



PEOPLElogy Berhad

Transforming Talents of Tomorrow

ACE Market
Technology Sector
SUBSCRIBE
IPO Price: RM0.25
Fair Value: RM0.28

Valuation / Recommendation

We recommend **SUBSCRIBING** on PEOPLElogy Berhad ("Peoplelogy"), with a **FV of RM0.28 based on 15.4x FY26E EPS**, translating to a 12% potential upside to the IPO price. Our target P/E reflects a **40% discount to comparable peers' average**, to factor in Peoplelogy's **smaller market reach** (currently Malaysia only), **project-based revenue dependency** (significant revenue tied with 1 government-link entity) and **niche market offerings** (mainly focus on upskilling space). We like the stock for its **robust revenue growth supported by its integrated offerings through 6D framework, supportive government initiatives and robust expansion plan**. Key rating catalyst for the stock include **more accommodative government policies and stronger demand of upskilling needs (private and public sector)**.

Investment Highlights

Healthy revenue growth backed by integrated solution. Peoplelogy has delivered a solid 3-year revenue CAGR of 21.6%, driven by increasing training-related investments trend across public and private sectors. With Malaysia's labour force still heavily composed of low and semi-skilled workers (70%), and digitalisation trends accelerating, the demand for upskilling services remains strong. We expect Peoplelogy to continue benefiting from this tailwind, projecting topline growth of 19–21% p.a. over FY25–27E. Its competitive edge lies in its propriety 6D framework, which integrates end-to-end talent development services across assessment, training, and digital enablement. This all-in-one model position Peoplelogy as a preferred partner for corporates seeking upskilling solutions, supporting its earnings growth.

Positive policy tailwinds and strategic investment. We expect Peoplelogy to benefit from strong demand driven by national policies such as MyDIGITAL and the 4IR Policy, which priorities digital upskilling and reskilling. Continued allocations under Budget 2024/2025 that are rechanneled via agencies like HRD Corp, MDEC, and Yayasan Peneraju are likely to sustain public sector demand for training services. Leveraging its established ties with Yayasan Peneraju, Peoplelogy is poised to secure additional B2G contracts, enhancing earnings visibility. On the infrastructure front, Peoplelogy's RM8.5m IPO proceeds allocation to build a Cyber Range simulation lab represents a strategic investment to elevate delivery standards in high-demand training courses areas such as Cybersecurity, Big Data, and AI. This initiative should help to attract more enrolments and to strengthen growth in its Development segment.

Expansion plans in the pipeline. Peoplelogy plans to scale its presence beyond Peninsular Malaysia by setting up offices and training centres in Kuching and Kota Kinabalu, tapping into demand in East Malaysia. Regionally, it aims to penetrate 2 ASEAN countries with largest regional labor market namely Indonesia and Philippine via new facilities in Jakarta and Manila, and establish a regional hub in Singapore. To complement organic growth, Peoplelogy also allocate RM4m from IPO proceeds for M&A or strategic investments, targeting businesses that can enhance its operational efficiency and expand its core offerings. We think these expansion strategies could strengthen Peoplelogy's earnings visibility and broaden its market exposure across ASEAN countries.

Risk factors for Peoplelogy include (1) Customer concentration risk; (2) Technology obsolesce risk; and (3) Certification bodies dependence.

FY Dec	FY23	FY24	FY25F	FY26F	FY27F
Revenue (RM m)	24.7	29.2	35.3	42.4	50.4
EBITDA (RM m)	8.9	9.4	11.3	14.6	16.4
PAT (RM m)	5.8	5.5	6.5	7.5	8.3
PAT Margin (%)	23.5%	18.7%	18.4%	17.6%	16.4%
EPS (sen)	1.9	1.8	1.6	1.8	2.0
EPS Growth (%)	21.5	(5.7)	(11.5)	14.8	10.8
BV Per Share (sen)	1.4	4.1	14.8	17.2	19.9
PE (x)	13.2	14.0	15.9	13.8	12.5
Net Gearing (x)	0.2	Net Cash	Net Cash	Net Cash	Net Cash
ROE (%)	133.9	43.4	14.3	14.1	13.5

Business Overview

Peoplelogy involved in the provision of integrated people development solutions, comprising of organizational talent consultancy and profile assessment services, ICT, soft skills and leadership training services and learning performance management system, online learning platform and training content digitalization services.

