INITIATING COVERAGE | 3 November 2017

Asia File Corporation Bhd

Breaking the mould

- Leading stationery products maker with established "ABBA" brand
- Strong FCFs drove cash to a high of RM162m, or 27% of market cap
- Expanding into disposable paper & plastic food packaging market
- Dividend growth stock with ex-cash ex-Muda P/E of 7x and 5% yield

Leading stationery products maker with established "ABBA" brand
With well-recognised brand "ABBA", Asia File has grown to become the country's largest filing and stationery maker by market cap. Founded in 1980s and listed in 1996, the Penang-based company derived 55% of its FYMar2017 revenue from the UK with the rest coming from continental Europe (24%) Malaysia (10%), America (3%) and others.

The company's key competitive advantages are cost efficiency and dominant market position. Thanks to its Asia-based manufacturing and acquisitions of financially distressed competitors at low prices, Asia File is price competitive and has become the market leader in the UK filing sector with a commanding 60% market share.

Strong FCFs drove cash to a high of RM162m, or 28% of market cap
As a result, Asia File enjoyed high profitability with an average 40% gross margin and 18% net profit in FY08-FY17. To be sure, the filing sector has matured and faces the increasing digitisation of the work environment: Asia File's revenue growth has stagnated in past 3 years.

Nevertheless, Asia File still has capacity for additional 20% turnover without incurring major capex and generates steady free cash flows of RM50m-RM70m per year. Consequently, its net cash surged to a high of RM161.8m as at end-June 2017, equivalent to 28% of its market cap.

Expanding into disposable paper & plastic food packaging market
Asia File's last acquisition in Europe was in 2014. While cash-rich Asia File is still eyeing acquisition opportunities in Europe, the filing products maker is diversifying its product portfolio into disposable paper & plastic foodware, targeting both local and export markets.

The company has patented the foodware products marketed under "ABBAWARE" brand, which are lighter and more heavy-duty compared to those produced by its competitors. Asia File has spent RM10m to purchase machinery and will spend another RM20m in 2018 if its cheaper yet well-designed products are well-received in the market.

Dividend growth stock with ex-cash ex-Muda P/E of 7x and 5% yield
Valuation wise, Asia File currently trades at an attractive ex-cash ex-Muda P/E of only 7 times and gives an above market average yield of 5%. With low downside risk and beta of 0.26, we believe it is a dividend growth stock suitable for long-term value investors.

We are positive about its entry into the disposable food packaging sector which will be its growth driver over the next few years. Near-term upside potential, however, is unlikely to be exciting as we expect the new venture to make meaningful profit contribution only in 2019. As such, we initiate coverage with a **HOLD** call on Asia File.

HOLD

Analyst Consensus:	Buy 0 Hold 1 Sell 0
Share price	RM3.00
Fundamental Score	2.7/3
Valuation Score	1.8/3

Company Description

Asia File is the country's largest filing and stationery products maker by market cap with established "ABBA" brand; it also owns 20% stake in Muda. Asia File derived 79% of revenue from Europe in FY17 and is expanding into disposable food packaging.

Stock Information	
Industry	Consumer Products
Sub-industry	Office Supplies
Bursa Code	7129
Bloomberg Ticker	AF MK
Listing	Main Market
Outstanding Shares	194.76 mil
Market Cap	RM578.4 mil
52-week Range	3.05 - 3.80
Est. Free Float	22.72%
Beta	0.26
200-day Avg Vol	74,672

Price Performance (%)	1M	3M	12M
Stock	-4.5	-7.4	-14.9
FBMKLCI	-0.9	-1.6	5.8

Major Shareholders	
Prestige Elegance (M) Sdn Bhd	43.23%
Skim Amanah Saham Bumiputra	20.90%
Fidelity Mgmt & Research (FMC)	4.23%

Earnings Forecast	17A	18E	19E
Net Profit (RM mil)	55.9	57.6	60.2
EPS (sen)	28.9	29.7	31.1
EPS Growth (%)	-27.8	3.0	4.6
P/E (x)	12.1	10.5	10.0
DPS (sen)	16.0	16.0	16.0
Dividend Yield (%)	4.6	5.1	5.1
NTA/share (RM)	2.88	3.01	3.15
P/NTA (x)	1.2	1.0	1.0
Net Gearing (%)	Na.	Na.	Na.
ROA (%)	8.7	8.7	8.7
ROE (%)	10.4	10.4	10.1

Business Overview

Gaining market share with cost leadership strategy
Founded in 1980s, Asia File is primarily engaged in manufacturing and marketing of various filing and stationery items. Locally, Asia File is the leading files manufacturer in Malaysia with its brand ABBA synonymous to filing products.

Asia File grew rapidly in both local and export markets after it was listed in 1996, primarily due to its competitiveness in terms of pricing and product quality. From FYMar1996 to FY2007, Asia File's revenue tripled from RM42.1m to RM132.4m while net profit quadrupled from RM7.4m to RM32.4m during the 11-year period as margins improved due to economies of scale.

