

# ChinaSoft Int'l (354 HK)

**Yuji Fung**

+852 2135 0236

yuji.fung@oriental-patron.com.hk

## Company Update

**BUY**

UNCHANGED

Close price: HK\$4.15

Target Price: HK\$6.20 (+49%)

Prior TP: HK\$6.67

### Key Data

HKEx code		354
12 Months High (HK\$)		4.80
12 Month Low (HK\$)		2.87
3M Avg Dail Vol. (mn)		15.42
Issue Share (mn)		2,402.27
Market Cap (HK\$mn)		9,969.44
Fiscal Year		12/2016
Major shareholder (s)	Dr. Chen Yu Hong	(11.01%)

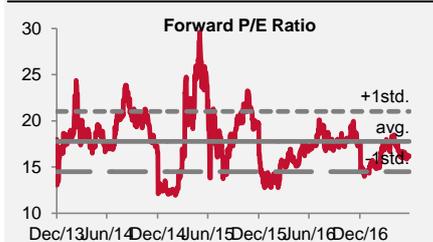
Source: Company data, Bloomberg, OP Research  
Closing price are as of 28/06/2017

### Price Chart



	1mth	3mth	6mth
Absolute %	-2.8	-4.1	14.3
Rel. MSCI CHINA %	-4.5	-14.3	-11.3

### PE



### Company Profile

ChinaSoft is a global leading IT outsourcing and solution service company

## 1H17E result preview

- We expect Chinasoft (CSI) to release a solid set of 1H17E results with sales up 20.7% yoy to RMB3.48bn and net profit up 1.8% yoy to RMB240mn, thanks to strong sales growth for key customers.
- We fine-tuned our FY17/18E earnings estimate -13.9%/+0.6% to RMB507mn/RMB710mn, mainly reflecting higher share option expenses.
- Maintain BUY with TP revised down to HK\$6.20 from HK\$6.67 based on rolled forward 20x FY18E PE, at par to its peers (from previous 25x FY17E).

**We expect solid set of 1H17E results.** We expect Chinasoft (CSI) to release a solid set of 1H17E results with sales up 20.7% yoy to RMB3.48bn, mainly driven by stable business growth from Huawei, 60-70% yoy growth from HSBC orders, 30% yoy sales growth from Tencent for the full year. Besides, JointForce platform is gradually ramping up and changing from a project-based business model to a membership fee model. We are confident CSI is able to double JointForce's full year contribution to the company from RMB100mn to RMB200mn in FY17E, of which we expect 25% of JointForce sales to be generated from the new membership fee model which essentially enjoys 90%+ GPM. We expect the GPM improvement to be contributed by JointForce will likely kick off from FY19E onwards, hence we see stable GPM for CSI in FY17/18E. We estimate 1H17E net profit to up 1.8% yoy to RMB240mn as we see higher share option expense.

**Fine-tuned our FY17/18E earnings estimate by -13.9%/+0.6% to RMB507mn/RMB710mn.** We revised up our FY17/18E revenue estimate by 1.1%/5.9% to RMB8.1bn/RMB9.7bn given strong demand from Huawei, HSBC and Tencent. We revised down our FY17/18E GPM by 0.9ppt/1.3ppt to 29.9%/30.1% given limited GPM improvement from JointForce in near term. We also revised up our opex by 5.1%/7.5% to reflect higher one-off share option expense booked in FY17E and higher number of labor as CSI has increased its labour force from 47k to 50k+ to support the strong sales growth. As a result, we revised down our FY17/18E earnings estimate to RMB507mn/RMB710mn.

**Maintain BUY.** We maintain our BUY rating on CSI with TP revised down to HK\$6.20 from HK\$6.67 based on rolled forward 20x FY18E PE, at par to its peers (from 25x FY17E PE) given 1) strong order backlog from its core customers; 2) JointForce ramp up on track and the new membership fee model is likely to significantly improve its GPM once scale up; 3) undemanding valuation as CSI currently trades at 13.7x FY18E PE with 20% 3 years EPS CAGR versus its peers 18x with peers average 15% 3 years EPS CAGR.

