

Thailand Morning Cuppa

Top Story

Finding Diamonds In The Rough

Our Best Investment Ideas

Regional Thematic Report

In this challenging environment, characterised by unpredictability over the COVID-19 pandemic/risk of new infections, persistent pressures on tourism-exposed economies, volatility and complexity, we decided to mine for diamonds in the rough. The investment ideas we provide are a selection of stocks chosen by individual analysts following this criteria:

1. ROEs of 15% or above;
2. Net debt/Shareholders' funds <0.7x;
3. Increasing margins;
4. Trading below their respective industry average multiples;

The table below shows our 13 "diamonds". Each company also exhibits a reasonable level of corporate governance, as investors have been rewarding governance factors more highly than other ESG criteria.

Country Heads: Alexander Chia +603 9280 8889, Kasamapon Hamnilrat +662 862 9999, Shekhar Jaiswal +65 6232 3894, Andrey Wijaya +6221 5093 9846

Today's Report: [Finding Diamonds In The Rough : Our Best Investment Ideas \(29 Jul 2020\)](#)

Previous Report: [Finding Diamonds In The Rough : Our Best Investment Ideas \(18 Sep 2019\)](#)

Other Story

Osotspa (OSP TB, BUY, TP:THB49.00)

More Boosters In 2H20F; Keep BUY

Company Update

Maintain BUY and THB49.00 TP, 17% upside and c.2% yield. 2Q20F earnings is expected to grow 5% YoY despite the pandemic, thanks to strong vitamin C drink sales and margins. Resilient 2H20F outlook may be driven by new production capacity in Thailand and Myanmar, rising brand trust, and continued benefits from its efficient cost management.

Analyst: Vatcharut Vacharawongsith +66 2088 9736

Today's Report: [Osotspa : More Boosters In 2H20F; Keep BUY \(29 Jul 2020\)](#)

Previous Report: [Osotspa : Still a Resilient Outlook \(14 May 2020\)](#)

Economic Research

June Exports Worse Than Expected, Likely Hit a Bottom

Economics View

- Thailand exports plunged 23.2% YoY in June, which was worse than the consensus estimate of -15.5% YoY and vs May's 22.5% YoY contraction. This was because global demand was hit by the COVID-19 pandemic, and dampened by restrictions taken to contain the virus.
- Exports to most key markets remained in a contraction, with that to its biggest market – ASEAN-5 – falling 38.8% YoY during the month. As most countries have started to ease their restrictions, shipments may likely have bottomed but recovery is likely to remain slow, in view of the lingering pandemic.
- We cut our real exports growth estimate to -13% YoY for 2020 (from -12.4%), as the impact in 2Q20 was worse than expected. A gradual recovery is expected in 2H20, on the low base effect as well as the normalisation of global demand.

Economists: Peck Boon Soon +603 9280 2163, Billy Toh +603 9280 2184

Today's Report: [June Exports Worse Than Expected, Likely Hit a Bottom \(27 Jul 2020\)](#)

Previous Report: [Money Supply Growth Fastest In Seven Years \(7 Jul 2020\)](#)

