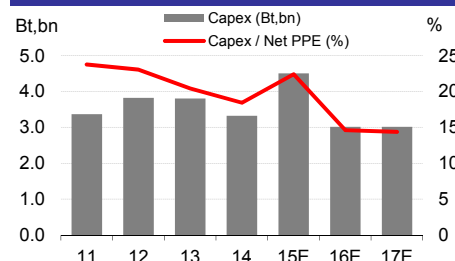
A/C receivable & A/C payable days



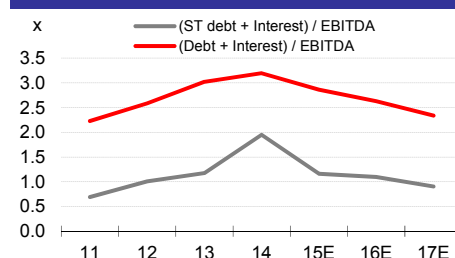
Profit margins



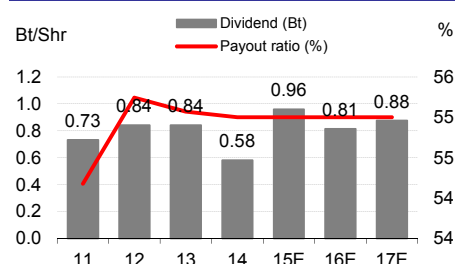
Capital expenditure



Debt serviceability



Dividend payout



BJC: Financial Tables – Quarter

QUARTERLY PROFIT & LOSS (Btm)	3Q14	4Q14	1Q15	2Q15	3Q15
Revenue	10,452	12,453	10,493	10,241	10,388
Cost of sales and services	(8,064)	(9,675)	(7,963)	(7,858)	(8,009)
Gross profit	2,388	2,778	2,530	2,383	2,379
SG&A	(1,909)	(2,153)	(1,827)	(1,811)	(1,867)
EBIT	480	625	704	572	511
Finance costs	(143)	(199)	(131)	(128)	(111)
Other income/exp.	131	265	158	164	447
EBT	467	691	730	608	848
Corporate tax	(58)	(195)	(108)	(86)	(80)
After-tax net profit (loss)	409	496	622	521	767
Minority interest	(27)	20	(102)	(124)	(335)
Equity earnings from affiliates	17	49	9	4	49
Extra items	(128)	0	0	343	344
Net profit (loss)	271	564	529	744	825
Reported EPS	0.17	0.35	0.33	0.47	0.52
Fully diluted EPS	0.17	0.35	0.33	0.47	0.52
Core net profit	399	564	529	401	481
Core EPS	0.25	0.35	0.33	0.25	0.30
EBITDA	1,185	1,477	1,366	1,250	1,521

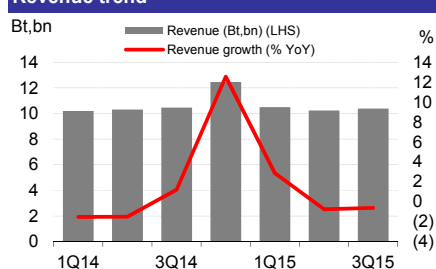
KEY RATIOS

Gross margin (%)	22.8	22.3	24.1	23.3	22.9
EBITDA margin (%)	11.3	11.9	13.0	12.2	14.6
Operating margin (%)	4.6	5.0	6.7	5.6	4.9
Net margin (%)	2.6	4.5	5.0	7.3	7.9
Core profit margin (%)	3.8	4.5	5.0	3.9	4.6
BV (Bt)	15.1	15.7	16.4	16.9	17.4
ROE (%)	11.3	23.3	20.7	27.9	30.1
ROA (%)	2.4	5.1	4.9	6.8	7.5
Current ratio (x)	1.0	1.0	1.0	0.9	1.1
Gearing ratio (x)	0.7	0.6	0.6	0.6	0.6
Interest coverage (x)	3.3	3.1	5.4	4.5	4.6

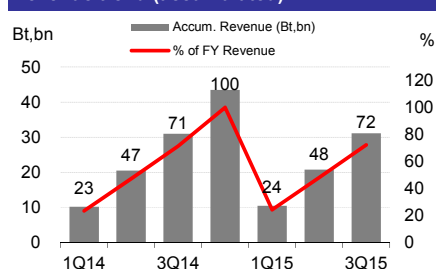
QUARTERLY BALANCE SHEET (Btm)

