

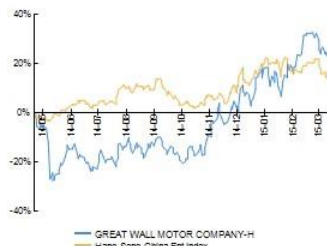
23 March 2015

Outperform
Unchanged

Market Data: Mar, 20

Closing Price (HK\$)	49.3
Price Target (HK\$)	57.1
HSCEI	12,156
HSCCI	4,457
52-week High/Low (HK\$)	51.90/25.25
Market Cap (USD Mn)	19,326
Market Cap (HK\$ Mn)	149,773
Shares Outstanding (Mn)	3,038
Exchange Rate (RMB-HK\$)	1.26

Price Performance Chart:



Source: Bloomberg

Analyst

Titus Wu A0230511040056
ARG344

wutao@swsresearch.com

Contact

Annie Ni

niyj@swsresearch.com

Related Reports

"GREAT WALL MOTOR COMPANY
(2333:HK) - Sales force" Jan 27, 2015

The company does not hold any equities or derivatives of the listed company mentioned in this report ("target"), but then we shall provide financial advisory services subject to the relevant laws and regulations. Any affiliates of the company may hold equities of the target, which may exceed 1 percent of issued shares subject to the relevant laws and regulations. The company may also provide investment banking services to the target. The Company fulfills its duty of disclosure within its sphere of knowledge. The clients may contact compliance@swsresearch.com for relevant disclosure materials or log into www.swsresearch.com under disclosure column for further information. The clients shall have a comprehensive understanding of the disclosure and disclaimer upon the last page

业绩符合预期，2015 年新车型陆续面世

长城汽车 (2333 HK)

Financial summary and valuation

	2013	2014	2015E	2016E	2017E
Revenue (RMB million)	56,784	62,599	89,968	123,167	178,068
YOY (%)	31.57	10.24	43.72	36.90	44.58
Net income (RMB million)	8,224	8,042	11,961	16,476	24,310
YOY (%)	44.47	(2.21)	48.74	37.74	47.55
EPS (RMB)	2.70	2.64	3.93	5.41	7.98
Diluted EPS (RMB)	2.70	2.64	3.93	5.41	7.98
ROE (%)	29.39	23.99	27.74	29.41	32.24
Debt/asset (%)	46.76	45.36	45.21	46.54	47.91
Dividend Yield (%)	2.10	2.05	3.01	4.15	6.12
P/E (x)	14.49	14.80	9.96	7.23	4.90
P/B (x)	4.25	3.55	2.76	2.13	1.58
EV/EBITDA (x)	11.05	11.06	7.51	5.46	3.75

Note: Diluted EPS is calculated as if all outstanding convertible securities, such as convertible preferred shares, convertible debentures, stock options and warrants, were exercised.

14FY 业绩符合预期。长城汽车公布 14FY 业绩。总收入约人民币 626 亿（同比增长 10.2%），净利润约人民币 80 亿（同比下降 2.2%）。全年每股净利润人民币 2.64 元，与我们预测的每股净利润人民币 2.65 元大致相符。由于乘用车销量放缓，轿车销售端成本费用增加，2014 年毛利率与去年相比下滑约 1%，达 27.7%。受高企的研发费用影响（研发费用同比增长 52%），2014 年营业利润率与去年相比下滑约 2.2%，达 14.8%。

SUV 拉动汽车销量增长的主要驱动力。中国汽车销量整体下滑，乘用车销量同比增速从 2014 年全年的 9.9% 下滑至 2015 年 1-2 月的 8.7%。尽管如此，SUV 销量仍保持强劲增长。2015 年 1-2 月 SUV 销量同比增速达 46.2%。作为 SUV 市场的领军者，2015 年 1-2 月长城 SUV 销量同比增速达 55.3%。在长城 SUV 销量增长的拉动下，公司汽车总销量同比增长 16.8%。作为长城最具代表性的 SUV 车型（占总体 SUV 销量的 50%），哈弗 H6 在 2015 年 1-2 月的销量同比增速达 31.5%，连续三年成为国内最畅销的 SUV 车型。同时，公司在 2014 年 7 月成功推出哈弗 H2，并于 2014 年 11 月底在广州汽车展上成功推出哈弗 H1 和 H9。凭借市场良好反响，H2 的月均销量从 8 月份的约 3,900 台稳步攀升至目前的约 1.28 万台；目前 H1 和 H9 的月均销量分别达到约 6,100 辆和 2,400 辆。

更多新 SUV 车型即将面世。长城汽车从 2014 年下半年起就开始陆续推出新车型，以巩固其市场领导地位。我们认为，哈弗 H1（针对低端 SUV 市场）、H2 和 H9（针对高端 7 座 SUV 市场）的成功推出，为消费者提供了更广泛的购车选择空间，同时也提高了哈弗 H 系列的市场竞争力。H9 车型的上市减缓了市场对长城汽车开发高端 SUV 车型能力的担忧，我们认为这将加快公司未来高端 SUV 车型的推出。管理层宣布市场期待已久的 H8 车型（针对高端 SUV 市场）将于今年 4 月在上海车展推出。我们预计 H8 的月均销量将达 4-5 千辆。我们预计自动挡升级版的 H2 和 H6，以及新版 Coupe C 将于今年上半年面世，同时 H7（混合动力版 SUV 车型，针对中高端市场）预计将于 2016 年底起逐步贡献销量。

