

Tongda (698 HK)

1H22 GPM beat; VR/AR/Auto to drive LT growth

Tongda 1H22 revenue/net profit were down 17%/39% YoY but beat our estimate/consensus by 5%/38%. GPM improved 3.1ppts YoY to 18.1% on postponed shipment of high-margin products to 1H22, RMB depreciation and improved operating efficiency. Looking ahead, while Android market remains challenging, mgmt. remains positive on new iPhone driving order wins and market share gain in 2H22E. In addition, we are also optimistic about AR/VR and auto business to emerge as new growth drivers in FY23-24E. We revised down our FY22-24E EPS by 25-43% to reflect Android weakness, and maintain BUY with new TP of HK\$0.22, based on same 5x FY23E. Upcoming catalysts include Meta/Apple's AR/VR product launches.

- **1H22 results beat with better GPM.** Tongda 1H22 revenue/net profit came in at HK\$ 4.3bn/33mn, down 17%/39% YoY but above our estimate/consensus by 5%/38%. By segment: 1) handset casings and high-precision components (67% of sales) was down 22.2% YoY due to smartphone weakness; 2) household and sports goods (15.8% of sales) was up 14.6% YoY thanks to increasing orders from major international brands; 3) network comm. (11.9% of sales) was flattish at -4% YoY as auto's strong growth was offset by weak demand for network comm. products; 4) electrical appliances reported -29.2% YoY on slowdown in Chinese property market. GPM was 18.1%, up 3.1ppts YoY and beating consensus by 3.4ppt on postponed shipment of high-margin products from an overseas customer, RMB depreciation and improved operating efficiency.
- **Apple product launch to drive share gain in 2H22E; AR/VR/Auto to drive LT growth.** Looking ahead, despite challenging Android market in 2H22E, mgmt. expects that Apple's new iPhone will drive order wins and market share gain for Tongda. AR/VR projects for major customers including Snap and Meta will enter batch production in 2H22E, and mgmt. expects meaningful sales contribution to start in 2024. Mgmt. also guided double-digit growth for network communication biz with auto contributing 50% of segment sales in 2022 (vs. 30% in 2021), thanks to China NEV favourable policies and CATL as the major customer.
- **Attractive risk/reward; Maintain BUY.** We trimmed FY22-24E EPS by 25-43% to reflect Android weakness, and our new TP of HK\$0.22 is based on same 5x FY23E. Trading at 4.6x/2.7x FY22/23E P/E, we think the stock has attractive risk/reward as we expect earnings growth to resume in 2023 and Tongda will also benefit from Apple/Meta's AR/VR devices in 2023/24.

Earnings Summary

(YE 31 Dec)	FY20A	FY21A	FY22E	FY23E	FY24E
Revenue (HK\$ mn)	9,759	9,969	8,289	8,974	10,048
YoY growth (%)	6.2	2.2	(16.9)	8.3	12.0
Net profit (HK\$ mn)	351.4	228.2	206.5	354.4	406.0
YoY growth (%)	(12.5)	(35.1)	(9.5)	71.6	14.6
EPS (Reported) (HK\$ cents)	4.95	2.89	2.62	4.49	5.14
YoY growth (%)	(20.2)	(41.5)	(9.5)	71.6	14.6
Consensus EPS (HK\$ cents)	na	na	3.1	4.0	4.9
P/E (x)	10.0	13.8	4.6	2.7	2.3
P/B (x)	0.5	0.3	0.1	0.1	0.1
Yield (%)	0.1	0.0	6.5	6.5	6.5
ROE (%)	5.6	3.1	2.5	4.2	4.6
Net gearing (%)	32.6	26.8	25.1	7.8	12.5

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price	HK\$0.22
(Previous TP)	HK\$0.23)
Up/Downside	83.3%
Current Price	HK\$0.12