Listing Details

Listing date	20 May 2025
New shares (m)	105.0
Offer for sale (m)	-
Fund raised (RM m)	26.3

Post Listing

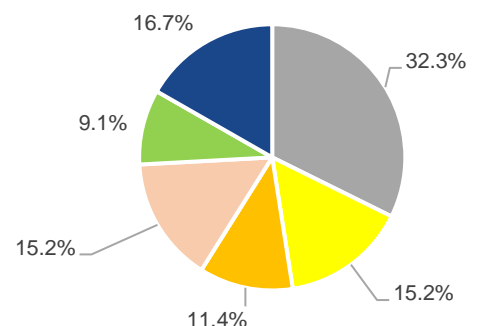
Ordinary shares (m)	411.7
Market cap (RM m)	102.9
Free float (%)	49.8
P/E (FY26E)	13.8

Top 3 Shareholders

	%
Allen Lee	24.3
PEOPLElogists	21.0
Chen Khai Voon	10.0

Utilisation of Proceeds

	RM m
Establishment of a Cyber Range computer simulation lab	8.5
Expansion via strategic investments, mergers and acquisitions opportunities	4.0
R&D of software	3.0
Expansion of offices and training centers in East Malaysia, Indonesia and Philippines as well as regional offices in Singapore	4.0
Working Capital	2.4
Estimated listing expenses	4.4

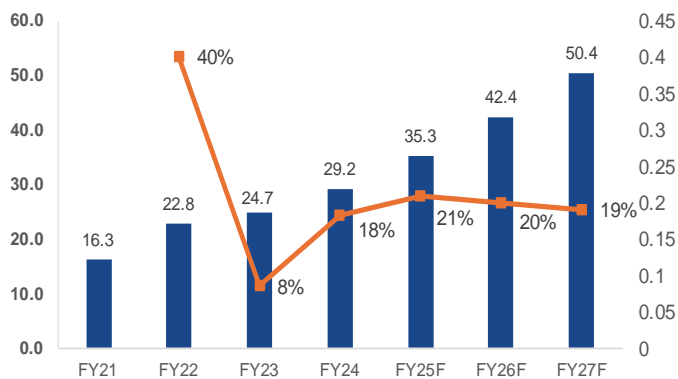


Source: Company, Mercury Securities



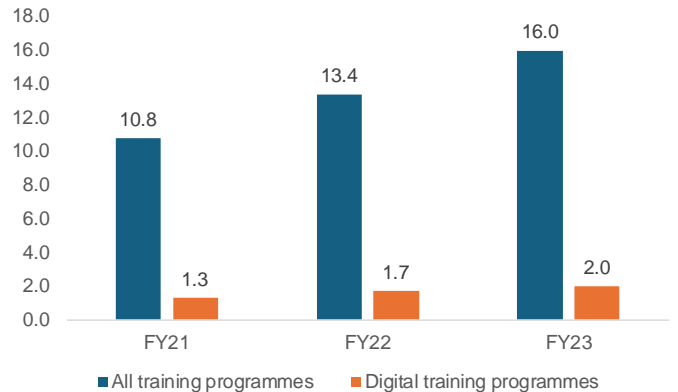
Financial Highlights and Valuation

Chart 1: Revenue trend (RM m)



Source: Company, Mercury Securities

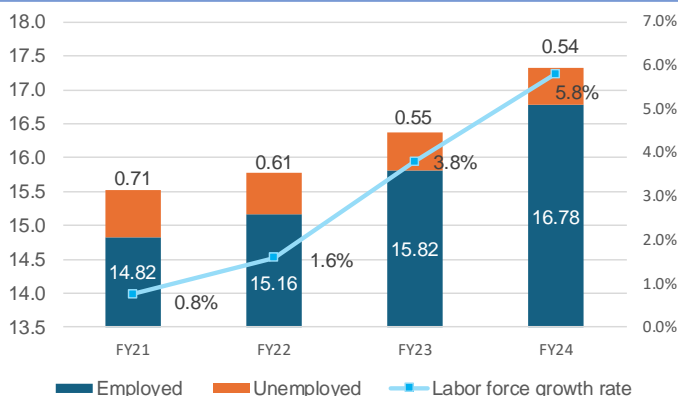
Chart 2: Malaysia's training programme spending trend (RM bn)



Source: PROVIDENCE

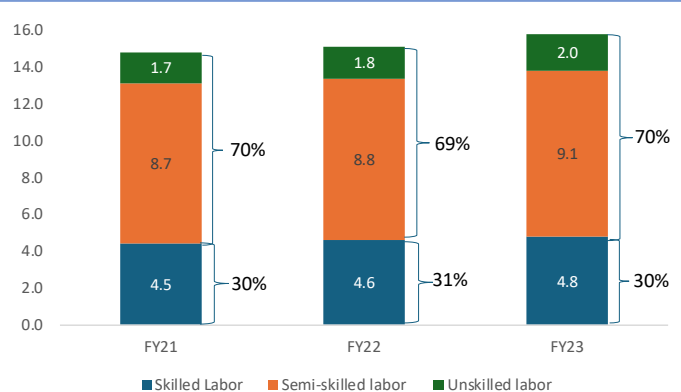
Healthy revenue growth. Peoplelogy achieved a commendable 3-year revenue CAGR of 21.6%, with the topline improving from RM16.3m in FY21 to RM29.2m in FY24. This strong performance is largely driven by the rising trend in the training-related expenditure across both the public and the private sectors, with the total industry spending expanding from RM10.8bn in FY21 to RM18.0bn in FY23 (see Chart 2). The rising investment trend in the training reflects a growing demand for skilled labour, driven by accelerating digitalisation and evolving workforce requirements. With Malaysia's labour force remains skewed towards low and semi-skilled workers (approximately 70%) and rising labour force participation rate, we think these dynamics would support continued demand for upskilling and reskilling initiatives. Given Peoplelogy's core focus on integrated people development solutions, the company is set to benefit from this positive long-term human capital development trends. Therefore, we expect revenue growth for Peoplelogy to remain robust, rising by 19-21% p.a. over FY25-27E.