**Risks:** (1) slower than expected TPG and ITG revenue growth; (2) higher than expected staff costs

### Exhibit 1: Forecast and Valuation

Year to Dec (RMB mn)	FY15A	FY16A	FY17E	FY18E	FY19E
Revenue	5,129	6,783	8,098	9,676	11,330
Growth (%)	16	32	19	19	17
Adj. Net Profit	238	448	507	710	893
Growth (%)	26	88	13	40	26
Diluted Adj EPS (HK\$)	0.135	0.224	0.221	0.309	0.388
Adj EPS growth (%)	27	66	(1)	40	26
Change to previous EPS (%)			(17)	(3)	
Consensus EPS (HK\$)			0.275	0.349	0.436
ROE (%)	8.3	11.9	11.0	13.5	14.8
P/E (x)	31.4	18.8	19.1	13.7	10.9
P/B (x)	2.2	1.9	1.7	1.5	1.3
Yield (%)	0.0	0.3	0.3	0.5	0.6
DPS (HK\$)	0.000	0.014	0.014	0.020	0.025

Source: Bloomberg, OP Research

**Exhibit 2: Earnings revision**

(RMB mn)	FY17E			FY18E		OP Comments
	New	Old	% Chg	New	Old	
<b>Revenue</b>	<b>8,098</b>	<b>8,010</b>	<b>1.1</b>	<b>9,676</b>	<b>9,140</b>	<b>5.9</b> Mainly reflect strong order from Huawei and HSBC
Gross profit	2,420	2,468	(2.0)	2,915	2,869	1.6
Gross margin	29.9%	30.8%	(0.9)	30.1%	31.4%	(1.3) Mainly reflect limited contribution from JointForce
Opex	(1,807)	(1,719)	5.1	(2,077)	(1,932)	7.5 Mainly reflect increased share option expenses
EBIT	637	773	(17.6)	863	962	(10.3)
EBIT Margin	7.9%	9.7%	(1.8)	8.9%	10.5%	(1.6)
Adj. Net Profit	507	589	(13.9)	710	706	0.6
Diluted EPS (HK\$)	0.221	0.267	(17.3)	0.309	0.320	(3.4) Mainly reflect change of OP internal exchange rate assumption

Source: OP Research

**Exhibit 3: Results Summary**

(RMB mn)	1H16	2H16	1H17E	1H17E YoYOP Comments
<b>Revenue</b>				We expect solid revenue growth in 1H17, thanks to stable growth from Huawei and Tencent and robust growth from HSBC which accounting for ~5% sales
	<b>2,885</b>	<b>3,898</b>	<b>3,482</b>	<b>20.7%</b>
COGS	(2,082)	(2,685)	(2,498)	20.0%
<b>Gross profit</b>	<b>803</b>	<b>1,213</b>	<b>984</b>	<b>22.6%</b>
Other income & gains	48	(4)	11	-77.8%
Selling exp	(112)	(107)	(116)	3.4%
Admin exp	(391)	(416)	(524)	34.3%
				Mainly due to increased share option expenses
R&D	0	(345)	0	n.a.
Other opex	(53)	(35)	(51)	-3.5%
Finance costs	(39)	(57)	(35)	-10.3%
Profit after financing costs	256	249	268	4.7%
Associated cos	10	(10)	15	52.1%
Provision for other items	0	20	0	n.a.
Pre-tax profit	266	258	283	6.5%
Tax	(48)	(67)	(42)	-11.7%
Minority interests	18	15	(1)	-106.1%
<b>Adj. Net profit</b>	<b>236</b>	<b>212</b>	<b>240</b>	<b>1.8%</b>
<b>Reported Net profit</b>	<b>236</b>	<b>206</b>	<b>240</b>	<b>1.8%</b>
<b>Key ratios</b>				
GPM	27.8%	31.1%	28.3%	
S&G / sales	3.9%	2.7%	3.3%	
Admin / sales	13.5%	10.7%	15.1%	
EIT	17.9%	26.0%	14.8%	
Adj. net margin	8.2%	5.4%	6.9%	
<b>HoH%</b>				
Revenue	5%	35%	-11%	
Gross profit	-5%	51%	-19%	
Adj. Net profit	136%	-10%	14%	
<b>YoY%</b>				
Revenue	21%	42%	21%	
Gross profit	19%	43%	23%	
Adj. Net profit	72%	111%	2%	