China Technology

Alex NG

(852) 3900 0881
alexng@cmbi.com.hk

Lily YANG, Ph.D

(852) 3916 3716
lilyyang@cmbi.com.hk

Hanqing LI

lihanqing@cmbi.com.hk

Stock Data

Mkt Cap (HK\$ mn)	1,166.3
Avg 3 mths t/o (HK\$ mn)	0.1
52w High/Low (HK\$)	0.35/0.11
Total Issued Shares (mn)	9719.0

Source: FactSet

Shareholding Structure

Landmark Worldwide Holdings Ltd	24.4%
Wang Ya Nan	7.8%

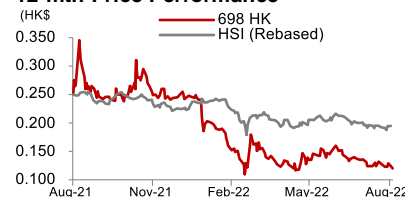
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	-11.1%	-10.2%
3-mth	-14.3%	-8.0%
6-mth	-21.1%	-9.4%

Source: FactSet

12-mth Price Performance



Source: FactSet

Earnings Revision

Figure 1: Earnings revision

(HK\$ mn)	New			Old			Change (%)		
	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
Revenue	8,289	8,974	10,048	10,944	11,878	12,787	-24%	-24%	-21%
Gross profit	1,493	1,639	1,817	1,841	2,100	2,310	-19%	-22%	-21%
Operating profit	313	466	513	480	605	699	-35%	-23%	-27%
Net profit	206	354	406	365	469	548	-43%	-25%	-26%
EPS (HK\$)	0.03	0.04	0.05	0.05	0.06	0.07	-43%	-25%	-26%
Gross margin	18.1%	17.7%	17.6%	15.3%	16.4%	17.1%	2.8 ppt	1.3 ppt	0.5 ppt
Operating margin	2.5%	3.6%	3.6%	1.7%	3.2%	3.9%	0.8 ppt	0.4 ppt	-0.3 ppt
Net Margin	0.8%	2.4%	2.6%	0.7%	2.2%	2.8%	0.1 ppt	0.3 ppt	-0.3 ppt

Source: Company data, CMBIGM estimates

Figure 2: CMBI estimates vs consensus

(HK\$ mn)	CMBIS			Consensus			Diff (%)		
	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
Revenue	8,289	8,974	10,048	10,100	11,380	12,223	-18%	-21%	-18%
Gross profit	1,493	1,639	1,817	1,677	1,900	2,163	-11%	-14%	-16%
Operating profit	313	466	513	377	466	559	-17%	0%	-8%
Net profit	206	354	406	294	369	446	-30%	-4%	-9%
EPS (HK\$)	0.03	0.04	0.05	0.03	0.04	0.05	-15%	12%	5%
Gross margin	18.1%	17.7%	17.6%	16.6%	16.7%	17.7%	1.5 ppt	1 ppt	-0.1 ppt
Operating margin	2.5%	3.6%	3.6%	3.7%	4.1%	4.6%	-1.2 ppt	-0.4 ppt	-0.9 ppt
Net Margin	0.8%	2.4%	2.6%	2.9%	3.2%	3.6%	-2.1 ppt	-0.8 ppt	-1.1 ppt