Cash & Equivalent	1,333	1,123	1,176	1,133	1,242
Accounts receivable	7,590	7,856	8,156	7,922	7,605
Inventory	7,714	7,410	7,261	7,321	7,421
PP&E-net	19,831	18,042	17,819	18,411	18,466
Other assets	7,962	9,000	9,070	9,021	9,453
Total assets	44,431	43,432	43,483	43,808	44,187
Accounts payable	4,148	4,647	4,362	4,316	4,442
ST debts & current portion	10,743	9,681	9,843	11,112	8,309
Long-term debt	6,882	6,551	6,081	4,527	7,133
Other liabilities	4,988	4,532	4,686	4,673	4,366
Total liabilities	26,761	25,411	24,971	24,628	24,250
Paid-up capital	1,592	1,592	1,592	1,592	1,592
Share premium	3,950	3,952	3,952	3,952	3,952
Retained earnings	0	0	0	0	0
Shareholders equity	9,411	9,975	10,504	10,816	11,084
Minority interests	14,694	15,097	15,549	16,100	16,577
Total Liab.&Shareholders' equity	50,866	50,483	51,024	51,544	51,911
Key Assumptions	3Q14	4Q14	1Q15	2Q15	3Q15
Packaging sales grow th	-6.1%	-5.2%	8.2%	1.0%	14.2%
Consumer sales grow th	-2.3%	-6.1%	1.2%	0.6%	-0.5%
Healthcare/Technical sales grow th	4.4%	13.3%	-7.7%	-15.4%	-12.4%

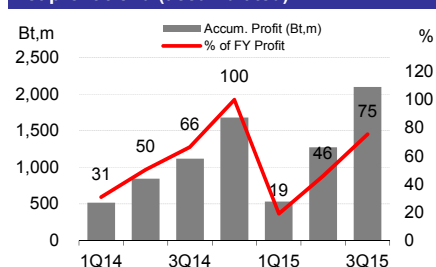
Revenue trend



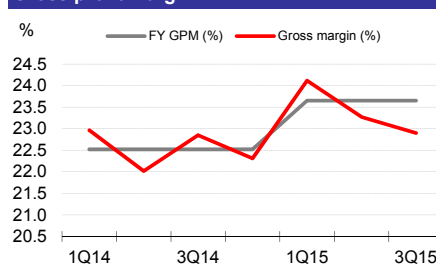
Revenue trend (accumulated)



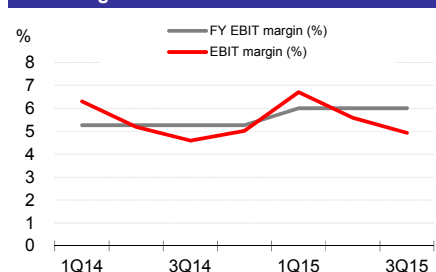
Net profit trend (accumulated)



Gross profit margin



EBIT margin



Company profile

Berli Jucker Public Company Limited (BJC) is Thailand's leading consumer conglomerate and integrated supply-chain operator, ranging from raw material development, manufacturing, and R&D, to marketing and distribution.