Source: Company, OP Research

## Financial Summary

Year to Dec	FY15A	FY16A	FY17E	FY18E	FY19E
<b>Income Statement (RMB mn)</b>					
TPG	3,579	5,414	6,496	7,796	9,199
ITG	1,253	1,160	1,392	1,671	1,921
Sales of hardware	297	210	210	210	210
<b>Turnover</b>	<b>5,129</b>	<b>6,783</b>	<b>8,098</b>	<b>9,676</b>	<b>11,330</b>
YoY%	16	32	19	19	17
COGS	(3,606)	(4,768)	(5,678)	(6,761)	(7,873)
<b>Gross profit</b>	<b>1,523</b>	<b>2,016</b>	<b>2,420</b>	<b>2,915</b>	<b>3,457</b>
Gross margin	29.7%	29.7%	29.9%	30.1%	30.5%
Other income	29	44	24	25	26
Selling & distribution	(179)	(219)	(270)	(324)	(379)
Admin	(627)	(807)	(1,049)	(1,189)	(1,372)
R&D	(195)	(345)	(375)	(449)	(525)
Other opex	(92)	(88)	(113)	(116)	(136)
<b>Total opex</b>	<b>(1,093)</b>	<b>(1,459)</b>	<b>(1,807)</b>	<b>(2,077)</b>	<b>(2,413)</b>
<b>Operating profit (EBIT)</b>	<b>459</b>	<b>601</b>	<b>637</b>	<b>863</b>	<b>1,070</b>
Operating margin	8.9%	8.9%	7.9%	8.9%	9.4%
Provisions	54	20	0	0	0
Finance costs	(93)	(96)	(78)	(76)	(75)
Profit after financing costs	420	525	559	786	995
Associated companies & JVs	0	0	34	45	51
Pre-tax profit	420	525	593	831	1,046
Tax	(87)	(115)	(84)	(118)	(149)
Minority interests	(53)	32	(2)	(3)	(4)
<b>Adj. Net profit</b>	<b>238</b>	<b>448</b>	<b>507</b>	<b>710</b>	<b>893</b>
YoY%	26	88	13	40	26
Net margin	4.6%	6.6%	6.3%	7.3%	7.9%
<b>Reported Net profit</b>	<b>280</b>	<b>442</b>	<b>507</b>	<b>710</b>	<b>893</b>
<b>EBITDA</b>	<b>598</b>	<b>740</b>	<b>751</b>	<b>977</b>	<b>1,181</b>
EBITDA margin	11.7%	10.9%	9.3%	10.1%	10.4%
<b>EPS (RMB)</b>	<b>0.112</b>	<b>0.187</b>	<b>0.184</b>	<b>0.257</b>	<b>0.324</b>
YoY%	27	66	(1)	40	26
DPS (HK\$)	0.000	0.014	0.014	0.020	0.025
<b>Cash Flow (RMB mn)</b>					
EBITDA	598	740	751	977	1,181
Chg in working cap	(520)	(418)	(148)	(224)	(240)
Others	223	44	0	0	0
<b>Operating cash</b>	<b>302</b>	<b>366</b>	<b>603</b>	<b>754</b>	<b>942</b>
Tax	(42)	(74)	(130)	(84)	(118)
<b>Net cash from operations</b>	<b>260</b>	<b>292</b>	<b>472</b>	<b>670</b>	<b>824</b>
Capex	(272)	(304)	(202)	(242)	(283)
Investments	(77)	(48)	(42)	(51)	(59)
Dividends received	2	2	0	0	0
Sales of assets	23	70	0	0	0
Interests received	4	5	5	6	7
Others	(5)	24	0	0	0
<b>Investing cash</b>	<b>(326)</b>	<b>(251)</b>	<b>(239)</b>	<b>(286)</b>	<b>(335)</b>
<b>FCF</b>	<b>(66)</b>	<b>41</b>	<b>233</b>	<b>384</b>	<b>489</b>
Issue of shares	326	716	133	0	0
Buy-back	0	0	0	0	0
Minority interests	28	(202)	0	0	0
Dividends paid	0	0	(23)	(28)	(40)
Net change in bank loans	242	(444)	0	0	0
Interests paid	(83)	(88)	(86)	(86)	(86)
Others	5	3	0	0	0
<b>Financing cash</b>	<b>518</b>	<b>(14)</b>	<b>24</b>	<b>(114)</b>	<b>(126)</b>
<b>Net change in cash</b>	<b>451</b>	<b>27</b>	<b>257</b>	<b>270</b>	<b>363</b>
Exchange rate or other Adj	3	6	0	0	0
Opening cash	811	1,266	1,299	1,556	1,825
<b>Closing cash</b>	<b>1,266</b>	<b>1,299</b>	<b>1,556</b>	<b>1,825</b>	<b>2,188</b>
<b>CFPS (HK\$)</b>	<b>0.147</b>	<b>0.146</b>	<b>0.205</b>	<b>0.291</b>	<b>0.358</b>