Bulletin

STOCKS/SECTOR	NEWS	COMMENT	RATING
Amata Corporation (AMATA TB)	<p>Amata Corporation approved to propose to the Extraordinary General Meeting of Shareholders No. 1/2020 to consider and approve the issuance and allotment of 83m new ordinary shares with a par value of THB1.00 per share to existing shareholders proportionate to their shareholding (Right Offering) at an offer ratio of 12.8554217 existing shares to one new ordinary share. The offering price of the newly issued ordinary shares sold to the existing shareholders in proportion to their shareholding shall be calculated from the weighted average price of the shares 7-15 days before the date of the offering at a discount of not more than 20%.</p> <p>The offering price shall be announced by the company before the record date of the shareholders entitled to subscribe to the newly issued ordinary shares in proportion to their shareholding on the record date or before 21 Sep 2020. <i>(Stock Exchange of Thailand)</i></p>	<p>This capital increase plan is a large surprise as the company has not executed a capital increase for the past 20 years. Although Amata's net D/E is slightly above 1x and there are no financial constraints for additional borrowings, we expect a large investment plan ahead, and this should be the rationale behind this surprising announcement. For upcoming projects, Amata will invest intensively in its new Yangon Amata Smart & Eco City estate located in Myanmar.</p> <p>Phase 1 of this project covers 2,000 acres and requires an investment budget of THB5bn for the next 10 years. At the early stage of development, 200 acres will be developed under THB1.28bn, for completion within FY21. As the development of industrial estates normally requires a long-term investment horizon, the company would inevitably have to increase equity as another alternative for securing funds in the long term as well. We expect Amata to be required to raise funds via a mix of debt and equity from now on as it announced an increase of only 83m new shares, equivalent to just 7.8% of its current outstanding shares. Therefore, we expect a series of capital increases going forward as soon as its development in Myanmar progresses.</p> <p>Our rating is under review pending further information regarding the Myanmar new industrial estate project.</p>	AMATA: BUY, TP: THB13.00

Chart 1: SET intra-day graph


	Index	Chg	Chg (%)	YTD (%)
Thailand (SET)	1340.92	-18.73	-1.38%	-15.1%
Thailand (SET50)	875.50	-15.20	-1.71%	-18.1%
Thailand (SET100)	1947.28	-31.59	-1.60%	-16.9%
USA (Dow Jones)	26379.28	-273.05	-1.02%	-7.6%
USA (S&P500)	3218.44	-17.22	-0.53%	-0.4%
USA (Nasdaq)	10402.09	-59.33	-0.57%	15.9%
UK (FTSE)	6129.26	-82.18	-1.32%	-18.7%
Singapore (FSSTI)	2582.97	-29.38	-1.12%	-19.9%
Hong Kong (Hang Seng)	24772.76	-490.24	-1.94%	-12.1%
Japan (Nikkei)	22657.38	-94.23	-0.41%	-4.2%
Malaysia (KLCI)	1609.94	3.52	0.22%	1.3%
China (SHANGHAI SE)	3227.96	-97.15	-2.92%	5.8%
Indonesia (JCI)	5112.99	-32.02	-0.62%	-18.8%

Foreign Exchange Rates / Oil Market

USD	Closed	Chg	Chg (%)
Baht (Onshore)	31.46	-0.03	0.09
Yen	105.10	0.01	-0.01
Euro	1.17	0.00	0.02
Oil Price (USD/barrel)			
Brent	42.47	-0.64	-1.48
Nymex-Crude Light	41.12	0.08	0.19

Note: *As at 24 Jul 2020 closing

Table 1: Key market indices (29 Jul 2020)

SET	2018	2019	2020F	2021F	
PE (x)	16.25	18.02	21.40	16.54	
P/BV (x)	1.74	1.71	1.51	1.45	
Yield (%)	3.35	3.26	2.64	2.93	
SET Value by investor Type: Daily					
		Sell (THBm)	Net (THBm)		
Institution	2,615.70	4,520.62	-1,904.92		
Proprietary	5,186.56	6,369.25	-1,182.69		
Foreign	14,494.61	17,399.25	-2,904.65		
Retail	24,232.92	18,240.67	5,992.25		
SET Value by investor Type					
		MTD (THBm)	YTD (THBm)		
Institution		-1,224.69	72,937.36		
Proprietary		2,203.60	2,731.04		
Foreign		-10,101.23	-226,747.07		
Retail		9,122.33	151,078.66		
SET50 Index Future					
	Long	Short	Net	MTD	YTD
Institution	24,576	21,123	3,453	-10,344	-9,966
Foreign	58,413	61,468	-3,055	-14,665	90,492
Local	84,048	84,446	-398	25,009	-80,526
Foreign Fund Flows (USDm)					
		MTD	YTD	YoY	
Thailand	-91.8	-209.8	-320.3	-7120.1	-9641.3