The homegrown office stationery maker expanded overseas by acquiring Plastoreg SG — the largest OEM of dividers and indices in Germany for €13.8m or RM67.3m (see chart 1). Asia File funded the acquisition using its net cash of RM48.8m and internally generated cash flows.

For 2006, Plastoreg SG made €23.2m or RM111.4m in revenue and €1.8m or RM8.6m in net profit. On the other hand, Asia File posted RM132.4m in revenue and RM32.4m in net profit in 2007. This implied a low P/E of 7.6 times for the acquisition of Plastoreg SG versus Asia File's average P/E of 7.9 times in 2007. The accretive acquisition, completed in Jan 2008, resulted in a goodwill of RM30.2m.

With its competitor ceased operations, Asia File gained further market share in Europe. It posted a RM76m increase in revenue to RM208.4m and a RM8.3m increase in net profit to RM40.7m in FY2008, thanks to strong sales growth in Europe and America.

Higher cost structure post acquisition spree across Europe
In FY2009, Asia File acquired a 20.36% stake in its supplier Bursa-listed Muda Holdings Bhd for RM44.5m or 76.8 sen per share. Muda is involved in the manufacturing of high-quality grey board which is used in the production of Asia File's board filing products.

As Muda shares were bought at a large discount to its book value, Asia File registered a negative goodwill of RM46.4m, which inflated its net profit to a high of RM76.3m in FY2009. Excluding this one-off negative goodwill, Asia File normalised pre-tax profit of RM29.6m, a 40% drop from RM49.3m in FY2008.

Following its full-year consolidation of its German subsidiary which operates in a higher cost environment vis-à-vis its Malaysian plant, Asia File's normalised pre-tax margin fell sharply from 36.5% in FY2008 to 22.4%. Since its entry into Europe in FY2008, its margins continued to trend downward (see chart 2).

In FY2012-FY2013, Asia File acquired a paper mill and a file manufacturing plant in the UK with total land area of 71k square metre for mere £2.3m. In FY2015, the company took over manufacturing equipment from its competitors in France and Czech Republic for about €1.6m.

Report Outline	Page

Asia File's core products: dividers and filing products

Chart 1: Revenue growth driven by M&As in Europe but earnings growth impeded by higher cost structure

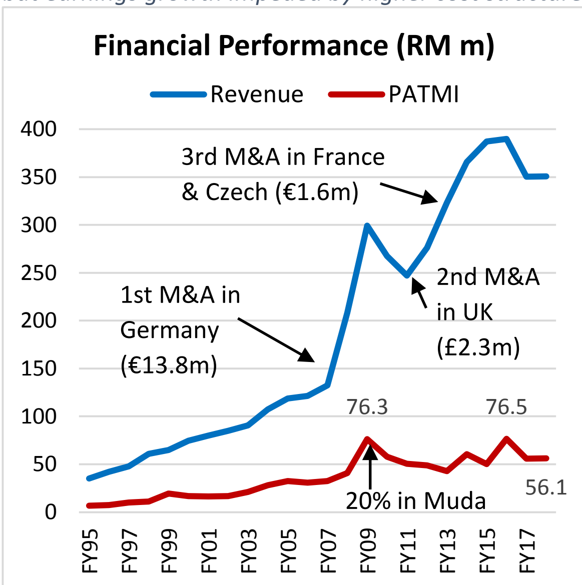
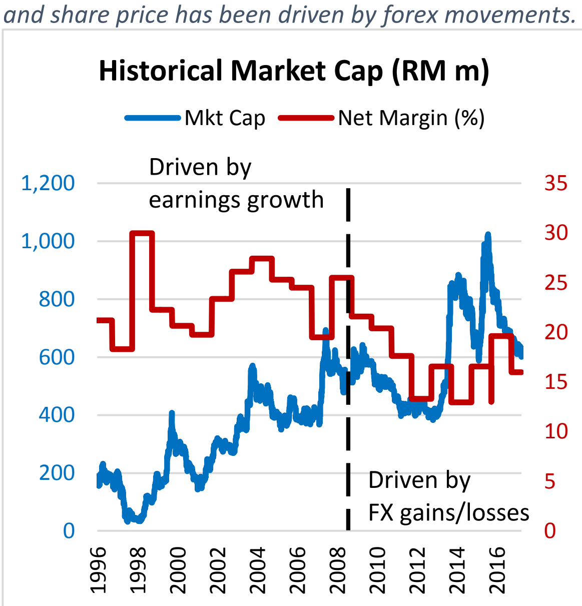


Chart 2: Post entry into Europe, Asia File's earnings and share price has been driven by forex movements.



Although these acquisitions boosted its revenue growth to a new high of RM387.4m in FY2015, operating margin declined to all-time low of 16% compared to 25% in FY2007.

We believe the declining margin and low acquisition prices reflect the structural shift in the stationery industry: stationery products made in Europe are no longer cost-competitive compared to those made in Asia.

Operating margins driven by GBP & EUR vs ringgit

With Malaysian filing market reaching its mature stage, local sales peaked at RM39m-40m from FY2008 to FY2014 and slid to RM34-RM36 in FY2015-FY2017 (see chart 3). Given the limited growth in home market, Asia File turned to Europe and USA for new avenues of revenue growth.