Source: Company, OP Research

Year to Dec	FY15A	FY16A	FY17E	FY18E	FY19E
<b>Ratios</b>					
Gross margin (%)	29.7	29.7	29.9	30.1	30.5
Operating margin (%)	8.9	8.9	7.9	8.9	9.4
Adj. Net margin (%)	4.6	6.6	6.3	7.3	7.9
Selling & dist'n exp/Sales (%)	3.5	3.2	3.3	3.3	3.3
Admin exp/Sales (%)	12.2	11.9	13.0	12.3	12.1
R&D exp/Sales (%)	3.8	5.1	4.6	4.6	4.6
Payout ratio (%)	0.0	6.4	6.4	6.4	6.4
Effective tax (%)	20.7	21.9	15.0	15.0	15.0
Total debt/equity (%)	53.1	32.8	28.5	25.0	21.7
Net debt/equity (%)	14.1	2.4	Net cash	Net cash	Net cash
Current ratio (x)	1.71	2.02	2.13	2.17	2.24
Quick ratio (x)	1.70	2.01	2.13	2.16	2.23
Inventory T/O (days)	3	2	2	2	2
AR T/O (days)	102	114	114	114	114
AP T/O (days)	95	92	92	92	92
Cash conversion cycle (days)	10	23	23	23	23
Asset turnover (x)	0.88	1.00	1.06	1.13	1.17
Financial leverage (x)	2.04	1.81	1.67	1.63	1.60
EBIT margin (%)	8.9	8.9	7.9	8.9	9.4
Interest burden (x)	0.92	0.87	0.93	0.96	0.98
Tax burden (x)	0.57	0.85	0.85	0.85	0.85
<b>Return on equity (%)</b>	<b>8.3</b>	<b>11.9</b>	<b>11.0</b>	<b>13.5</b>	<b>14.8</b>
<b>ROIC (%)</b>	<b>9.5</b>	<b>11.1</b>	<b>11.7</b>	<b>14.6</b>	<b>16.6</b>
<b>Balance Sheet (RMB mn)</b>					
Fixed assets	538	820	973	1,162	1,391
Intangible assets & goodwill	1,279	1,240	1,220	1,211	1,217
Associated companies & JVs	79	104	138	183	234
Long-term investments	0	0	0	0	0
Other non-current assets	107	138	138	138	138
<b>Non-current assets</b>	<b>2,002</b>	<b>2,302</b>	<b>2,469</b>	<b>2,695</b>	<b>2,981</b>
Inventories	30	21	25	30	35
AR	1,438	2,116	2,526	3,018	3,534
Prepayments & deposits	1	1	1	1	1
Other current assets	1,611	1,491	1,491	1,491	1,491
Cash	1,266	1,299	1,556	1,825	2,188
<b>Current assets</b>	<b>4,346</b>	<b>4,927</b>	<b>5,598</b>	<b>6,365</b>	<b>7,249</b>
AP	940	1,204	1,434	1,707	1,988
Tax	87	130	84	118	149
Accruals & other payables	2	1	1	1	1
Bank loans & leases	1,297	922	922	922	922
CB & othe debts	124	38	38	38	38
Other current liabilities	88	143	143	143	143
<b>Current liabilities</b>	<b>2,539</b>	<b>2,439</b>	<b>2,622</b>	<b>2,930</b>	<b>3,242</b>
Bank loans & leases	263	194	194	194	194
CB & othe debts	39	244	244	244	244
Deferred tax & others	21	19	19	19	19
MI	239	68	71	74	78
<b>Non-current liabilities</b>	<b>562</b>	<b>526</b>	<b>529</b>	<b>532</b>	<b>536</b>
<b>Total net assets</b>	<b>3,247</b>	<b>4,264</b>	<b>4,917</b>	<b>5,598</b>	<b>6,451</b>
<b>Shareholder's equity</b>	<b>3,247</b>	<b>4,264</b>	<b>4,917</b>	<b>5,598</b>	<b>6,451</b>
Share capital	96	106	106	106	106
Reserves	3,152	4,158	4,811	5,492	6,345
<b>BVPS (HK\$)</b>	<b>1.89</b>	<b>2.21</b>	<b>2.46</b>	<b>2.80</b>	<b>3.22</b>
Total debts	1,724	1,399	1,399	1,399	1,399
Net cash/(debts)	(458)	(100)	157	426	789