Chart 3: Labour force growth trend (in m)



Source: DOSM, Mercury Securities

Chart 4: Labour force by skilled level trend (in m)



Source: DOSM, Mercury Securities

All-in-one services with 6D framework. Peoplelogy delivers a full-suite people development solution through its internally-developed 6 Dimensions framework (6D framework), enabling the company to offer end-to-end, customised services tailored to client needs. The framework integrates six core components, namely Discover, Design, Develop, Deploy, Digitise, and Digitalise across the talent development value chain. Under the Discover & Design phase, services such as organisational talent consulting and profile assessments are delivered via the SOUL and FISH CAMP Learning brands. The Develop & Deploy phase includes training in digital, soft, and leadership skills, as well as certifications are offered through GOAL, THE FUTURE TALENT, SKILL, and BUILD A FUTURE TEAM. Meanwhile, the Digitise & Digitalise phase leverages platforms such as PEOPLEAPS, SKILLSTURE, and INTERACTIVE to provide digital learning content and performance management systems. By consolidating these functions into a single integrated framework, Peoplelogy is able to offer a one-stop solution for workforce development, which help to remove the need for clients to engage multiple providers across different functions. This positions the company as a stand-out provider for corporate or organization that intend to invest in talent transformation and upskilling initiatives.

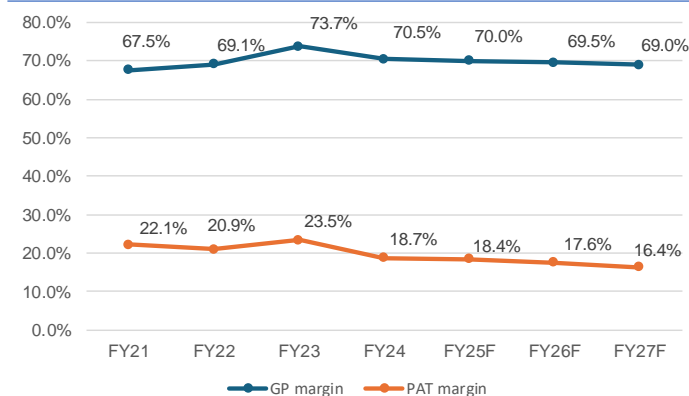


Government initiative to support growth. The Malaysian government has placed strong emphasis on upskilling and reskilling the national workforce as a strategic priority, underpinned by policy frameworks such as MyDIGITAL, the National Fourth Industrial Revolution (4IR) Policy, and Budget 2024/2025 allocations. A key part of these initiatives is the substantial channelling of public investments into workforce development programmes, administered by the government-linked agencies such as HRD Corp, MDEC, SOCSO, and MOSTI, targeting unemployed and employed workforces. We view these developments as supportive of positive growth in the demand of professional training services from the public sector. Therefore, Peoplelogy poised to benefit from this rising demand trend by leveraging its long-standing relationship with Yayasan Peneraju (its largest client) to secure more training contracts from public sector. This should enhance Peoplelogy's B2G segment contribution, improve earnings visibility, and support continued topline growth.

Leveraging growing demand of cybersecurity course. Peoplelogy intends to allocate RM8.5m or 32% of its IPO proceed to set up a Cyber Range computer simulation lab. This marks the key initiative taken by Peoplelogy to enhance the delivery quality of its Cybersecurity, Big Data and AI programme under Development business segment. Currently, training assessments are conducted via virtual labs with limited real-world simulation capabilities. With the Cyber Range computer simulation, this would provide participants with realistic and hands-on training by simulating real world system and network environment, which is a crucial element for effective upskilling in cybersecurity, data management, and AI deployment. We believe this strategy align well with the rising demand of cybersecurity and digital tech skills which should support increased participant enrolment, thereby driving further revenue growth within the Development segment.

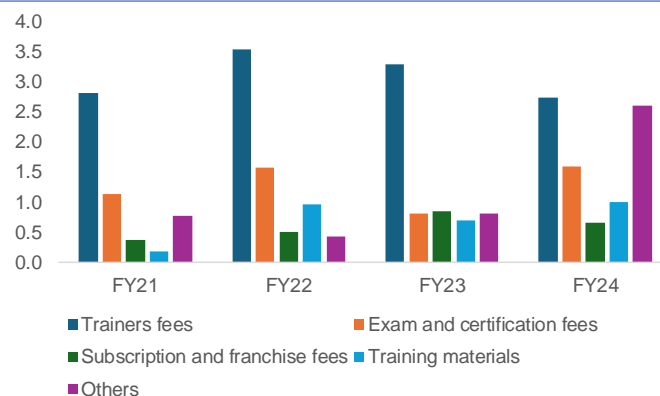
Domestic and ASEAN market expansion. Given the business operation of Peoplelogy that primarily concentrate in the Peninsular of Malaysia, the company intends to expand its market reach to East Malaysia by establishing offices and training centres in Kuching and Kota Kinabalu. Other than domestic market expansion, Peoplelogy is also looking into expanding regional footprint in the ASEAN by establishing offices and training centres in Jakarta and Manila as well as a regional hub in Singapore through its subsidiary, Peoplelogy International. This strategic initiative aims to capture the growing demand for digital upskilling among corporate, government agencies, and working professionals in Indonesia and the Philippines, which are among the largest labor markets in the region. Meanwhile, Peoplelogy also has allocated RM4m of their IPO proceed for potential merger and acquisition or investment opportunities as the company plan to leverage this strategy to achieve growth via operational efficiency improvement and core services expansion. With these expansion plans in the pipeline, we believe this would not only enhance the Peoplelogy's future earning visibility but also unlock new growth opportunities across the ASEAN region.