Having acquired Plastoreg SG, Europe became its largest market and accounted for more than half of its sales in FY2008. European sales surged to RM193.6m in FY2009 due to the full-year consolidation of Plastoreg SG's accounts.

The company continued to focus on gaining more market share in large markets Europe and USA. Despite some setback in FY2010-FY2011, European sales had been growing from RM187.8m in FY2012 to RM302.8m in FY2015, accounting for an outsized 78% of total sales.

We estimate that the UK market contributed 55% of its revenue in FY2017 with the rest coming from continental Europe (24%) Malaysia (10%), America (3%) and others. With large UK and European sales contributions, Asia File's margins have been driven by fluctuations in GBP and EUR vs ringgit (see chart 4).

FY2017 revenue contracted by 10% to RM350.3m. The weakening of GBP against ringgit more than offset a 3% growth in the UK sales while US sales almost halved from RM23.1m in FY2016 to RM11.8m in FY2017, due to a shift in procurement to local sources by its US clients.

Meanwhile, local sales declined 7% to RM33.6m and revenue from continental Europe recorded a drop of 9% on a currency-neutral amidst intense competition and consolidation of customers. With stagnant revenue growth, GBP/MYR has become the primary share price driver since 2009 (see chart 5).

Asia File share price has declined 13% year-to-date to a 52-week low of RM2.97 even though GBP has appreciated 1.5% against ringgit. Earnings for 1QFY18 increased 1% y-o-y compared to a y-o-y contraction of 5% in 4QFY17.

Its share price underperformance is largely attributable to the continuous selling of Asia File shares by its major shareholder Skim Amanah Saham Bumiputera (ASB). In the past year PNB-owned ASB has disposed some 2.1m shares or about 1.7% stake in the open market, paring down its equity interest to 21%.

Chart 3: Europe has become its largest market

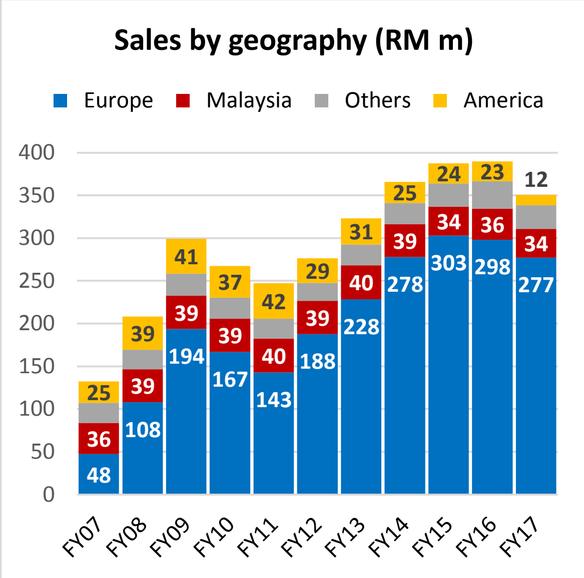


Chart 4: bumpy recovery of GBP & EUR caused large swings in Asia File's share price in past 5 years

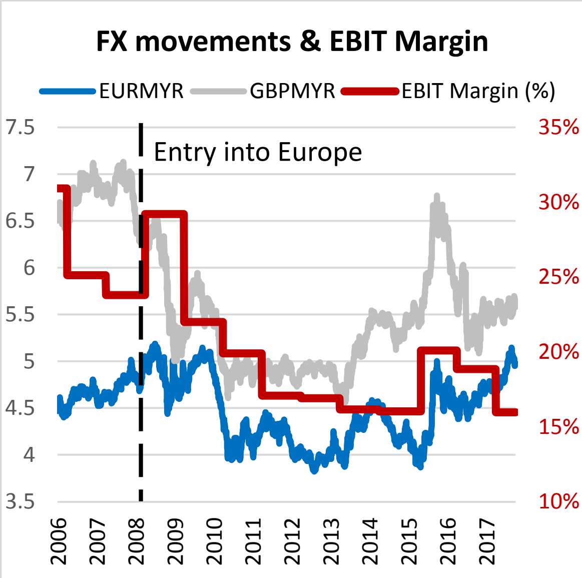
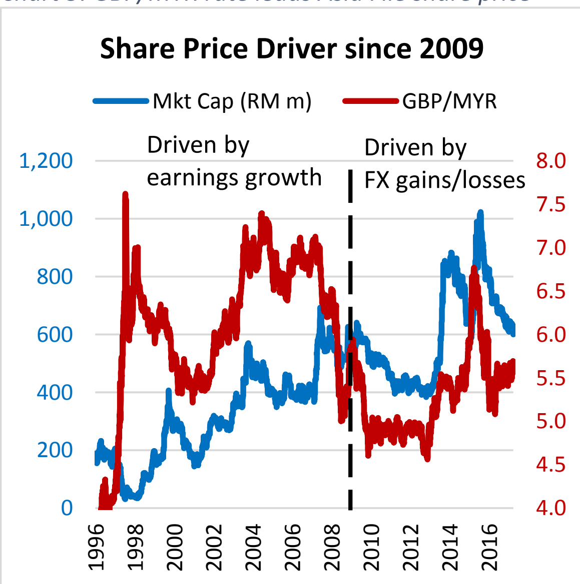


Chart 5: GBP/MYR rate leads Asia File share price



InsiderAsia

Muda's margin squeezed by rising input costs, paper shortage

Asia File's 20%-owned associate company Muda Holdings Bhd contributed about 8-9% of its PAT in the past three years, down from 14%-18% in FY2010-FY2012 (see chart 6).