**Exhibit 4: Peer Group Comparison**

Company	Ticker	Price (US\$m)	Mkt cap (US\$m)	3-mth avg t/o (x)	PER			EPS		3-Yr EPS Cagr (%)	PEG (x)	Div yld		P/B		EV/ Ebitda		Net gearing margin		Gross margin		Net margin		Sh px 3-mth %
					Hist (x)	PER FY1 (x)	PER FY2 (x)	YoY%	YoY%			Hist (%)	FY1 (%)	Hist (%)	FY1 (%)	Hist (%)	Cur Yr (%)	Hist (%)	Hist (%)	Hist (%)	ROE (%)	ROE FY1 (%)	1-mth %	
Chinasoft Intl	354 HK	4.15	1,278	8.7	18.8	19.1	13.7	(1.5)	39.9	20.1	0.95	0.3	0.3	1.91	1.72	13.3	13.3	2.4	29.7	6.5	11.9	11.0	(3.0)	(4.8)
HSI		25,683.50			13.8	12.4	11.4	11.2	8.9	9.8	1.27	3.3	3.4	1.29	1.24						9.4	10.0	0.2	5.5
HSCEI		10,408.19			8.6	8.3	7.7	3.3	8.6	7.2	1.15	3.4	3.6	1.01	0.94						11.8	11.3	(1.6)	(0.2)
CSI300		3,646.17			16.0	14.1	12.6	13.5	12.4	9.9	1.43	1.9	2.0	1.91	1.74						11.9	12.3	4.8	5.1
<b>Adjusted sector avg*</b>					<b>20.1</b>	<b>22.5</b>	<b>19.4</b>	<b>7.8</b>	<b>19.1</b>	<b>11.8</b>	<b>2.48</b>	<b>1.2</b>	<b>1.1</b>	<b>3.56</b>	<b>3.30</b>	<b>12.1</b>	<b>11.3</b>	<b>0.0</b>	<b>33.9</b>	<b>18.3</b>	<b>18.2</b>	<b>16.6</b>	<b>(2.2)</b>	<b>(0.3)</b>
Infosys Ltd	INFO IN	924.50	32,865	56.2	14.7	14.4	13.1	2.1	9.8	6.5	2.22	2.8	3.4	3.06	2.94	9.7	9.3	0.0	36.8	21.0	22.0	20.7	(7.2)	(10.7)
Tata Consultancy	TCS IN	2,350.30	71,673	49.1	17.6	17.0	15.6	3.6	9.1	7.4	2.31	2.0	2.5	5.24	4.98	12.9	12.3	0.0	N/A	22.3	33.0	30.0	(8.8)	(3.3)
Cognizant Tech-A	CTSH US	66.53	39,186	262.2	26.0	18.1	15.4	43.5	17.5	24.8	0.73	0.2	0.8	4.05	3.60	13.5	11.0	0.0	39.9	11.5	17.0	19.3	(0.4)	12.7
Wipro Ltd-Adr	WIT US	5.10	24,815	8.2	N/A	15.8	19.4	N/A	(18.5)	N/A	N/A	0.4	1.5	N/A	N/A	12.4	12.4	0.0	28.9	15.4	17.3	16.3	(6.1)	(0.4)
Travelsky Tech-H	696 HK	22.90	8,587	11.7	24.0	23.2	20.5	3.6	13.4	9.5	2.45	0.8	1.2	4.24	3.73	20.0	16.8	0.0	N/A	38.9	18.9	16.9	0.9	26.2
Kingdee Intl Sft	268 HK	3.18	1,187	6.1	27.8	32.2	25.0	(13.8)	29.1	10.9	2.97	N/A	0.2	2.35	2.22	12.2	11.2	0.0	81.3	15.5	8.6	6.7	0.6	(2.2)
Neusoft Corp-A	600718 CH	15.38	2,812	47.9	10.2	36.7	27.0	(72.3)	36.0	(27.2)	N/A	0.6	0.7	2.43	2.32			0.0	30.0	24.1	25.3	6.2	5.7	(24.2)