Chart 5: Margin trend (%)



Source: Company, Mercury Securities

Chart 6: COGS components breakdown trend (RM m)



Source: Company, Mercury Securities

Strong margins but to normalise. Peoplelogy experienced a strong growth in its GP margin in between FY21-23, rising from 67.5% to 73.7% before normalise to 70.5% in FY24. The improvement in gross profit margin from FY21 to FY23 was primarily driven by operational efficiencies and a favourable cost structure relative to revenue growth. Specifically, the company benefited from scale-driven efficiencies as revenue grew, while managing cost of sales through lower trainer fees, reduced purchases of training materials, and a decline in exam and certification expenses in FY23. These reductions were largely due to a higher proportion of participants being in early or monitoring phases of training programmes, which require fewer resources. While for FY24, the decline in margin is underpinned by elevated cost of sales, outpacing revenue growth. The key drivers of higher costs were the introduction of participant allowances under a large-scale training project, higher exam and certification fees, increased spending on training materials, and elevated training-related expenses related to the Discovery segment. Therefore, PAT margin mimics this trend, increasing from 22.1% in FY21 to 23.5% in FY23 before normalising to 18.7% in FY24.

Looking ahead, we expect Peoplelogy's margin to normalise further to the range between 16.4% to 18.4% in line with its expansion into



new regional markets and the scaling of its Digital and Discovery segments which generally carry lower margins and require higher capital outlay. Nonetheless, we believe Peoplelogy can sustain healthy double-digit margins, supported by its integrated business model with comprehensive service offerings (6D framework) and effective staff cost management through strategic collaboration with industry partners.

Strong balance sheet. Peoplelogy has a strong balance sheet with a net cash position prior to listing. The financial position of Peoplelogy is expected to strengthen further after the listing, with an additional RM26.3m capital raised. Given the high growth nature and expansion-focused strategy of the business, we do not expect any dividend payout in the near term as Peoplelogy's earnings are likely to be reinvested to drive future growth.

Fair Value of RM0.28 based on 15.4x FY26E EPS. We assign a fair value of RM0.28 for Peoplelogy, derived based on a target P/E multiple of 15.4x FY26E EPS, which is at approximately 40% discount to its comparable peers' average trailing 12-month P/E multiple of 25.7x. We have selected local peers who primarily engages in the provision of digital services, as Peoplelogy's niche in the provision of integrated people development solutions lacks of comparable listed peers in Malaysia. The valuation discount is justified by Peoplelogy's smaller operating scale and market reach (currently remained concentrated in Malaysia market), project-based revenue dependency (significant revenue tied with 1 government link entity) and niche market offerings (mainly focus on upskilling space). Based on the assigned valuation, this implied a potential upside of 12%.

Peer Comparison – Trailing 12-month basis (as of 28 April 2025)

Company	Bloomberg Ticker	Share price (LC)	Mkt Cap (in MYR)	Earnings Growth (%)	P/E (x)	P/B (x)	ROE (%)	let yield (%)
LGMS	LGMS MK	0.88	399.0	10.0	32.3	4.2	13.6	1.7
Cloudpoint	CLOUDPT MK	0.73	388.1	25.2	19.1	4.8	26.8	2.7
Infoline Tech	INFOTEC MK	0.74	268.8	(9.3)	15.4	4.1	28.3	1.9
Heitech Padu	HEIT MK	2.17	241.6	(6.6)	35.9	1.4	4.2	-
Simple Average				4.8	25.7	3.6	18.2	1.6
Peoplelogy Bhd	PEOPLE MK	0.25	102.9	(5.7)	14.0	6.1	43.4	-



Company Background

Development business segment. Under its business segment, Peoplelogy specialises in providing ICT, soft skills, and leadership training services, IR4.0 digital skills training and certification, as well as organising human resources events, conferences, and seminars. These services are delivered through its key brands: GOAL, SKILL, THE FUTURE TALENT, and BUILDING A FUTURE TEAM. This segment remains the primary revenue driver, contributing 97.6% of Peoplelogy's total revenue in FY24. Revenue is generated through training fees under SKILL and GOAL, rental income from training centres, project management fees under THE FUTURE TALENT, and ticketing and sponsorship fees under BUILDING A FUTURE TEAM.