However, based on Muda's market capitalisation of RM448.4m, Asia File's 20% stake in Muda constitutes an outsized 16% of Asia File's market value of RM578.4m, largely due to Muda's higher trailing P/E of 18.4 times vis-à-vis Asia File's 10.3 times. Its investment in Muda has grown to RM141.4m, equivalent to 21% of total assets and roughly half of noncurrent assets.

Recall that Asia File acquired a 20% stake in its supplier Muda for RM45.2m in FY2009. The transaction price of Muda shares implied a hefty 50% discount to its book value and Asia File recorded a large negative goodwill of RM46.4m.

Muda operates two paper mills (upstream operations) and seven corrugated plants and another plant producing paper based food packaging and stationery products (downstream operations).

Muda owns one of the largest integrated paper mills in Malaysia with a combined production capacity of 490,000 tonnes per annum. Muda also ventured downstream into the manufacturing of corrugated boxes, which are used to package various consumer goods such as F&B, E&E, furniture, and other products.

The explosive growth in e-commerce industry in China has fuelled the demand for corrugated packaging and benefited large paper packaging suppliers. Nonetheless, local e-commerce market is still in its infancy stage and most corrugated boxes are still used for industrial packing purposes.

Muda subsequently went on an expansion spree, incurring some RM600m in capex in the past eight years. While Muda's gross margins have held up relatively well, its net margin declined from 3.9% in FY2010 to 1.5% in FY2017, dragged down by higher interest expenses and depreciation charges (see chart 7).

Besides increased finance costs and depreciation expenses, rising wood pulp and paper prices are adding pressure on Muda's already thin margin. Although tight supply in the region and higher selling prices buoyed Muda's revenue in 1H17, gross margin saw a 3.7 percentage point contraction to 14.5% as the company did not fully pass through the hike in raw material costs.

As Malaysia is still a net importer of wood pulp and wastepaper, raw material costs of local paper mills are largely driven by global paper and pulp prices. Looking ahead, rising input costs are unlikely to ease in the near term amid the busy e-commerce season in 4Q coupled with low inventory level.

While Muda will raise its selling prices, we remain cautious on its earnings outlook given the difficulty in passing down costs to downstream players as well as higher depreciation charges and interest costs arising from new corrugating production line.

Chart 6: Muda's earnings in a downtrend in FY10-FY17

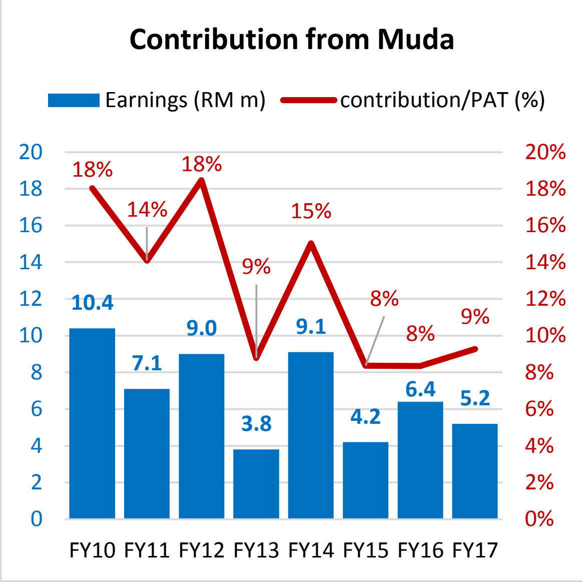


Chart 7: net PPE more than doubled in past 8 years

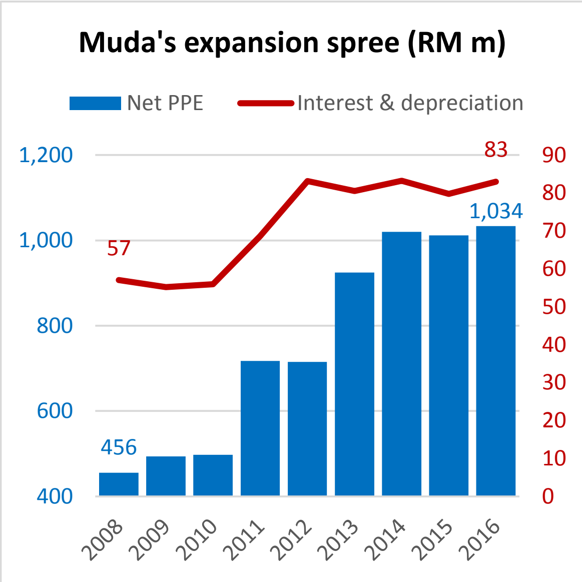


Chart 8: large Chinese paper mills are hiking prices

Expanding into disposable paper & plastic food packaging

Moving forward, Asia File plans to venture into the disposable food paper & plastic packaging business which the company identified as its second core business. The company has incurred RM10m to acquire state-of-the-art machinery and will spend another RM20m to expand its capacity in 2018.