\* Outliers and "N/A" entries are in red and excl. from the calculation of averages

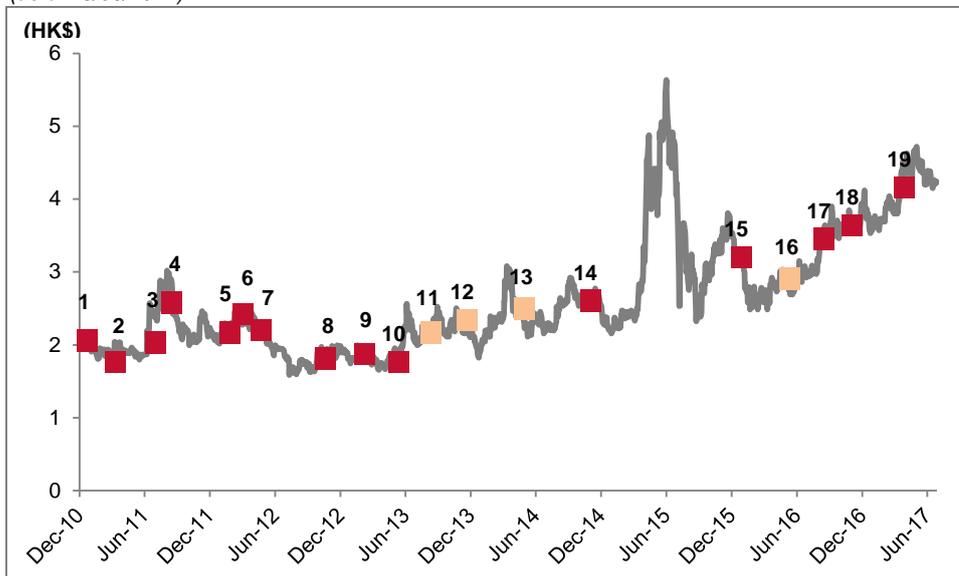
Source: Bloomberg, OP Research

## Our recent reports

Date	Company / Sector	Stock Code	Title	Rating	Analyst
13/06/2017	Q Tech	1478	Product mix continues to improve in May	BUY	Yuji Fung
12/06/2017	CH Display OPT	334	Promising prospects from share deal	BUY	Yuji Fung
12/06/2017	Sunny Optical	2382	Momentum in May pushes shipment	BUY	Yuji Fung
31/05/2017	Truly Intl	732	1Q17 results up to expectations	BUY	Yuji Fung
26/05/2017	C Cheng	1486	Le Mariage	BUY	Bruce Yeung
11/05/2017	Q Tech	1478	CCM shipment growth accelerated in April	BUY	Chloe Liu/Yuji Fung
11/05/2017	China Securities Sector	-	1Q17 review looking rosy	BUY	Bruce Yeung/Daisy Wang
10/05/2017	Sunny Optical	2382	Strong growth in April HLS shipments	BUY	Chloe Liu/Yuji Fung
09/05/2017	Kingdom Holdings	528	Heilongjiang plant kicks off in 3Q17E	HOLD	Bruce Yeung
08/05/2017	HNA Holding	521	Transforming story for OBOR	NR	Bruce Yeung/Daisy Wang
08/05/2017	Truly Intl	732	April sales in line	BUY	Chloe Liu/Yuji Fung
28/04/2017	TCL Multimedia	1070	Solid 1Q17 results	BUY	Chloe Liu/Yuji Fung
27/04/2017	China Securities Sector	-	Geared for 2017	BUY	Bruce Yeung/Daisy Wang
12/04/2017	Chunli Medical	1858	Transition on the way	BUY	Chloe Liu/Yuji Fung
11/04/2017	Sunny Optical	2382	Robust growth continues in Mar17	HOLD	Chloe Liu/Yuji Fung
11/04/2017	Q Tech	1478	1Q17 shipments beat on product mix upgrade	BUY	Chloe Liu/Yuji Fung
11/04/2017	CH Display OPT	334	Strong Mar17 sales	BUY	Chloe Liu/Yuji Fung
03/04/2017	Sinosoft Tech	1297	Solid FY16 results	BUY	Chloe Liu/Yuji Fung
29/03/2017	Chinasoft Intl	354	Solid FY16 results on rising sales	BUY	Chloe Liu/Yuji Fung
27/03/2017	Lifetech SCI	1302	FY16 results inline	BUY	Chloe Liu/Yuji Fung
24/03/2017	Harmonicare	1509	FY16 bottom line inline	BUY	Chloe Liu/Yuji Fung
22/03/2017	Tongda	698	FY16 results trump forecast	BUY	Chloe Liu/Yuji Fung