Discovery business segment. Peoplelogy principally involve in providing organisation talent consultancy and profit assessment services to their clients. These services are delivered via brands such as SOUL and FISH CAMP Learning. Peoplelogy earn consulting fees for organisational talent consultancy as well as profile assessment fee for profit assessment services under both brands.

Digital business segment. For this segment, Peoplelogy provide learning and performance management system, online learning platform and training content digitalisation services under PEOPLEAPS, SKILLSTURE and INTERACTIVE brands. As for revenue sources, Peoplelogy earn subscription fees and video production fee for PEOPLEAPS and SKILLSTURE and INTERACTIVE respectively.

Chart 7: Business overview

	Discovery	Development	Digital
Brands and key products / services offered	<ul style="list-style-type: none"> • SOUL - Organisational talent consultancy • FISH CAMP Learning - Organisational talent consultancy and profile assessment services 	<ul style="list-style-type: none"> • SKILL - ICT training and certification services • GOAL - Soft skills and leadership training services • THE FUTURE TALENT - IR4.0 digital skills and certification services • BUILD A FUTURE TEAM - Organiser for events, conference and seminars on human resources 	<ul style="list-style-type: none"> • PEOPLEAPS - Learning and performance management system • SKILLSTURE - Online learning platform • INTERACTIVE - Training content digitalisation services
Revenue model	<ul style="list-style-type: none"> • Consulting fees for organisational talent consultancy under SOUL and FISH CAMP Learning • Profile assessment fees for profit assessment services under SOUL and FISH CAMP Learning 	<ul style="list-style-type: none"> • Training fees for ICT, soft skills and leadership training services under SKILL and GOAL • Examination fees for SKILL and THE FUTURE TALENT • Rental fees for training centres • Project management fees for IR4.0 digital skills and certification services under THE FUTURE TALENT • Ticketing fees and sponsorship fees for events, conferences and seminars on human resources under BUILD A FUTURE TEAM 	<ul style="list-style-type: none"> • Subscription fees for PEOPLEAPS and SKILLSTURE • Video production fees for INTERACTIVE
Sales channel	<ul style="list-style-type: none"> • B2B 	<ul style="list-style-type: none"> • B2B • B2C • B2G 	<ul style="list-style-type: none"> • B2B • B2C
Customers	<ul style="list-style-type: none"> • Multinational corporations • Local public listed companies • Local large companies • SMEs 	<ul style="list-style-type: none"> • Multinational corporations • Local public listed companies • Local large companies • SMEs • Government agencies • School leavers, fresh graduates and working professionals 	<ul style="list-style-type: none"> • Multinational corporations • Local public listed companies • Local large companies • SMEs • School leavers, fresh graduates and working professionals