Marketed under "ABBAWARE" brand, Asia File's foodware is 10% lighter and cheaper but more heavy duty compared to existing products in the market. As with its ABBA filing products, the company has patented its ABBAWARE product designs.

"We spent about a year to research the demand for disposable foodware and found the domestic market to be strong."

— executive chairman Datuk Lim Soon Huat

Though a newcomer to the disposable food packaging market, Asia File is already familiar with raw materials (paper, plastic and metal) used in production. Moreover, Asia File can produce both paper and plastic foodware and thus providing more comprehensive packaging solutions to clients.

We are positive on its expansion into the disposable food packaging business which will be its growth driver in the next five to seven years. Over the medium term, continued urbanisation and growing consumer preference towards on-the-go products and food delivery will fuel the demand for disposal food packaging.

SCGM's disposable plastic-based foodware

The only listed company that is already operating in disposable food packaging market is SCGM which makes foodware like bakery packaging trays, lunch boxes and polypropylene (PP) cups. Note that SCGM currently trades at a trailing P/E of 24 times vis-à-vis Asia File's 10.6 times, reflecting investors' high growth expectations towards the thermoform food packaging maker.

We understand that polystyrene container costing 9 sen each is significantly cheaper than other more environmentally friendly packaging materials like paper and plastic. However, the ban on polystyrene packaging in Selangor, Perak, Penang, Melaka, Johor and KL has spurred the demand for paper- and plastic-based food containers.

Management estimated that its RM30m investment could generate RM80-100m in revenue with a 10-20% PBT margin. Asia File plans to launch its ABBAWARE products in October/November and aims to achieve RM80-100m in disposable food packaging revenue in two years' time.

Given that Asia File is launching its ABBAWARE products in 3QFY18, we expect minimal contribution from the new business in FY2018. The disposable food packaging is estimated to contribute a PBT of RM4-8m in FY2019 and RM8-16m in FY2020.

Barring large swings in GBP and EUR against ringgit, we expect earnings from stationery products to remain flattish with downside bias as the stationery market in developed countries is in a secular decline. Due to its large stationery earnings base, net profit is projected to grow at an unexciting CAGR of 4-8% from FY2017 to FY2020.

Financial Analysis

Cash cow in a mature slow-growth industry
Asia File has established market share in a low-growth sector and still has capacity for additional 20% turnover without incurring major capex. The Penang-based firm, in our view, has become a cash cow generating some RM50-70m in free cash flow annually.

Despite paying out 40-60% of its earnings in dividends, Asia File's net cash has grown substantially, tripling from RM54.4m in FY2014 to RM168.4m in FY2017. Asia File is now sitting on a net cash position of RM161.8m, equivalent to 28% of its market cap — an all-time high since its listing in 1996 (see chart 10).

However, its large cash pile — coupled with lower operating margin and subdued returns on its investment in Muda — has dragged down its ROE in the past 20 years. As shown in Table 1, its ROE fell from 35% in FY1997 to 10% in FY2017, primarily due to the decrease of asset turnover from 1.03 times to 0.55 times.

Table 1: 3-step DuPont analysis decomposing ROE in past 20 years

Factors	FY97	FY02	FY07	FY12	FY17
Net Margin (%)	21.2	19.8	24.5	17.6	16.0
Asset Turnover (x)	1.03	0.72	0.67	0.62	0.55
Net Debt/Equity (%)	-3.4	-30.5	-34.7	-9.2	-30.2
ROE (%)	34.7	16.6	18.3	13.6	10.4

As at end-June, Asia File has total assets of RM663.9m versus trailing 12-moth revenue of RM350.8m and hence asset turnover is low. A closer look at its asset composition reveals that non-revenue generating assets like its cash piles and investment in Muda account for half of its assets (see chart 11).

We estimate that its ROE could easily double to 20% if the company disposed its stake in Muda and distributed excess cash back to shareholders. That said, we think that Asia File accumulated cash and invested in Muda for strategic reasons.

Operationally, Asia File is efficiently run with good cost controls (see table 2). However, we see limited margin expansion going forward as pricing power may be constrained by cheap imports from Asia-based manufacturers due to little trade barriers.