Figure 1 : 3Q15 results

FY Ended 31 Dec (Btm)	3Q15	3Q14	YoY %	2Q15	QoQ %	9M15	9M14	YoY %	9M15 vs. FY15E	
Income Statement										
Revenue	10,388	10,452	(1)	10,241	1	31,122	30,970	0	72	• Packaging Supply Chain sales rose 14% YoY; its profit jumped 92% YoY
Cost of sales and services	(8,009)	(8,064)	(1)	(7,858)	2	(23,830)	(23,968)	(1)	72	
EBITDA	1,521	1,185	28	1,250	22	4,137	3,803	9	69	
SG&A	(1,867)	(1,909)	(2)	(1,811)	3	(5,505)	(5,345)	3	72	• Consumer Supply Chain sales were flat; its core profit fell 98% YoY
EBIT	511	480	7	572	(11)	1,787	1,657	8	69	
Finance costs	(111)	(143)	(23)	(128)	(14)	(371)	(414)	(10)	75	• Healthcare & Technical Chain sales fell 12% YoY, and its profit declined 45% YoY
Other income/exp.	447	131	243	164	173	769	459	68	75	
Equity earnings from affiliates	49	17	185	4	1,171	62	23	170	88	
Extra items	344	(128)		343		687	(128)		100	
EBT	848	467	81	608	39	2,186	1,702	28	70	
Corporate tax	(80)	(58)	37	(86)	(7)	(275)	(285)	(4)	66	
Minority interest	(335)	(27)		(124)		(561)	(196)		83	
Net profit (loss)	825	271	204	744	11	2,099	1,115	88	75	
Reported EPS	0.52	0.17	204	0.47	11	1.32	0.70	88	76	
Core net profit	481	399	21	401	20	1,412	1,243	14	67	
Key ratios										
Gross margin (%)	22.9	22.8		23.3		23.4	22.6			
EBITDA margin (%)	14.6	11.3		12.2		13.3	12.3			
EBIT margin (%)	4.9	4.6		5.6		5.7	5.3			
SG&A / Revenue (%)	18.0	18.3		17.7		17.7	17.3			
Tax rate (%)	9.5	12.5		14.2		12.6	16.8			
Net margin (%)	7.9	2.6		7.3		6.7	3.6			
Current ratio (x)	1.1	1.0		0.9		1.1	1.0			
Gearing ratio (x)	0.6	0.7		0.6		0.6	0.7			
Interest coverage (x)	4.6	3.3		4.5		4.8	4.0			
Balance Sheet										
Cash & Equivalent	1,242	1,333	(7)	1,133	10					
Total assets	44,187	44,431	(1)	43,808	1					
ST debts & current portion	8,309	10,743	(23)	11,112	(25)					
Long-term debt	7,133	6,882	4	4,527	58					
Total liabilities	24,250	26,761	(9)	24,628	(2)					
Retained earnings	0	0	nm	0	nm					
Shareholders equity	11,084	9,411	18	10,816	2					
Minority interests	16,577	14,694	13	16,100	3					
BV (Bt)	17.4	15.1	15	16.9	3					