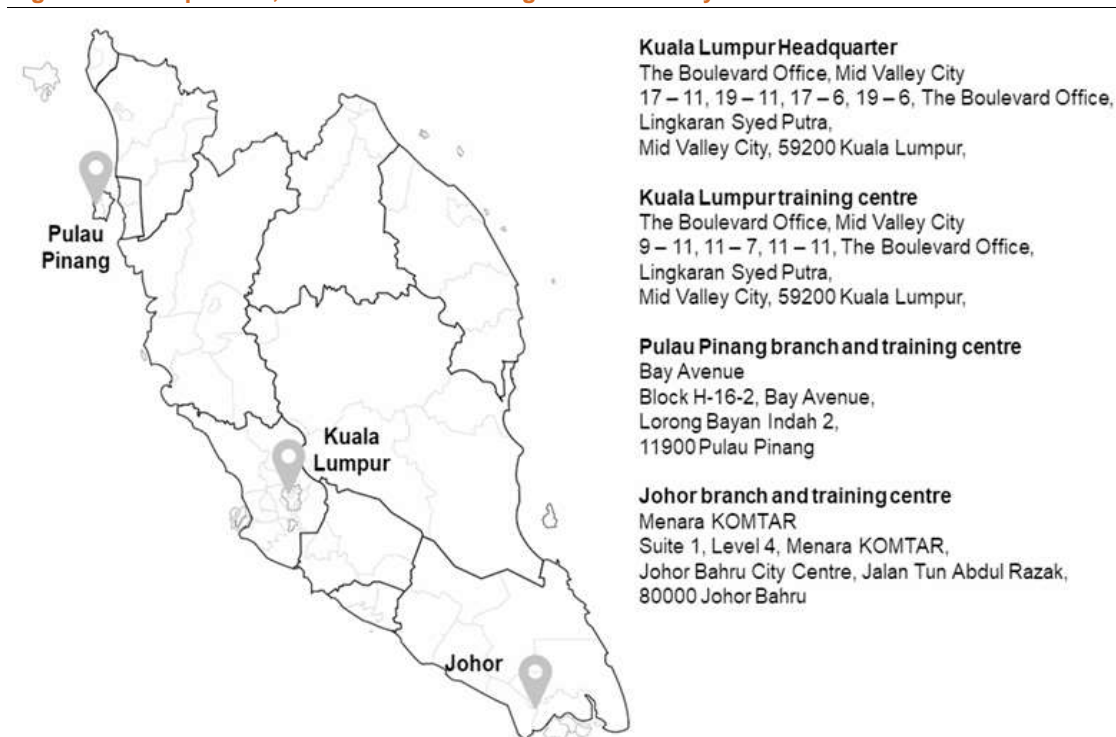
Source: Company, Mercury Securities

Chart 8: Key events and milestones

Year	Key Milestone
2001	Co-founding of PEOPLEogy Development (formerly Jiwa Asia Technology Sdn Bhd) in Klang, Selangor, providing learning and development consultancy.
2004	Relocation to Mid Valley, Kuala Lumpur; establishment of headquarters and training centre. Founding of PEOPLEogy Community (formerly PEOPLEogy Solution Sdn Bhd) for entrepreneurship training and conferences.
2006	Ceased operations in Klang.
2011	Temporary cessation of PEOPLEogy Community operations; establishment of PEOPLEogy Growth (formerly BoostsOn Dot Com Sdn Bhd) for Microsoft Office training.
2013	Establishment of PEOPLEogy Goal (formerly GoalsOn Sdn Bhd) for leadership skills training and PEOPLEogy Skill (formerly SkillsOn Dot Com Sdn Bhd), later appointed franchisee of Supplier A in 2015.
2016	Expansion to Penang (Bay Avenue) and Johor Bahru (City Square); incorporation of PEOPLEogy Digital (formerly PEOPLEogy Development (Sabah) Sdn Bhd) for East Malaysia operations.
2016–2017	Study visits to Tsinghua University, European School of Management and Technology, and Silicon Valley Innovation Centre, inspiring innovation-driven transformation.
2018	Development of PEOPLEAPS, a digital learning management platform; secured RM2.93 million contract from Yayasan Peneraju for data engineer training.
2020	Launch of BUILD A FUTURE TEAM initiative under PEOPLEogy Community; reorganisation into Discovery, Development, and Digital segments.
2022	Hosted first BUILD A FUTURE TEAM HR Conference 2022 in Kuala Lumpur; development of SKILLSTURE, an AI-based digital skill platform by PEOPLEogy Digital.
2023	Incorporation of PEOPLEogy International in Singapore; hosted second BUILD A FUTURE TEAM HR Conference 2023 in Singapore; launch of THE FUTURE TALENT brand for IR4.0 skills and certifications.
2024	Launch of SOUL brand for organisational talent consultancy services; acquisition of 30% equity interest in FISH CAMP Learning to enhance consultancy and profiling services.

Source: Company, Mercury Securities

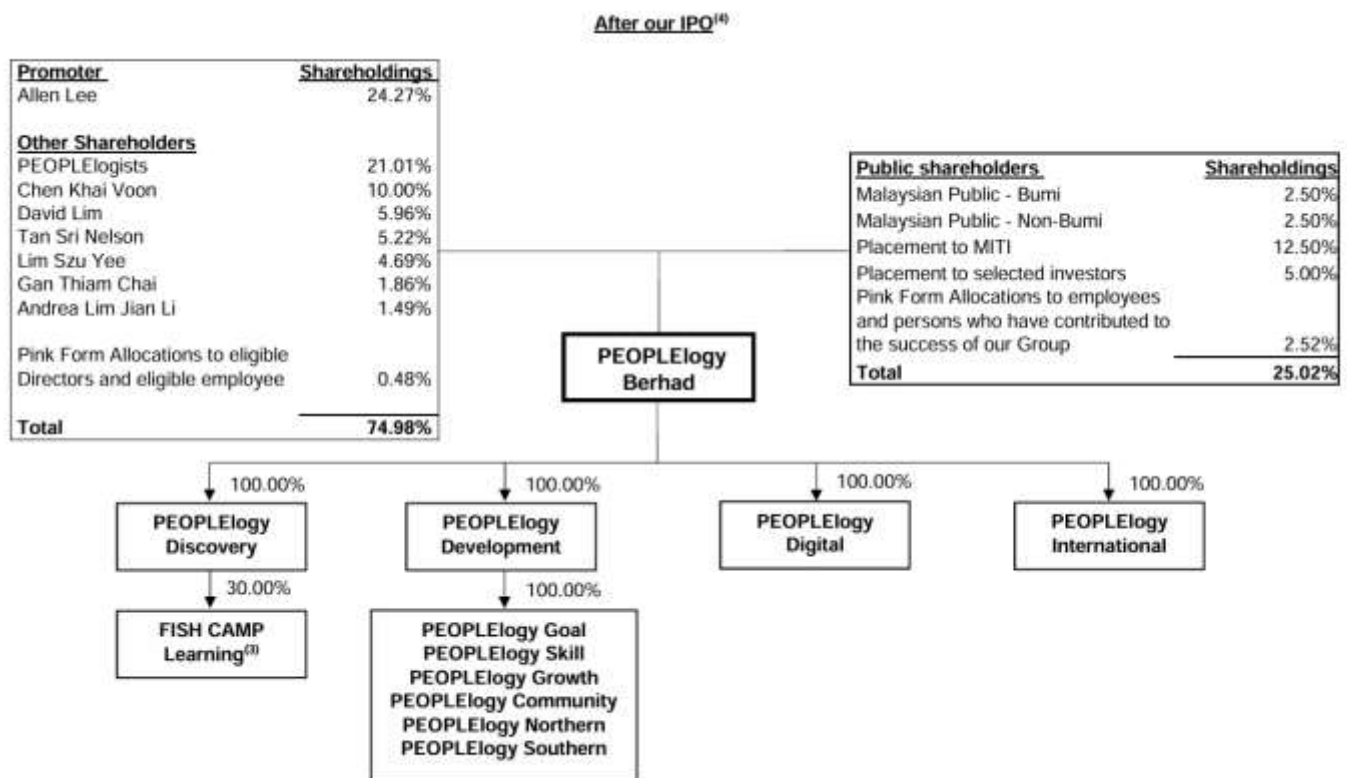
Figure 1: Headquarters, branches and training centre in Malaysia