Table 2: Asia File is the most profitable local stationery player

	ASIAFLE	PELIKAN	UPA	CWG
Revenue (RM m)	350.8	1,296.2	138.3	100.7
Market Cap (RM m)	594.0	466.1	192.3	63.2
Gross margin (%)	39.6	53.1	15.1	12.2
Operating margin (%)	18.6	3.1	14.5*	9.8
Net margin (%)	16.0	0.0	39.4	6.4
Cash con. cycle (days)	184.4	110.5	293.9	175.9
Net gearing (%)	n. cash	97.4	n. cash	35.7
Asset turnover (x)	0.55	0.83	0.49	1.13
ROE (%)	10.1	0.0	24.4	14.4

**UPA's trailing operating margin adjusted for extraordinary items*

Chart 9: cash pile/market cap reached a high of 27%

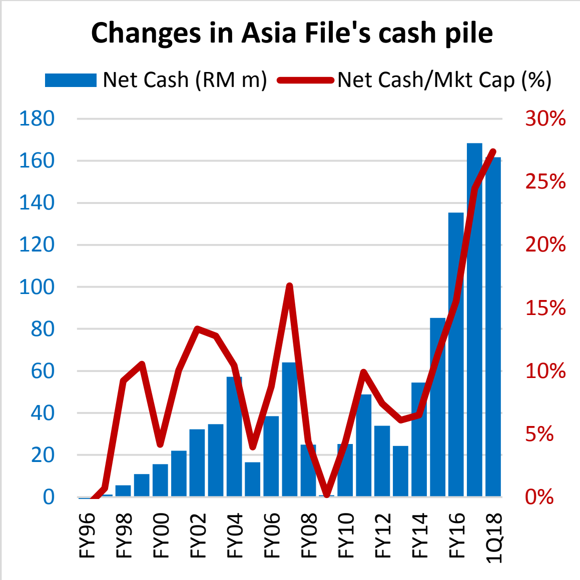


Chart 10: Cash and Muda account for half of its assets

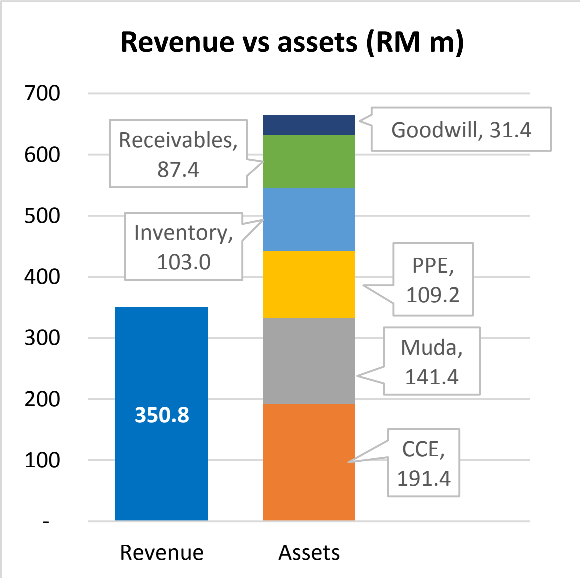
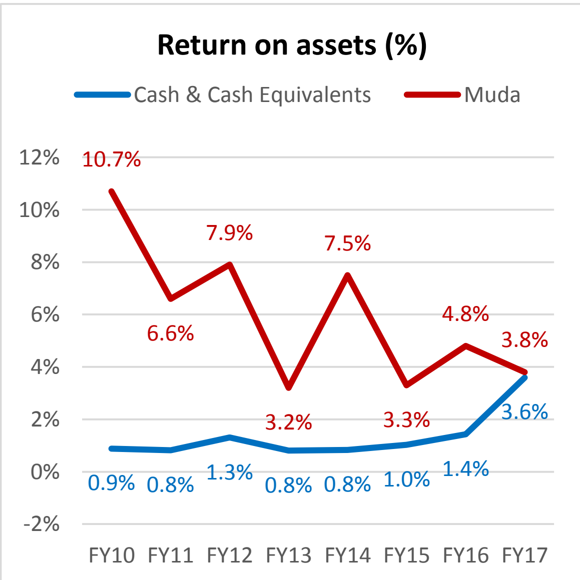


Chart 11: returns on cash and Muda are less than 5%



Management & Governance

Dato' Lim Soon Huat was appointed as the group's Chairman/CEO of Asia File in Jul 2001. His brothers, Lim Soon Wah (50) and Lim Soon Hee (54) served the Board as Non-Independent Executive Directors for more than 20 years.

Prestige Elegance (M) Sdn Bhd is the largest shareholder of Asia File with a shareholding of 43%, followed by Amanah Saham Bumiputera who holds some 22% stake. Prestige Elegance is owned by Dato' Lim with 50.01% interest, and his brothers also hold a collective 19.5% stake in the holding company.

Out of 6 members of Asia File's board of directors, 3 or half are independent and have more than 15 years of experience in the fields of accounting. At the senior management level, Goh Phaik Ngoh is the chief financial officer of Asia File since 1994.

Valuation & Recommendation

Asia File's share price has declined 15% YTD, as FY17 earnings declined 27% to RM55.9m arising from a 10% weakening of GBP against ringgit. Although GBP/MYR has somewhat stabilised, Asia File shares are under selling pressures by its second largest shareholder Skim Amanah Saham Bumiputera.

While the PNB-managed fund has disposed some 2% of its equity interest in Asia File in the open market in the past one year, it still owns some 21% stake in Asia File. We think the selling pressures are unlikely to abate in the near term.