Source: Company data, CMBIGM estimates

Figure 3: Revenue breakdown

HK\$ mn	FY20	FY21	1H22	2H22E	FY22E	FY23E	FY24E
Handsets	7,558	7,281	2,859	2,742	5,602	5,602	5,875
...YoY	6%	-4%	-22%	-24%	-23%	0%	5%
Metal	890	740	255	166	421	330	330
...YoY	-42%	-17%	-32%	-55%	-43%	-22%	0%
Glastic	4,143	3,948	1,467	1,208	2,675	2,558	2,354
...YoY	25%	-5%	-23%	-41%	-32%	-4%	-8%
Glass	508	222	-	-	-	-	-
...YoY	-7%	-56%	0%	0%	0%	0%	0%
Apple	2,017	2,333	1,137	1,359	2,496	2,665	2,691
...YoY	16%	16%	-12%	31%	7%	7%	1%
Electrical appliances	688	536	228	150	378	435	478
...YoY	10%	-22%	-29%	-30%	-30%	15%	10%
Notebook computers	-	-	-	-	-	-	-
...YoY	-	-	-	-	-	-	-
Household goods	808	1,138	674	622	1,296	1,620	2,025
...YoY	25%	41%	15%	13%	14%	25%	25%
Network communications	704	1,014	506	508	1,014	1,318	1,671
...YoY	-11%	44%	-4%	5%	0%	30%	27%
Total	9,759	9,969	4,267	4,022	8,289	8,974	10,048
...YoY	6%	2%	-17%	-17%	-17%	8%	12%

Source: Company data, CMBIGM estimates

Figure 4: P&L forecast

HK\$ mn	FY20	FY21	1H22	2H22E	FY22E	FY23E	FY24E
Revenue	9,759	9,969	4,267	4,022	8,289	8,974	10,048
...YoY	6.2%	2.2%	-16.6%	-17.1%	-16.9%	8.3%	12.0%
Cost of sales	(8,048)	(8,329)	(3,495)	(3,301)	(6,796)	(7,335)	(8,231)
Gross profit	1,710	1,640	772	720	1,493	1,639	1,817
GPM (%)	17.5%	16.5%	18.1%	17.9%	18.0%	18.3%	18.1%
...YoY	2.0%	-4.1%	0.4%	-17.2%	-9.0%	9.8%	10.8%
 Selling Exp	 (136)	 (163)	 (69)	 (64)	 (134)	 (125)	 (140)
...% of rev	-1.4%	-1.6%	-1.6%	-1.6%	-1.6%	-1.4%	-1.4%
R&D	(493)	(513)	(241)	(217)	(458)	(463)	(519)
...% of rev	-5.1%	-5.1%	-5.7%	-5.4%	-5.5%	-5.2%	-5.2%
Operating profit	502	319	107	206	313	466	513
OPM (%)	5.1%	3.2%	2.5%	5.1%	3.8%	5.2%	5.1%
...YoY	-14.3%	-36.4%	33.7%	-14.0%	-2.1%	49.0%	10.1%
 Net profit	 351	 228	 33	 156	 206	 354	 406
NPM (%)	3.6%	2.3%	0.8%	3.9%	2.5%	3.9%	4.0%
...YoY	-12.5%	-35.1%	-38.8%	-10.0%	-9.5%	71.6%	14.6%

Source: Company data, CMBIGM estimates

Valuation

Maintain BUY with new TP of HK\$0.22

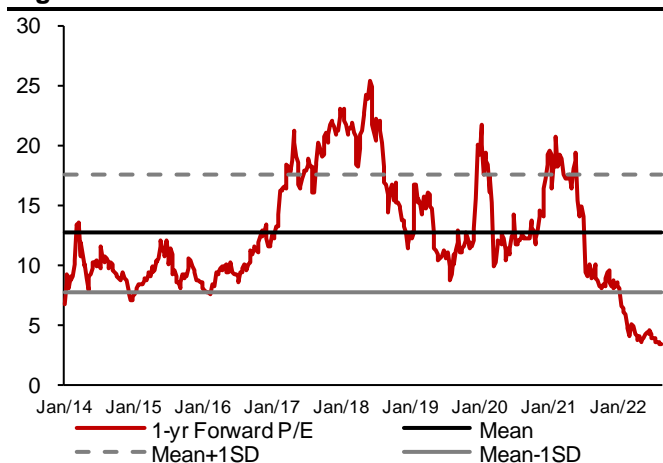
Our new TP of HK\$0.22 is based on same 5x FY23E P/E. We think current valuation of 4.6x/2.7x FY22E/23E P/E is attractive (well below 1-sd below hist. P/E) as we expect Tongda's earnings growth to resume from 2023E. Looking into FY23/24E, we believe Tongda will benefit from accelerated expansion into Apple's wearables (AR/VR) and Meta's VR devices. Maintain BUY.