Note: *As at 24 Jul 2020 closing

Top BUYs

	TP (THB)	Upside (%)	Catalysts
Advance Info Service (ADVANC TB)	220.00	18.92	<ul style="list-style-type: none"> Its superior spectrum portfolio, highest cumulative investment in its mobile network and largest market share should allow AIS to continue to sustain its cost advantage during this economic crisis. Company also has the highest room (vs peers) to leverage on its mobile subs base to boost organic growth through pre-to-post migration or FBB business expansion, which should allow it to sustain profitability during this unusual low churn rate environment.
AP (Thailand) (AP TB)	7.60	23.58	<ul style="list-style-type: none"> Its impressive presales of low-rise projects even amidst market concerns over the pandemic crisis can be attributed to its solid brand recognition, and this should lead to its escape from the earnings valley in 2Q20 and also in FY20. In spite of currently low presales of condominium project, the role of condominium is still significant in terms of revenue given AP's abundant orderbook, especially from JV projects which can be recognised as revenue in FY20-22.
Bangkok Chain Hospital (BCH TB)	16.00	8.84	<ul style="list-style-type: none"> Hospital's negatives from international travel restrictions and lockdowns should be limited on improved Social Security Office (SSO) payment scheme revenue and proactive COVID-19 strategy. We remains optimistic on double-digit growth prospects, driven by SSO's upward price adjustment – which should outweigh the temporary shortfall in the international patient segment. BCH has also seen positive results from its COVID-19 services launch, which could be an alternative revenue source this year. However, we view its main earnings driver as the utilisation rate ramp up at WMC and KH RAM.
Bangkok Expressway & Metro (BEM TB)	11.50	28.49	<ul style="list-style-type: none"> The company has approached the growth stage – especially after traffic resumption in both expressways and the Blue-Line Mass Rapid Transit (MRT) networks. The strong catalyst ahead is the success in winning the Orange-Line MRT concession as we believe the BEM-led consortium will be the likely bid winner.
Chularat Hospital (CHG TB)	2.80	16.67	<ul style="list-style-type: none"> Chularat Hospital's lowest exposure to the medical tourism segment vs other hospital groups under our coverage and the strong revenue exposure to government healthcare schemes (Social Security Scheme (SSS), National Health Security Office) should see its core operations outlook remain intact during the economic slowdown. The positive impact from the upward payment scheme adjustment by the Social Security Office should outweigh the negative impact from the non-Thai segment due to its higher revenue contribution. We maintain our high single-digit growth forecast on its topline, driven by services expansion in its existing projects and higher utilisation rate of two new hospitals
CP ALL (CPALL TB)	79.00	17.91	<ul style="list-style-type: none"> Still the best-in-class retailer, even though weak 2Q20F results are inevitable – due to a high base in the same period last year But, we expect a gradual recovery of CVS and Siam Makro sales in 2H20, as a V-shaped recovery, thanks to the re-opening of workplaces and schools, as well as increasing road traffic from the domestic tourism boost. As it has the most extensive store network, CP All may strongly benefit the new normal in terms of facilitating delivery of products and services through its developing omni-channel platform.
Global Power Synergy (GPSC TB)	80.00	11.50	<ul style="list-style-type: none"> We expect two deals to be announced this year in 2H20. One is a 40MW portfolio worth THB3bn. The other is a gas-to-power project. Phase 1 of the c.60-1,200MW project is expected to be in the investment range of c.USD360-960m, depending on size and costs We also like GPSC's shift towards being greener. It will also start to produce semi-solid state batteries by November/December – we believe there is strong growth potential in this business segment
Osotspa (OSP TB)	49.00	17.37	<ul style="list-style-type: none"> Robust sales for functional beverage products during COVID-19 pandemic in 2Q20F, mainly C-Vitt Vitamin C drinks, as the market leader with 31% share and it contributes c.9% of the group's revenue. Expect its 2Q20F earnings may slightly weak, before strengthening over 2H20F. The economic impact of COVID-19 may be challenging, but we are optimistic on its product leadership and cost control. Apart from the uptrend profit margins, further earnings drivers in the latter half include the launch numbers of new personal care hygiene products, which prove the firm's success in managing brands to be relevant to current trends and situations, and the planned opening of a new beverage filling facility in Myanmar – to boost production and sales coverage there.
Siam Cement (SCC TB)	440.00	15.18	<ul style="list-style-type: none"> There are three growth drivers including i) an upcycle of petrochemical spreads, ii) a series of new infrastructure projects to start the construction process, and iii) the growth expansion in packaging business especially after SCG Packaging raising funds from IPO. The company's earnings going forward should rely mainly on petrochemical unit's performance normalising to lower levels in 2H20 and growing stronger on a full-year basis in FY21.