22/03/2017	Ju Teng Intl	3336	FY16 results in line with consensus	BUY	Chloe Liu/Yuji Fung
22/03/2017	TCL Multimedia	1070	FY16 results dented by one-off cost	BUY	Chloe Liu/Yuji Fung
22/03/2017	CH Display OPT	334	FY16 results beat	BUY	Chloe Liu/Yuji Fung
20/03/2017	Kingdee Intl	268	Solid set of FY16 results	BUY	Chloe Liu/Yuji Fung
20/03/2017	Truly Intl	732	FY16 miss on GPM and associate	BUY	Chloe Liu/Yuji Fung

## Historical recommendations and target price: Chinasoft Intl (354 HK)

(as of 28/06/2017)



1	17 Dec 2010	BUY, Target price HK\$3.40	11	12 Aug 2013	BUY -> HOLD, Target price change HK\$2.20
2	30 Mar 2011	BUY, Target price change HK\$3.60	12	20 Aug 2013	HOLD, Target price change HK\$1.90
3	08 Jun 2011	BUY, Target price change HK\$3.40	13	28 Mar 2014	HOLD, Target price change HK\$2.70
4	09 Aug 2011	BUY, Target price change HK\$3.85	14	02 Sep 2014	HOLD -> BUY, Target price change HK\$3.40
5	13 Jan 2012	BUY, Target price change HK\$3.42	15	20 Aug 2015	BUY, Target price change HK\$3.3
6	31 Jan 2012	BUY, Target price change HK\$3.95	16	24 Mar 2016	BUY -> HOLD, Target price change HK\$3.04
7	28 Mar 2012	BUY, Target price change HK\$3.86	17	04 Aug 2016	HOLD -> BUY, Target price change HK\$4.50
8	29 Aug 2012	BUY, Target price change HK\$2.10	18	24 Aug 2016	BUY, Target price change HK\$5.8
9	17 Jan 2013	BUY, Target price change HK\$2.30	19	29 Mar 2016	BUY, Target price change HK\$6.67
10	09 Apr 2013	BUY, Target price change HK\$2.20			

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<b>Hold (H)</b>	We expect this stock to perform in line with the relevant benchmark over the next 12 months.
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**CONTACT**

27/F, Two Exchange Square,

8 Connaught Place, Central, Hong Kong

[www.oriental-patron.com.hk](http://www.oriental-patron.com.hk)[yuji.fung@oriental-patron.com.hk](mailto:yuji.fung@oriental-patron.com.hk)

Tel: (852) 2135 0236

Fax: (852) 2135 0295