Figure 5: Peers valuation

Company	Ticker	Rating	Market Cap (US\$ mn)	Price (LC)	TP (LC)	Up/Down -side	P/E (x)		P/B (x)		ROE (%)	
							FY22E	FY23E	FY22E	FY23E	FY22E	FY23E
HK-listed												
Tongda	698 HK	BUY	147	0.12	0.22	85%	4.6	2.7	0.1	0.1	2.5	4.2
BYDE	285 HK	HOLD	6,273	21.85	19.3	-12%	29.3	16.6	1.7	1.6	6.0	9.6
Ju Teng	3336 HK	NR	216	1.41	NA	NA	7.1	4.9	0.2	0.2	3.5	5.0
FIH	2038 HK	NR	1,025	1.01	NA	NA	-	21.4	0.6	0.6	2.7	2.8
Average							13.4	11.5	0.7	0.6	3.6	5.1
China-listed												
Everwin	300115 CH	NR	2,208	12.70	NA	NA	35.6	18.3	2.5	2.3	7.1	10.7
Janus	300083 CH	NR	2,234	10.00	NA	NA	18.3	13.3	3.9	3.0	21.1	22.8
Average							26.9	15.8	3.2	2.6	14.1	16.8
Overseas-listed												
Foxconn	2354 TT	NR	2,333	50.30	NA	NA	11.5	10.8	0.5	0.5	5.8	6.5
Catcher	2474 TT	NR	4,415	184.50	NA	NA	15.5	17.3	0.9	0.9	5.6	4.8
Average							13.5	14.0	0.7	0.7	5.7	5.7

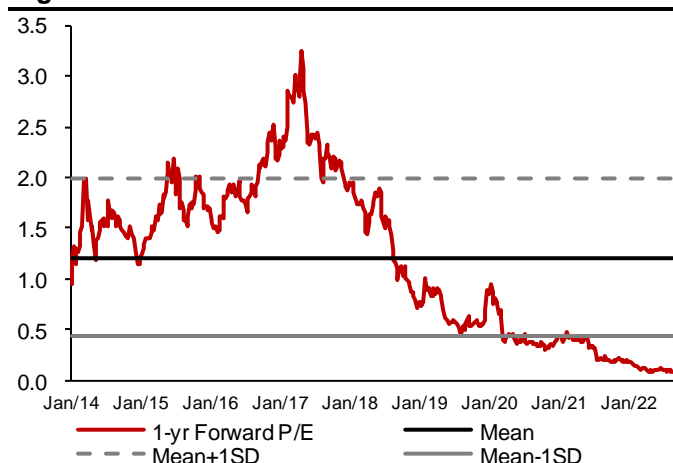
Source: Bloomberg, CMBIGM estimates

Figure 6: 12M forward P/E band



Source: Company data, CMBIGM estimates

Figure 7: 12M forward P/B band



Source: Company data, CMBIGM estimates

Financial Summary

INCOME STATEMENT	2019A	2020A	2021A	2022E	2023E	2024E
YE 31 Dec (HK\$ mn)						
Revenue	9,186	9,759	9,969	8,289	8,974	10,048
Cost of goods sold	(7,509)	(8,048)	(8,329)	(6,796)	(7,335)	(8,231)
Gross profit	1,677	1,710	1,640	1,493	1,639	1,817
Operating expenses	(1,079)	(1,186)	(1,339)	(1,080)	(1,083)	(1,203)
Selling expense	(133)	(136)	(163)	(134)	(125)	(140)
Admin expense	(946)	(1,050)	(1,176)	(947)	(958)	(1,063)
SG&A expense	0	0	0	0	0	0
Others	(11)	(22)	18	(100)	(90)	(100)
Operating profit	586	502	319	313	466	513
EBITDA	1,054	1,121	386	1,270	1,478	1,580
Other income/expense	105	102	110	112	99	111
Others	(207)	(175)	(135)	(135)	(135)	(135)
Pre-tax profit	485	430	295	290	430	489
Income tax	(84)	(70)	(51)	(71)	(68)	(75)
Minority interest	(1)	8	15	13	7	8
Net profit	402	351	228	206	354	406
Adjusted net profit	402	351	228	206	354	406