Source: Company, Mercury Securities



Figure 2: Post IPO shareholding structure



Source: Company, Mercury Securities

Figure 3: Peoplelogy's 6 Dimensions framework



Source: Company, Mercury Securities

Figure 4: Key management team

Name and Designation	Age	Profile
Allen Lee Promoter, Substantial Shareholder, Managing Director	56	<ul style="list-style-type: none"> Spearheads the Group's overall strategic direction, developing and implementing plans to ensure business sustainability and growth. Holds a Bachelor of Arts from Universiti Kebangsaan Malaysia in August 1993. Co-founded Peoplelogy Development (previously known as Jiwa Asia Technology Sdn Bhd) which focuses on the provision of integrated people development solutions.
Cally Yau CEO	37	<ul style="list-style-type: none"> Responsible for implementing the business and growth strategies developed by Managing Director and stakeholder and client relationship management. Graduated with Diploma in Business Management from Westminster International College, Malaysia in June 2008. Also obtained a Master of Business Administration from University of East London, United Kingdom in June 2023.



Joey Lee COO	42	<ul style="list-style-type: none">Responsible for developing operational policies and procedures and collaborating with other department heads regarding operational activities.Graduated with an Advanced Diploma in Marketing from Systematic College Malaysia in December 2024 and Master of Business Administration (International Business) from the University of East London, United Kingdom in June 2023.
Peter Ng Head of Finance	52	<ul style="list-style-type: none">Responsible for overseeing Peoplelogy's finance-related functions including execution of financial reporting, compliance of tax matters and maintenance of internal controls.Has been a Member of Association of Certified Chartered Accountants since June 2000 and a Fellow of the Association of Certified Chartered Accountants since June 2005. Currently, he is also a member of the Malaysia Institute of Accountants.

Source: Company, Mercury Securities

Future Plans & Business Strategies

Establishment of a Cyber Range computer simulation lab. Peoplelogy plans to establish a Cyber Range computer simulation lab to capitalise on the growing demand for Cybersecurity programmes and to enhance revenue contribution from its existing Cybersecurity, Big Data, and AI programmes under the Development business segment. Currently, these programmes are certified by industry bodies such as EC-Council, Cisco, and CompTIA, with training assessments conducted via virtual labs that do not incorporate real-world simulation elements. Programme delivery is facilitated by external trainers and utilises a combination of internally developed content and curricula from strategic technology partners. The planned Cyber Range lab will replicate real-world systems and networks, providing an immersive environment for participants to engage in hands-on Cybersecurity exercises, Big Data management, and AI applications.

Geographical market expansion. Peoplelogy intends to expand its business to East Malaysia (Sarawak and Sabah), Indonesia (Jakarta) and Philippines (Manila) to capture more growth opportunities. Presently, Peoplelogy only operates in Peninsular of Malaysia, mainly in Kuala Lumpur, Johor and Pulau Pinang. Peoplelogy will replicate the similar business model that are presently implemented in Peninsular Malaysia to penetrate these markets with their offerings.

Digital segment expansion. Peoplelogy plans to integrate their Digital segment's day-to-days operations activities such as sales management, marketing management, customer service management and client management via the internally developed Enterprise Resources Planning (ERP) system. This integration of multiple function of Digital segment enables better tracking of data and analytics in real-time. Besides, Peoplelogy also intend to enhance their offering in PEOPLEAPS and SKILLSTURE platform by optimizing the platform performance and improving the modules offerings under LMS, TMS and CMS. Furthermore, Peoplelogy plans to enhance SKILLSTURE by internally developing a Learning Experience Platform (LXP) with AI-driven personalized learning and a community feature to foster collaboration, networking, and peer-to-peer support among subscribers and trainers.

Eyeing for potential business expansion opportunity via strategic investment and M&A. Peoplelogy has allocated approximately RM4m of the IPO proceed cater for potential strategic investment and merger and acquisition opportunities available in Malaysia and Southeast Asia that would help to enhance Peoplelogy's operational efficiency and core services expansion.