Recent Stories

To access the following reports, please click on the link:

[RHB | Thailand Morning Cuppa : 24 July 2020](#)

[RHB | Thailand Morning Cuppa : 23 July 2020](#)

[RHB | Thailand Morning Cuppa : 22 July 2020](#)
[Siam Commercial Bank : Robust Capital, Resilient Asset Quality](#)
[TOA Paint : Misses Unusual Growth Opportunity In 2Q20](#)

[RHB | Thailand Morning Cuppa : 21 July 2020](#)
[Kasikornbank : Bracing For Uncertain Times; D/G To NEUTRAL](#)
[IRPC : Anticipating Demand-Driven Recovery For 2H20F](#)

[RHB | Thailand Morning Cuppa : 20 July 2020](#)
[Retailing : Recovery Amid Some Headwinds](#)
[TISCO Financial : NPL Upcycle Still In Its Early Days](#)

[RHB | Thailand Morning Cuppa : 17 July 2020](#)

[RHB | Thailand Morning Cuppa : 16 July 2020](#)
[Star Petroleum Refining : Weaker 2H20 Recovery With Fragile Demand](#)
[Total Access Communication : Strategic Direction Stays Conservative; Upgrade](#)

[RHB | Thailand Morning Cuppa : 15 July 2020](#)
[Dynasty Ceramic : Reaping Profit From Unusual Quarter; Now SELL](#)

[RHB | Thailand Morning Cuppa : 14 July 2020](#)
[Thai Oil: Fragile Demand Continues To Pressure Spreads](#)

[RHB | Thailand Morning Cuppa : 13 July 2020](#)
[CP ALL : Seeks Improving Earnings Over 2H20; Still BUY](#)
[PTT Global Chemical : Waiting For Demand To Fully Recover](#)

[RHB | Thailand Morning Cuppa : 10 July 2020](#)
[Siam Cement : On An Uphill Path; Keep BUY](#)

[RHB | Thailand Morning Cuppa : 9 July 2020](#)
[Market Strategy : Recovery To Come In Three Shapes](#)

[RHB | Thailand Morning Cuppa : 8 July 2020](#)

[RHB | Thailand Morning Cuppa : 7 July 2020](#)
[AP \(Thailand\) : Solid Fundamentals Undisturbed; Stay BUY](#)
[Siam Global House : Softening Outlook; Still TAKE PROFIT](#)
[Regional Oil & Gas : Cautious Optimism](#)
[Improvement In Outlook Likely In 2H](#)

[RHB | Thailand Morning Cuppa : 3 July 2020](#)
[Core CPI Slips Into Negative For First Time Since GFC](#)

[RHB | Thailand Morning Cuppa : 2 July 2020](#)
[PTT Exploration & Production : 2Q20F Net Profit Set To Plunge 31% QoQ](#)

[RHB | Thailand Morning Cuppa : 1 July 2020](#)