BALANCE SHEET	2019A	2020A	2021A	2022E	2023E	2024E
YE 31 Dec (HK\$ mn)						
Current assets	7,464	7,658	9,354	7,600	11,192	10,102
Cash & equivalents	1,078	1,353	1,366	1,535	3,088	2,797
Account receivables	2,946	2,993	3,317	1,929	3,750	2,609
Inventories	2,245	2,204	3,177	2,641	2,859	3,202
Prepayment	545	486	523	523	523	523
Other current assets	650	622	971	971	971	971
Non-current assets	6,109	6,642	7,402	7,044	6,632	6,166
PP&E	5,089	5,824	6,658	6,300	5,888	5,422
Other non-current assets	1,021	818	744	744	744	744
Total assets	13,573	14,300	16,755	14,645	17,824	16,268
Current liabilities	6,344	6,212	7,720	5,439	8,296	6,359
Short-term borrowings	2,633	2,228	2,931	2,988	3,094	3,220
Account payables	2,948	3,207	3,772	1,435	4,185	2,123
Other current liabilities	763	777	1,016	1,016	1,016	1,016
Non-current liabilities	1,247	1,422	814	826	849	877
Long-term borrowings	1,117	1,300	639	651	674	702
Other non-current liabilities	129	123	175	175	175	175
Total liabilities	7,591	7,634	8,534	6,265	9,145	7,236
Share capital	65	65	97	97	97	97
Other reserves	5,881	6,553	8,063	8,208	8,501	8,845
Total shareholders equity	5,982	6,666	8,221	8,379	8,679	9,032
Minority interest	36	49	61	74	81	90
Total equity and liabilities	13,573	14,300	16,755	14,645	17,824	16,268