Sources: Company data, Bualuang Research

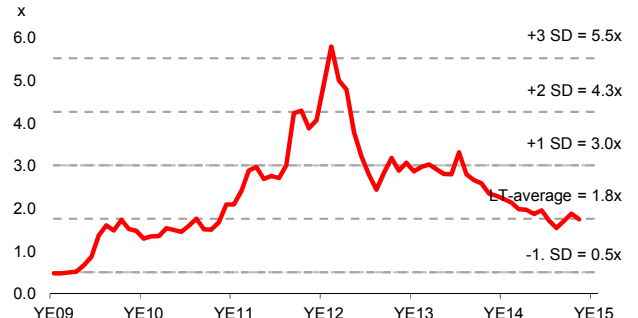
Regional Comparisons

	Bloomberg Code	Price (local curr.)	Market Cap (US\$ equivalent)	PER (x)		EPS Growth (%)		PBV (x)		ROE (%)		Div Yield (%)	
				2015E	2016E	2015E	2016E	2015E	2016E	2015E	2016E	2015E	2016E
Suning Appliance Co Ltd	002024 CH	CNY16.4	18,994	1092.0	606.7	-87.5	80.0	4.3	3.7	0.6	0.7	0.0	0.0
Wumart Stores Inc	1025 HK	HKD5.6	932	15.0	14.0	n.a.	7.5	1.4	1.3	10.0	9.7	2.4	2.5
Parkson Retail Group	3368 HK	HKD1.1	374	16.3	11.3	n.a.	70.0	0.4	0.4	3.0	3.9	4.9	5.7
Nitori Hldg Co Ltd	9843 JT	JPY9,950.0	9,274	23.4	21.4	12.8	9.8	3.2	2.8	14.4	14.3	0.6	0.7
Lawson Inc	2651 JT	JPY9,280.0	7,580	25.0	22.5	12.8	11.5	3.5	3.3	14.2	15.1	2.7	2.8
Seven & I Holdings Co Ltd	3382 JT	JPY5,797.0	41,850	26.3	23.2	12.4	13.5	2.1	2.0	8.4	9.1	1.3	1.5
Family Mart	8028 JP	JPY5,340.0	4,248	22.8	20.4	-13.7	12.1	1.8	1.7	8.3	8.6	2.0	2.1
President Chain Store Corp	2912 TT	TWD211.5	6,726	25.8	23.7	-6.4	8.9	7.8	7.3	30.8	31.2	3.3	3.3
Capitaland Limited	CAPL SP	SGD3.1	9,274	19.5	17.7	-30.4	7.4	0.8	0.7	4.6	4.8	2.9	2.9
SM Prime Holdings Inc.	SMPH PM	PHP22.0	13,500	28.1	25.1	25.8	5.1	3.0	2.7	11.2	11.2	1.1	1.3
Home Depot	HD US	USD124.7	160,141	23.5	20.4	13.3	13.9	21.6	25.4	85.7	129.6	1.9	2.2
Costco whole sale corp	COST US	USD156.4	68,406	27.7	25.1	4.4	10.2	5.9	5.1	22.1	22.6	1.1	1.2
Carrefour	CA FP	EUR30.2	24,016	18.5	16.7	-7.9	11.6	2.1	2.0	12.0	12.6	2.5	2.7
Home Product Center	HMPRO TB	THB6.90	2,532	24.6	21.2	4.7	16.0	5.1	4.5	20.8	21.3	1.7	1.9
Big C Supercenter	BIGC TB	THB196.00	4,512	22.0	19.8	1.6	11.2	3.4	3.0	16.5	16.3	1.4	1.5
Beauty Community	BEAUTY TB	THB5.00	419	37.0	29.1	34.5	27.5	11.5	9.7	33.9	36.2	1.8	2.2
Karmarts	KAMART TB	THB7.60	140	29.1	25.9	5.6	12.6	7.2	7.3	24.9	28.5	3.7	4.2
Berli Jucker	BJC TB	THB35.25	1,566	23.9	24.5	42.5	-2.4	2.0	1.9	22.3	19.6	2.3	2.3
C.P. All	CPALL TB	THB49.75	12,470	33.7	28.1	30.5	20.2	10.9	9.1	39.2	39.1	1.8	2.0
Central Pattana	CPN TB	THB46.50	5,823	25.8	20.6	10.8	24.8	4.4	3.9	18.6	20.4	1.5	1.9
DSG International (Thailand)	DSGT TB	THB4.82	169	15.1	13.9	-8.2	8.7	2.2	2.1	15.4	15.4	3.3	3.6
Siam Global House	GLOBAL TB	THB10.00	972	38.3	29.1	29.5	32.0	2.3	2.2	6.3	7.9	1.3	1.7
Robinson Department Store	ROBINS TB	THB40.50	1,255	20.5	17.5	13.6	17.4	3.1	2.8	17.0	18.1	2.5	2.9
Siam Future Development	SF TB	THB5.95	295	12.8	11.5	-1.8	11.5	1.3	1.2	11.4	11.2	0.2	0.2
COL	COL TB	THB38.00	339	32.0	26.9	-13.4	19.0	2.4	2.3	7.7	8.8	1.3	1.5
The Platinum Group	PLAT TB	THB5.15	402	24.7	22.7	0.0	8.6	1.7	1.7	10.7	7.5	1.6	1.8
Siam Makro	MAKRO TB	THB39.00	5,223	33.7	28.7	13.6	17.4	13.4	12.0	41.6	44.1	2.4	2.9
Simple average				64.3	43.2	4.0	18.0	4.8	4.5	18.9	21.0	2.0	2.2

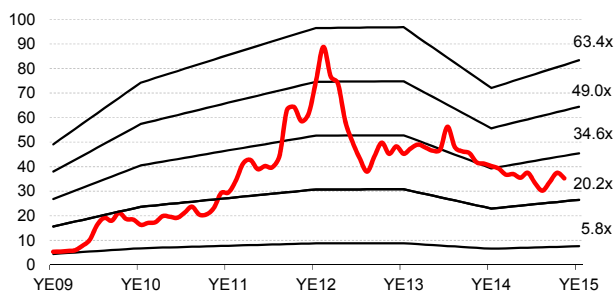
PER band versus SD (next 12 months)



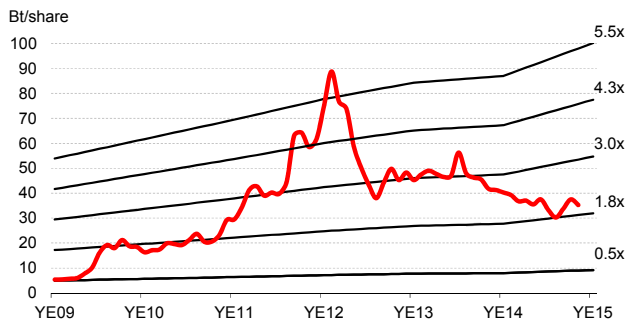
PBV band versus SD (next 12 months)