Key Risks

Key customer dependence. Yayasan Peneraju is the major customer of Peoplelogy, contributing more than 50% of its total revenue in FY24. Any failure in retaining or a potential loss of contracts awarded by Yayasan Penaraju could result in significant impact on the Peoplelogy's financial performance.

Technology obsolesces. Peoplelogy rely heavily on the technology infrastructure to conduct their business operations. Peoplelogy's business model depends on its ability to continuously anticipate technological shifts, maintain technological relevance and deliver relevant integrated people development solutions focused on reskilling and upskilling talent. Failure to introduce timely and market-accepted training programmes due to operational, technical, or distribution challenges could adversely impact customer retention and revenue growth.

Dependence on certification bodies. Peoplelogy's ICT training and certification offerings are depending on partnerships with key certification bodies such as CompTIA, AWS, EC-Council, PeopleCert, and the Project Management Institute, which directly award credentials to successful participants. Any disruption or termination of these partnerships could impair the Peoplelogy's ability to deliver its certification programmes, resulting in potential revenue loss and adverse impact on financial performance.



IPO Details

	Offer for Sales	Public Issue (m)	Total (m)	(%)
<u>Retail Offering</u>				
Eligible Persons	-	10.3	10.3	2.5
Malaysian Public (Non-Bumiputera)	-	10.3	10.3	2.5
Malaysian Public (Bumiputera)	-	12.3	12.3	3.0
<u>Private Placement</u>				
Selected investors (Non-Bumiputera)	-	20.6	20.6	5.0
Selected investors (Bumiputera)	-	51.5	51.5	12.5
<u>Total</u>	-	105.0	105.0	25.5



Disclaimer & Disclosure of Conflict of Interest

The information contained in this report is based on data obtained from data and sources believed to be reliable at the time of issue of this report. However, the data and/or sources have not been independently verified and as such, no representation, express or implied, are made as to the accuracy, adequacy, completeness or reliability of the information or opinions 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 Mercury Securities Sdn Bhd. (“Mercury Securities”) 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. Mercury Securities 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 events.

Accordingly, neither Mercury Securities nor any of its holding company, related companies, directors, employees, agents and/or associates nor person connected to it accept any liability whatsoever for any direct, indirect, or consequential losses (including loss of profits) or damages that may arise from the use or reliance on the information or opinions in this publication. Any information, opinions or recommendations contained herein are subject to change at any time without prior notice. Mercury Securities has no obligation to update its opinion or the information in this report.

This report does not have regard to the specific investment objectives, financial situation and particular needs of any specific person. Accordingly, investors are advised to make their own independent evaluation of the information contained in this report and seek advice from, amongst others, tax, accounting, financial planner, legal or other business professionals regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report. Nothing in this report constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise represents a personal recommendation to you. This report is not intended, and should not under no circumstances be considered as an offer to sell or a solicitation of any offer or a solicitation or expression of views to influence any one to buy or sell the securities referred to herein or any related financial instruments.

Mercury Securities and its holding company, related companies, directors, employees, agents, associates and/or person connected with it may, from time to time, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or be materially interested in any securities mentioned herein or any securities related thereto, and may further act as market maker or have assumed underwriting commitment or deal with such securities and provide advisory, investment, share margin facility or other services for or do business with any companies or entities mentioned in this report. In reviewing the report, investors should be aware that any or all of the foregoing among other things, may give rise to real or potential conflict of interests and should exercise their own judgement before making any investment decisions.

This research report is being supplied to you on a strictly confidential basis solely for your information and is made strictly on the basis that it will remain confidential. All materials presented in this report, unless specifically indicated otherwise, are under copyright to Mercury Securities. This research report and its contents may not be reproduced, stored in a retrieval system, redistributed, transmitted, or passed on, directly or indirectly, to any person or published in whole or in part, or altered in any way, for any purpose.

This report may provide the addresses of, or contain hyperlinks to websites. Mercury Securities takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to Mercury Securities own website material) are provided solely for your 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 Mercury Securities' website shall be at your own risk.

This report is not directed to or intended for distribution or publication outside Malaysia. If you are outside Malaysia, you should have regard to the laws of the jurisdiction in which you are located.

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.



Recommendation Rating

Mercury Securities maintains a list of stock coverage. Stock can be added or dropped subject to needs with or without notice. Hence, the recommendation rating only applicable to stocks under the list. Stocks out of the coverage list will not carry recommendation rating as the analyst may not follow the stocks adequately.

Mercury Securities has the following recommendation rating:

BUY	Stock's total return is expected to be +10% or better over the next 12 months (including dividend yield)
HOLD	Stock's total return is expected to be within +10% or -10% over the next 12 months (including dividend yield)
SELL	Stock's total return is expected to be -10% or worse over the next 12 months (including dividend yield)

Published & Printed By:

MERCURY SECURITIES SDN BHD
Registration No. 198401000672 (113193-W)
L-7-2, No 2, Jalan Solaris, Solaris Mont' Kiara, 50480 Kuala Lumpur
Telephone: (603) - 6203 7227
Website: www.mercurysecurities.com.my
Email: mercurykl@mersec.com.my