[RHB | Thailand Morning Cuppa : 30 June 2020](#)
[Construction : Orange Dream Comes True; Stay OVERWEIGHT](#)
[May Factory Output Plunges By 23.2%](#)

[RHB | Thailand Morning Cuppa : 29 June 2020](#)
[Hospitality : NokScoot Airlines' Liquidation; Keep U/W](#)

[RHB | Thailand Morning Cuppa : 26 June 2020](#)

RHB Guide to Investment Ratings

Buy: Share price may exceed 10% over the next 12 months

Trading Buy: Share price may exceed 15% over the next 3 months, however longer-term outlook remains uncertain

Neutral: Share price may fall within the range of +/- 10% over the next 12 months

Take Profit: Target price has been attained. Look to accumulate at lower levels

Sell: Share price may fall by more than 10% over the next 12 months

Not Rated: Stock is not within regular research coverage

Investment Research Disclaimers

RHB has issued this report for information purposes only. This report is intended for circulation amongst RHB and its affiliates' clients generally or such persons as may be deemed eligible by RHB to receive this report 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. This report is not intended, and should not under any circumstances be construed as, an offer or a solicitation of an offer to buy or sell the securities referred to herein or any related financial instruments.

This report may further consist of, whether in whole or in part, summaries, research, compilations, extracts or analysis that has been prepared by RHB's strategic, joint venture and/or business partners. No representation or warranty (express or implied) is given as to the accuracy or completeness of such information and accordingly investors should make their own informed decisions before relying on the same.

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 the applicable laws or regulations. By accepting this report, the recipient hereof (i) represents and warrants that it is lawfully able to receive this document under the laws and regulations of the jurisdiction in which it is located or other applicable laws and (ii) acknowledges and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of applicable laws.

All the information contained herein is based upon publicly available information and has been obtained from sources that RHB believes to be reliable and correct at the time of issue of this report. However, such sources have not been independently verified by RHB and/or its affiliates and this report does not purport to contain all information that a prospective investor may require. The opinions expressed herein are RHB's present opinions only and are subject to change without prior notice. RHB is not under any obligation to update or keep current the information and opinions expressed herein or to provide the recipient with access to any additional information. Consequently, RHB does not guarantee, represent or warrant, expressly or impliedly, as to the adequacy, accuracy, reliability, fairness or completeness of the information and opinion contained in this report. Neither RHB (including its officers, directors, associates, connected parties, and/or employees) nor does any of its agents accept any liability for any direct, indirect or consequential losses, loss of profits and/or damages that may arise from the use or reliance of this research report and/or further communications given in relation to this report. Any such responsibility or liability is hereby expressly disclaimed.

Whilst every effort is made to ensure that statement 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 and must not be construed as a representation that the matters referred to therein will occur. Different assumptions by RHB or any other source may yield substantially different results and recommendations contained on one type of research product may differ from recommendations contained in other types of research. The performance of currencies may affect the value of, or income from, the securities or any other financial instruments referenced in this report. Holders of depositary receipts backed by the securities discussed in this report assume currency risk. Past performance is not a guide to future performance. Income from investments may fluctuate. The price or value of the investments to which this report relates, either directly or indirectly, may fall or rise against the interest of investors.

This report does not purport to be comprehensive or to contain all the information that a prospective investor may need in order to make an investment decision. The recipient of this report is making its own independent assessment and decisions regarding any securities or financial instruments referenced herein. Any investment discussed or recommended in this report may be unsuitable for an investor depending on the investor's specific investment objectives and financial position. The material in this report is general information intended for recipients who understand the risks of investing in financial instruments. This report does not take into account whether an investment or course of action and any associated risks are suitable for the recipient. Any recommendations contained in this report must therefore not be relied upon as investment advice based on the recipient's personal circumstances. Investors should make their own independent evaluation of the information contained herein, consider their own investment objective, financial situation and particular needs and seek their own financial, business, legal, tax and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as "believe", "estimate", "intend" and "expect" and statements that an event or result "may", "will" or "might" occur or be achieved and other similar expressions. Such forward-looking statements are based on assumptions made and information currently available to RHB and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. RHB expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated event. The use of any website to access this report electronically is done at the recipient's own risk, and it is the recipient's sole responsibility to take precautions to ensure that it is free from viruses or other items of a destructive nature. This report may also provide the addresses of, or contain hyperlinks to, websites.