We are positive on Asia File's expansion into disposable paper & plastic food packaging market over the medium term. In the near term, however, we expect profit from the new business to be minimal in FY18 and it would take two years to see meaningful earnings contribution to its bottom line.

That said, net profit is projected to grow at an unexciting CAGR of 4-8% from FY2017 to FY2020, due to its large stationery earnings base. Outlook for its core stationery business remains challenging and we estimate stationery earnings in FY2019-FY2020 to be stagnant with a slight downside risk.

The stock currently trades at a trailing P/E of 10.3 times. Excluding net cash and its 20% stake in Muda, its ex-cash ex-Muda P/E stands at mere 7 times, reflecting the market's slow-growth expectations of the company.

GBP has strengthened against ringgit for about 1.9% YTD and Asia File is a beneficiary of stronger GBP. However, we opine that the uncertainty arising from the 2-year Brexit negotiations may dampen GBP performance.

Given the lack of share price catalysts in the near term, we initiate coverage with a **HOLD** call. Nonetheless, we would like to highlight that Asia File share price has fallen to its 52-week low and is trading at an attractive 5.4% dividend yield.

SWOT Analysis
Strengths
1. Established "ABBA" brand and market share 2. Cost efficient with high gross and net margins 3. Clean balance sheet with strong cash flows
Weaknesses
1. Stagnant growth in developed markets 2. Declining ROE from subdued returns on assets
Opportunities
1. Expanding into disposable food packaging 2. M&A opportunities in Europe & USA 3. Stronger or stable GBP & EUR versus MYR
Threats
1. Digitalisation reducing stationery demand 2. Low-priced imports from Asia-based makers 3. Weakening or volatile GBP & EUR versus MYR 4. Rising raw material prices not passed through

Calculation of Asia File's ex-cash ex-Muda P/E

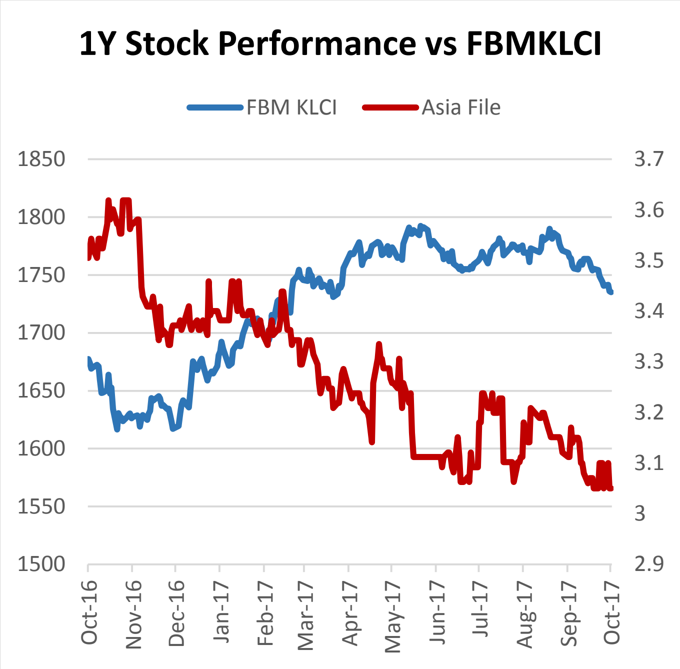
Asia File's Mkt Cap (A)	RM 594.0m
Net cash (B)	RM 161.8m
20% Muda stake @ MV (C)	RM 89.7m
A – B - C	RM 342.5m
PATMI exc. Muda's P&L	RM 51.1m
Ex-cash ex-Muda TTM P/E	6.7 times