CASH FLOW	2019A	2020A	2021A	2022E	2023E	2024E
YE 31 Dec (HK\$ mn)						
Operating						
Profit before taxation	485	430	295	290	430	489
Depreciation & amortization	468	619	67	957	1,012	1,067
Change in working capital	775	253	(731)	(414)	711	(1,264)
Others	(213)	96	778	(89)	(88)	(115)
Net cash from operations	1,514	1,397	408	745	2,064	177
Investing						
Capital expenditure	(923)	(1,176)	(900)	(600)	(600)	(600)
Others	249	318	(320)	18	20	40
Net cash from investing	(673)	(858)	(1,220)	(582)	(580)	(560)
Financing						
Dividend paid	(32)	(3)	0	(62)	(62)	(62)
Net borrowings	(402)	(223)	43	69	130	153
Proceeds from share issues	0	0	752	0	0	0
Others	(56)	(104)	(98)	0	0	0
Net cash from financing	(490)	(331)	696	7	69	92
Net change in cash						
Cash at the beginning of the year	768	1,078	1,353	1,366	1,535	3,088
Exchange difference	(42)	66	129	0	0	0
Cash at the end of the year	(490)	(331)	696	7	69	92
GROWTH	2019A	2020A	2021A	2022E	2023E	2024E
YE 31 Dec						
Revenue	3.2%	6.2%	2.2%	(16.9%)	8.3%	12.0%
Gross profit	(6.5%)	2.0%	(4.1%)	(9.0%)	9.8%	10.8%
Operating profit	(20.2%)	(14.3%)	(36.4%)	(2.1%)	49.0%	10.1%
EBITDA	(6.4%)	6.4%	(65.5%)	228.8%	16.4%	6.9%
Net profit	(26.0%)	(12.5%)	(35.1%)	(9.5%)	71.6%	14.6%
Adj. net profit	(26.0%)	(12.5%)	(35.1%)	(9.5%)	71.6%	14.6%
PROFITABILITY	2019A	2020A	2021A	2022E	2023E	2024E
YE 31 Dec						
Gross profit margin	18.3%	17.5%	16.5%	18.0%	18.3%	18.1%
Operating margin	6.4%	5.1%	3.2%	3.8%	5.2%	5.1%
EBITDA margin	11.5%	11.5%	3.9%	15.3%	16.5%	15.7%
Adj. net profit margin	4.4%	3.6%	2.3%	2.5%	3.9%	4.0%
Return on equity (ROE)	6.7%	5.6%	3.1%	2.5%	4.2%	4.6%
GEARING/LIQUIDITY/ACTIVITIES	2019A	2020A	2021A	2022E	2023E	2024E
YE 31 Dec						
Net debt to equity (x)	0.4	0.3	0.3	0.3	0.1	0.1
Current ratio (x)	1.2	1.2	1.2	1.4	1.3	1.6
Receivable turnover days	120.4	111.1	115.5	115.5	115.5	115.5
Inventory turnover days	116.0	100.9	117.9	156.2	136.9	134.4
Payable turnover days	135.5	139.6	152.9	139.8	139.8	139.8
VALUATION	2019A	2020A	2021A	2022E	2023E	2024E
YE 31 Dec						
P/E	10.2	10.0	13.8	4.6	2.7	2.3
P/B	0.6	0.5	0.3	0.1	0.1	0.1
Div yield (%)	0.8	0.1	0.0	6.5	6.5	6.5
EV	2,709.5	2,224.2	2,266.2	2,178.2	762.8	1,216.3
EV/Sales	0.3	0.2	0.2	0.3	0.1	0.1
EV/EBITDA	2.6	2.0	5.9	1.7	0.5	0.8

Source: Company data, CMBIGM estimates. Note: The calculation of net cash includes financial assets.

Disclosures & Disclaimers

Analyst Certification

The research analyst who is primary responsible for the content of this research report, in whole or in part, certifies that with respect to the securities or issuer that the analyst covered in this report: (1) all of the views expressed accurately reflect his or her personal views about the subject securities or issuer; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific views expressed by that analyst in this report.

Besides, the analyst confirms that neither the analyst nor his/her associates (as defined in the code of conduct issued by The Hong Kong Securities and Futures Commission) (1) have dealt in or traded in the stock(s) covered in this research report within 30 calendar days prior to the date of issue of this report; (2) will deal in or trade in the stock(s) covered in this research report 3 business days after the date of issue of this

report; (3) serve as an officer of any of the Hong Kong listed companies covered in this report; and (4) have any financial interests in the Hong Kong listed companies covered in this report.

CMBIGM Ratings

BUY	: Stock with potential return of over 15% over next 12 months
HOLD	: Stock with potential return of +15% to -10% over next 12 months
SELL	: Stock with potential loss of over 10% over next 12 months
NOT RATED	: Stock is not rated by CMBIGM
OUTPERFORM	: Industry expected to outperform the relevant broad market benchmark over next 12 months
MARKET-PERFORM	: Industry expected to perform in-line with the relevant broad market benchmark over next 12 months
UNDERPERFORM	: Industry expected to underperform the relevant broad market benchmark over next 12 months

CMB International Global Markets Limited

Address: 45/F, Champion Tower, 3 Garden Road, Hong Kong, Tel: (852) 3900 0888 Fax: (852) 3900 0800

CMB International Global Markets Limited ("CMBIGM") is a wholly owned subsidiary of CMB International Capital Corporation Limited (a wholly owned subsidiary of China Merchants Bank)