RHB takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to RHB own website material) are provided solely for the recipient's convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or RHB website shall be at the recipient's own risk.

This report may contain information obtained from third parties. Third party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs) in connection with any use of their content.

The research analysts 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. The research analysts that authored this report are precluded by RHB in all circumstances from trading in the securities or other financial instruments referenced in the report, or from having an interest in the company(ies) that they cover.

The contents of this report is strictly confidential and may not be copied, reproduced, published, distributed, transmitted or passed, in whole or in part, to any other person without the prior express written consent of RHB and/or its affiliates. This report has been delivered to RHB and its affiliates' clients for information purposes only and upon the express understanding that such parties will use it only for the purposes set forth above. By electing to view or accepting a copy of this report, the recipients have agreed that they will not print, copy, videotape, record, hyperlink, download, or otherwise attempt to reproduce or re-transmit (in any form including hard copy or electronic distribution format) the contents of this report. RHB and/or its affiliates accepts no liability whatsoever for the actions of third parties in this respect.

The contents of this report are subject to copyright. Please refer to Restrictions on Distribution below for information regarding the distributors of this report. Recipients must not reproduce or disseminate any content or findings of this report without the express permission of RHB and the distributors.

The securities mentioned in this publication may not be eligible for sale in some states or countries or certain categories of investors. The recipient of this report should have regard to the laws of the recipient's place of domicile when contemplating transactions in the securities or other financial instruments referred to herein. The securities discussed in this report may not have been registered in such jurisdiction. Without prejudice to the foregoing, the recipient is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

The term "RHB" shall denote, where appropriate, the relevant entity distributing or disseminating the report in the particular jurisdiction referenced below, or, in every other case, RHB Investment Bank Berhad and its affiliates, subsidiaries and related companies.

RESTRICTIONS ON DISTRIBUTION

Malaysia

This report is issued and distributed in Malaysia by RHB Investment Bank Bhd. The views and opinions in this report are our own as of the date hereof and is 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. RHB Investment Bank Bhd has no obligation to update its opinion or the information in this report.

Thailand

This report is issued and distributed in the Kingdom of Thailand by RHB Securities (Thailand) PCL, a licensed securities company that is authorised by the Ministry of Finance, regulated by the Securities and Exchange Commission of Thailand and is a member of the Stock Exchange of Thailand. The Thai Institute of Directors Association has disclosed the Corporate Governance Report of Thai Listed Companies made pursuant to the policy of the Securities and Exchange Commission of Thailand. RHB Securities (Thailand) PCL does not endorse, confirm nor certify the result of the Corporate Governance Report of Thai Listed Companies.

Indonesia

This report is issued and distributed in Indonesia by PT RHB Sekuritas Indonesia. This research does not constitute an offering document and it should not be construed as an offer of securities in Indonesia. Any securities offered or sold, directly or indirectly, in Indonesia or to any Indonesian citizen or corporation (wherever located) or to any Indonesian resident in a manner which constitutes a public offering under Indonesian laws and regulations must comply with the prevailing Indonesian laws and regulations.

Singapore

This report is issued and distributed in Singapore by RHB Securities Singapore Pte Ltd which is a holder of a capital markets services licence and an exempt financial adviser regulated by the Monetary Authority of Singapore. RHB Securities Singapore Pte Ltd may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, RHB

Securities Singapore Pte Ltd accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact RHB Securities Singapore Pte Ltd in respect of any matter arising from or in connection with the report.