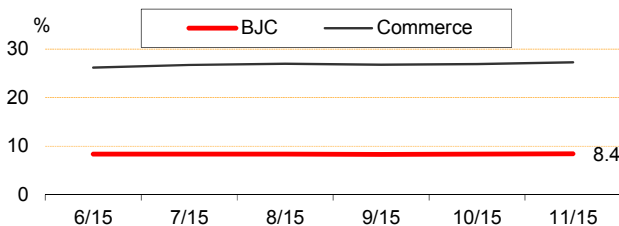
PER band and share price



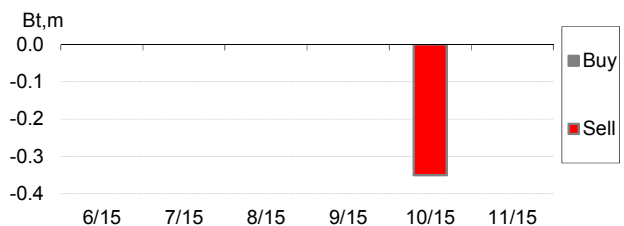
PBV band and share price



Foreign holdings



Management trading activities during past six months








BUALUANG SECURITIES PUBLIC COMPANY LIMITED (BLS) is a subsidiary of BANGKOK BANK PUBLIC COMPANY LIMITED (BBL). This document is produced 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 to use as information for investment. Expressions of opinion contained herein are subject to change without notice. This document is not, and should not be construed as, an offer or the solicitation of an offer to buy or sell any securities. The use of any information shall be at the sole discretion and risk of the user.

BUALUANG SECURITIES PUBLIC COMPANY LIMITED MAY BE IN RELATIONSHIP WITH THE SECURITIES IN THIS REPORT. "Opinions, projections and other information contained in this report are based upon sources believed to be accurate including the draft prospectus, but no responsibility is accepted for any loss occasioned by reliance placed upon the contents hereof. Bualuang Securities Public Company Limited may from time to time perform investment, advisory or other services for companies mentioned in this report, as well as dealing (as principal or otherwise) in, or otherwise being interested in, any securities mentioned herein, This report does not constitute a solicitation to buy or sell any securities". Investors should carefully read details in the prospectus before making investment decision.

BUALUANG SECURITIES PUBLIC COMPANY LIMITED MAY ACT AS MARKET MAKER AND ISSUER OF DWs, AND ISSUER OF STRUCTURED NOTES ON THESE SECURITIES. The company may prepare the research reports on those underlying securities. Investors should carefully read the details of the derivative warrants and structured notes in the prospectus before making investment decisions.

BUALUANG SECURITIES PUBLIC COMPANY LIMITED IS OR MAY BE AN UNDERWRITER/CO-UNDERWRITER/JOINT LEAD IN RESPECT OF THE INITIAL PUBLIC OFFERING ("IPO") OF SECURITIES.

Financial Advisor	Lead underwriter/ Underwriter/ Co-underwriter
SPRC	SPRC

Score Range	Score Range	Description
90 – 100		Excellent
80 – 89		Very Good
70 – 79		Good
60 – 69		Satisfactory
50 – 59		Pass
Below 50	No logo given	N/A

CORPORATE GOVERNANCE REPORT DISCLAIMER

This research report was prepared by Bualuang Securities Public Company Limited and refers to research prepared by Morgan Stanley. Morgan Stanley does not warrant or guarantee the accuracy or completeness of its research reports. Morgan Stanley reserves copyright and other proprietary rights in the material reproduced in this report. Morgan Stanley is under no obligation to inform Bualuang Securities or you if the views or information referred to or reproduced in this research report change.

Corporate Governance Report disclaimer

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. Bualuang Securities Public Company Limited does not conform nor certify the accuracy of such survey result.

"Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, [] Securities Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment result."

STOCK RECOMMENDATIONS

BUY: Expected positive total returns of 15% or more over the next 12 months.

HOLD: Expected total returns of between -15% and +15% over the next 12 months.

SELL: Expected negative total returns of 15% or more over the next 12 months.

TRADING BUY: Expected positive total returns of 15% or more over the next 3 months.

SECTOR RECOMMENDATIONS

OVERWEIGHT: The industry, as defined by the analyst's coverage universe, is expected to outperform the relevant primary market index over the next 12 months.

NEUTRAL: The industry, as defined by the analyst's coverage universe, is expected to perform in line with the relevant primary market index over the next 12 months.

UNDERWEIGHT: The industry, as defined by the analyst's coverage universe, is expected to underperform the relevant primary market index over the next 12 months.