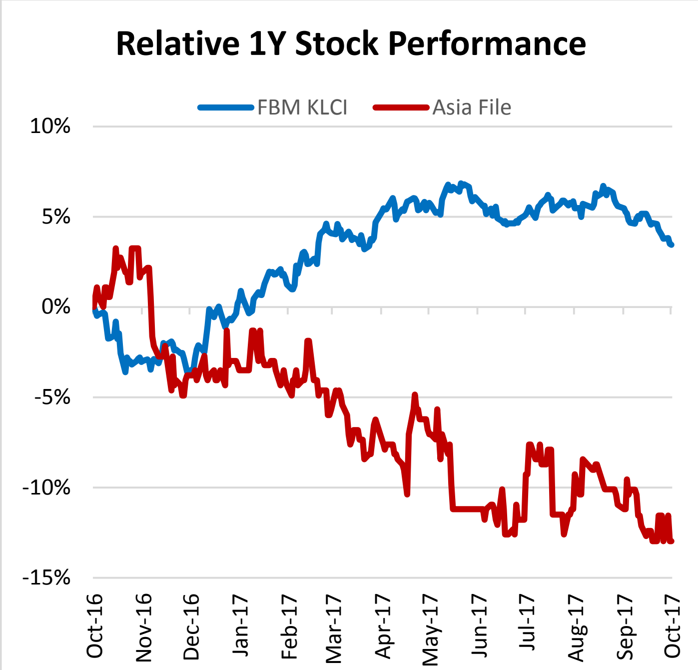
Financial Summary

FYE Dec 31 (RM m)	2015A	2016A	2017A	2018E	2019E
Income Statement					
Revenue	387.4	389.9	350.3	351.8	383.5
Gross profit	147.1	159.5	138.5	147.7	152.2
EBIT	64.0	96.9	64.7	73.4	76.8
Core PBT	64.6	98.5	70.8	73.1	76.4
Non-recurring items					
PBT	64.6	98.5	70.8	73.1	76.4
Tax	(14.4)	(21.9)	(14.8)	(15.4)	(16.1)
PATMI	50.2	76.5	55.9	57.6	60.2
Basic EPS (sen)	26.4	40.0	28.9	29.7	31.1
Diluted EPS (sen)	26.4	40.0	28.9	29.7	31.1
Balance Sheet					
FYE Dec 31 (RM m)					
CCE	116.1	75.6	72.4	93.8	112.5
PPE	104.4	100.6	102.5	112.2	106.0
Others	344.1	452.7	475.7	471.5	492.4
Total assets	564.7	628.9	650.6	677.6	710.9
ST borrowings	27.8	28.4	29.2	29.2	29.2
LT borrowings	3.0	0.0	0.0	0.0	0.0
Others	71.4	78.6	63.5	64.6	70.8
Total liabilities	102.3	107.1	92.7	93.8	100.0
Shareholders' equity	462.3	521.6	557.5	583.5	610.6
MI	0.1	0.2	0.4	0.4	0.4
Total equity	462.4	521.8	557.9	583.8	610.9
Cash flow statement					
FYE Dec 31 (RM m)					
CFO	53.9	72.7	65.2	71.6	55.3
Net Capex	(7.2)	(2.8)	(9.8)	(20.0)	(5.0)
FCF	46.7	69.9	55.4	51.6	50.3
CFI	(4.4)	(86.4)	(38.0)	(18.2)	(3.2)
Debt raised/(repaid)	7.7	(2.9)	0.7	0.0	0.0
Equity raised/(repaid	6.7	2.6	4.7	0.0	0.0
Dividends paid	(26.5)	(28.6)	(36.5)	(31.7)	(33.1)
CFF	(10.1)	(29.1)	(31.4)	(32.0)	(33.4)
Changes in CCE	39.4	(42.8)	(4.2)	21.4	18.7

Key ratios	2015A	2016A	2017A	2018E	2019E
Growth (%)					
Revenue	5.9	0.6	(10.1)	0.4	9.0
EBITDA	(13.4)	64.3	(37.5)	16.4	4.5
EBIT	(16.2)	51.4	(33.2)	13.4	4.5
Core PBT	(15.6)	52.5	(28.1)	3.2	4.6
PATMI	(17.1)	52.5	(26.9)	3.0	4.6
Tax rate	22.3	22.2	20.9	21.0	21.0
Basic EPS	(49.2)	51.4	(27.8)	3.0	4.6
Diluted EPS	(49.2)	51.4	(27.8)	3.0	4.6
Profitability (%)					
Gross margin	38.0	40.9	39.5	42.0	39.7
EBIT margin	16.5	24.8	18.5	20.9	20.0
Core PBT margin	16.7	25.3	20.2	20.8	19.9
Net Margin	13.0	19.6	16.0	16.4	15.7
ROA	9.1	12.8	8.7	8.7	8.7
ROE	11.2	15.6	10.4	10.1	10.1
Asset turnover (x)	0.70	0.65	0.55	0.53	0.55
Liquidity					
Current ratio (x)	3.3	3.7	4.5	4.5	4.7
Quick ratio (x)	2.1	2.6	3.2	3.4	3.5
Capital Structure					
Net debt (RM m)	(85.3)	(135.3)	(168.4)	(189.8)	(208.5)
Net gearing (%)	n.cash	n.cash	n.cash	n.cash	n.cash
Interest cover (x)	99.0	57.5	10.6	-233.9	-242.4
Valuations					
P/E (x)	14.7	13.1	12.1	10.5	10.0
DPS (sen)	15.0	16.0	16.0	16.0	16.0
FCF yield (%)	6.3	7.0	8.2	8.5	8.3
Dvd yield (%)	3.9	3.0	4.6	5.1	5.1
NTA/share (RM)	2.43	2.73	2.88	3.01	3.15
P/B (x)	1.6	1.9	1.2	1.0	1.0
EV (RM m)	654.1	869.1	510.1	413.9	395.3
EV/EBITDA (x)	13.5	10.9	10.3	7.2	6.5

Price Performance





Fundamental and Valuation Scores

Explanatory Notes

Valuation Score

The score is a snapshot of the stock's attractiveness in terms of valuations calculated based on historical numbers. The score ranges from 0-3. A Valuation Score of 0 means valuations are not attractive and a score of 3 means valuations are attractive. The relative weights of the score are customisable by the user according to his preference.

Fundamental Score

The score is a snapshot of the company's profitability and balance sheet strength derived from historical numbers. The score ranges from 0-3. A score of 0 means weak fundamentals and a score of 3 means strong fundamentals. The relative weights of the score are customisable by the user according to his preference.

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