Hong Kong

This report is distributed in Hong Kong by RHB Securities Hong Kong Limited (興業僑豐證券有限公司) (CE No.: ADU220) (“RHBSHK”) which is licensed in Hong Kong by the Securities and Futures Commission for Type 1 (dealing in securities). Any investors wishing to purchase or otherwise deal in the securities covered in this report should contact RHBSHK. RHBSHK is a wholly owned subsidiary of RHB Hong Kong Limited; for the purposes of disclosure under the Hong Kong jurisdiction herein, please note that RHB Hong Kong Limited with its affiliates (including but not limited to RHBSHK) will collectively be referred to as “RHBHK.” RHBHK conducts a full-service, integrated investment banking, asset management, and brokerage business. RHBHK does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this research report. Investors should consider this report as only a single factor in making their investment decision. Importantly, please see the company-specific regulatory disclosures below for compliance with specific rules and regulations under the Hong Kong jurisdiction. Other than company-specific disclosures relating to RHBHK, this research report is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such.

United States

This report was prepared by RHB and is being distributed solely and directly to “major” U.S. institutional investors as defined under, and pursuant to, the requirements of Rule 15a-6 under the U.S. Securities and Exchange Act of 1934, as amended (the “Exchange Act”). Accordingly, access to this report via Bursa Marketplace or any other Electronic Services Provider is not intended for any party other than “major” US institutional investors, nor shall be deemed as solicitation by RHB in any manner. RHB is not registered as a broker-dealer in the United States and does not offer brokerage services to U.S. persons. Any order for the purchase or sale of the securities discussed herein that are listed on Bursa Malaysia Securities Berhad must be placed with and through Auerbach Grayson (“AG”). Any order for the purchase or sale of all other securities discussed herein must be placed with and through such other registered U.S. broker-dealer as appointed by RHB from time to time as required by the Exchange Act Rule 15a-6. This report is confidential and not intended for distribution to, or use by, persons other than the recipient and its employees, agents and advisors, as applicable. Additionally, where research is distributed via Electronic Service Provider, the analysts whose names appear in this report are not registered or qualified as research analysts in the United States and are not associated persons of Auerbach Grayson AG or such other registered U.S. broker-dealer as appointed by RHB from time to time and therefore may not be subject to any applicable restrictions under Financial Industry Regulatory Authority (“FINRA”) rules on communications with a subject company, public appearances and personal trading. Investing in any non-U.S. securities or related financial instruments discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in the United States. The financial instruments discussed in this report may not be suitable for all investors. Transactions in foreign markets may be subject to regulations that differ from or offer less protection than those in the United States.

Please refer to the following link ([RHB Research conflict disclosures – July 2020a](#)) and the Disclosure of Conflict of Interest in each of the research reports provided in this email for more details.

Kuala Lumpur	Hong Kong	Singapore
RHB Investment Bank Bhd Level 3A, Tower One, RHB Centre Jalan Tun Razak Kuala Lumpur Malaysia Tel : +(60) 3 9280 8888 Fax : +(60) 3 9200 2216	RHB Securities Hong Kong Ltd. 12 th Floor World-Wide House 19 Des Voeux Road Central, Hong Kong Tel : +(852) 2525 1118 Fax : +(852) 2810 0908	RHB Securities Singapore Pte Ltd. 10 Collyer Quay #09-08 Ocean Financial Centre Singapore 049315 Tel : +(65) 6533 1818 Fax : +(65) 6532 6211
Jakarta		Bangkok
PT RHB Sekuritas Indonesia Revenue Tower 11th Floor, District 8 - SCBD Jl. Jendral Sudirman Kav 52-53 Jakarta 12190 Indonesia Tel : +6221 509 39 888 Fax : +6221 509 39 777		RHB Securities (Thailand) PCL 10th Floor, Sathorn Square Office Tower 98, North Sathorn Road, Silom Bangrak, Bangkok 10500 Thailand Tel: +(66) 2 088 9999 Fax : +(66) 2 088 9799