Important Disclosures

There are risks involved in transacting in any securities. The information contained in this report may not be suitable for the purposes of all investors. CMBIGM does not provide individually tailored investment advice. This report has been prepared without regard to the individual investment objectives, financial position or special requirements. Past performance has no indication of future performance, and actual events may differ materially from that which is contained in the report. The value of, and returns from, any investments are uncertain and are not guaranteed and may fluctuate as a result of their dependence on the performance of underlying assets or other variable market factors. CMBIGM recommends that investors should independently evaluate particular investments and strategies, and encourages investors to consult with a professional financial advisor in order to make their own investment decisions.

This report or any information contained herein, have been prepared by the CMBIGM, solely for the purpose of supplying information to the clients of CMBIGM or its affiliate(s) to whom it is distributed. This report is not and should not be construed as an offer or solicitation to buy or sell any security or any interest in securities or enter into any transaction. Neither CMBIGM nor any of its affiliates, shareholders, agents, consultants, directors, officers or employees shall be liable for any loss, damage or expense whatsoever, whether direct or consequential, incurred in relying on the information contained in this report. Anyone making use of the information contained in this report does so entirely at their own risk.

The information and contents contained in this report are based on the analyses and interpretations of information believed to be publicly available and reliable. CMBIGM has exerted every effort in its capacity to ensure, but not to guarantee, their accuracy, completeness, timeliness or correctness. CMBIGM provides the information, advices and forecasts on an "AS IS" basis. The information and contents are subject to change without notice. CMBIGM may issue other publications having information and/or conclusions different from this report. These publications reflect different assumption, point-of-view and analytical methods when compiling. CMBIGM may make investment decisions or take proprietary positions that are inconsistent with the recommendations or views in this report.

CMBIGM may have a position, make markets or act as principal or engage in transactions in securities of companies referred to in this report for itself and/or on behalf of its clients from time to time. Investors should assume that CMBIGM does or seeks to have investment banking or other business relationships with the companies in this report. As a result, recipients should be aware that CMBIGM may have a conflict of interest that could affect the objectivity of this report and CMBIGM will not assume any responsibility in respect thereof. This report is for the use of intended recipients only and this publication, may not be reproduced, reprinted, sold, redistributed or published in whole or in part for any purpose without prior written consent of CMBIGM.

Additional information on recommended securities is available upon request.

For recipients of this document in the United Kingdom

This report has been provided only to persons (I) falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended from time to time) ("The Order") or (II) are persons falling within Article 49(2) (a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc.") of the Order, and may not be provided to any other person without the prior written consent of CMBIGM.

For recipients of this document in the United States

CMBIGM is not a registered broker-dealer in the United States. As a result, CMBIGM is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. The research analyst who is primary responsible for the content of this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA"). The analyst is not subject to applicable restrictions under FINRA Rules intended to ensure that the analyst is not affected by potential conflicts of interest that could bear upon the reliability of the research report. This report is intended for distribution in the United States solely to "major US institutional investors", as defined in Rule 15a-6 under the US, Securities Exchange Act of 1934, as amended, and may not be furnished to any other person in the United States. Each major US institutional investor that receives a copy of this report by its acceptance hereof represents and agrees that it shall not distribute or provide this report to any other person. Any U.S. recipient of this report wishing to effect any transaction to buy or sell securities based on the information provided in this report should do so only through a U.S.-registered broker-dealer.

For recipients of this document in Singapore

This report is distributed in Singapore by CMBI (Singapore) Pte. Limited (CMBISG) (Company Regn. No. 201731928D), an Exempt Financial Adviser as defined in the Financial Advisers Act (Cap. 110) of Singapore and regulated by the Monetary Authority of Singapore. CMBISG 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, as defined in the Securities and Futures Act (Cap. 289) of Singapore, CMBISG accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact CMBISG at +65 6350 4400 for matters arising from, or in connection with the report.