维持增持评级。鉴于公司 SUV 新车型的逐步推出以及哈弗 H 系列的较高人气，我们认为未来，长城汽车 SUV 销量仍将保持强劲的增长势头。鉴于公司 SUV 销量的稳定增长（预计 2015-17E 年复合增长率为 30%）和 SUV 销量占比的提升（2015E-17E 有望至 85%-90%），我们把 2015 年汽车总销量预测从 93.2 万辆上调 12% 至 105 万辆，把 2016 年汽车总销量预测从 116 万辆上调 16% 至 135 万辆，并预测 2017 年汽车总销量为 184 万辆。我们把 2015 年每股盈利预测由人民币 3.80 元上调 3% 至人民币 3.93 元（同比增长约 49%），把 2016 年的每股盈利预测由人民币 4.96 元上调 9% 至人民币 5.41 元（同比增长约 38%），并预测 2017 年的每股盈利预测为人民币 7.98 元（同比增长 48%）。目前的股价对应 2015/16/17 年的市盈率分别为 10.2/7.4/5.0 倍，我们将目标价由港币 50.4 元上调至港币 57.1 元；基于 16% 的上升空间，我们维持增持评级。

Investment Highlights:

14FY results in line. Great Wall Motor reported 2014 revenue of Rmb62.6bn (+10.2% YoY) and net profit of Rmb8.0bn (-2.2% YoY), resulting in full-year EPS of RMB2.64, in line with our expectation of RMB2.65. Gross margin dropped 1ppt to 27.7% in 2014, mainly due to an increased cost for sedan sales amid the broader market slowdown. Operating margin fell 2.2ppt to 14.8% in 2014, weighed by its heightened R&D expenses (+52% YoY).

SUV remains a major volume growth driver. Overall passenger car unit sales growth in China decelerated from 9.9% YoY in 2014 to 8.7% in Jan-Feb 2015. However, SUV remains the bright spot, with total sales growing by 46.2% YoY in the first two months of this year. As a SUV market leader, Great Wall achieved a solid SUV sales growth of 55.3% YoY in Jan-Feb, driving its total auto sales up by 16.8% YoY during the same period. Sales volume of Great Wall's flagship SUV model, Haval-H6 (accounting for 50% of the company's total SUV sales), grew by 31.5% YoY in Jan-Feb, making it the best-selling SUV model in China for three years in a row. In addition, Great Wall has made a series of new model launches since 2H14. Haval-H2 (targeting the low-to-mid-end SUV market) was launched in July 2014; monthly sales volume for Haval-H2 expanded from 3.9k units in August 2014 to c.12.8k units this year. Haval-H1 (targeting the low-end SUV market) and Haval-H9 (targeting the high-end seven-seater SUV market) both were debuted at the Guangzhou Auto Show in November 2014; monthly sales volume for Haval-H1 and Haval-H9 remained stable at c.6.1k units and c.2.4k units, respectively.

Expanded new SUV offerings. We believe the successful releases of Haval-H1, H2 and H9 has broadened the range of potential buyers and enhanced Haval H-series' market competitiveness. The release of Haval-H9 has eased concerns that Great Wall was struggling with technical issues, and we expect accelerated launches of new high-end SUV models in future. Management guided Haval-H8 (targeting the high-end SUV market) to be launched in Shanghai Auto Show in April 2015. Haval-H8 may contribute c.4-5k monthly sales in 15E under our forecast. We expect upgraded Haval-H2, H6 AT versions and Coupe C to be launched in 1H15E, and forecast Haval-H7 (a hybrid plug-in SUV model targeting the mid-to-high-end market) to make sales contributions by the end of 16E.

Maintain Outperform. Given our positive outlook on the company's new model releases and Haval H-series growing popularity, we revise up our sales forecast by 12% from 932k to 1.05mn in 15E, by 16% from 1.16mn to 1.35mn in 16E and forecast sales of 1.84mn in 17E, on the back of c.30% SUV sales Cagr and c.85%-90% SUV sales contribution in 2015-17E. We raise our EPS forecasts by 3% from Rmb3.80 to Rmb3.93 in 15E (+49% YoY), by 9% from Rmb4.96 to Rmb5.41 in 16E (+38% YoY), and forecast EPS of RMB7.98 (+48% YoY) in 17E. Great Wall is currently trading at 10.2x 15E PE, 7.4x 16E PE and 5.0x 17E PE. We raise our target price from HK\$50.4 to HK\$57.1. With 16% upside, we maintain our Outperform rating.

APPENDIX

Table 1: Consolidated Income Statement

Rmbm	2013	2014	2015E	2016E	2017E
Revenue	56,784	62,599	89,968	123,167	178,068
Cost of Sales	40,538	45,252	64,412	87,465	125,728
Gross Profit	16,246	17,347	25,557	35,702	52,341
Other Income	52	28	36	41	45
Distribution expenses	1,895	2,085	2,969	4,065	5,876
Administrative expenses	2,747	3,822	5,488	8,006	11,574
Ebitda	10,958	10,944	16,125	22,177	32,274
Ebit	9,668	9,244	13,888	19,251	28,585
Finance Costs	(84)	(129)	0	(25)	(80)
Profit before tax	9,920	9,640	14,324	19,731	29,112
Income tax expense	1,688	1,599	2,363	3,256	4,804
Profit for the year	8,232	8,041	11,961	16,475	24,309
Minority interests	8	(0)	(1)	(1)	(1)
Equity holders of the parent	8,224	8,042	11,961	16,476	24,310

Source: SWS Research

Table 2: Consolidated Cash Flow Statement

Rmbm	2013	2014	2015E	2016E	2017E
Profit before taxation	8,232	8,041	11,961	16,475	24,309
Plus : Depr. and amortisation	1,095	1,700	2,237	2,926	3,689
Finance cost	10	129	(0)	25	80
Change in working capital	(291)	(4,434)	(3,233)	(4,990)	(8,263)
Others	(8)	660	79	90	106
CF from operating activities	9,039	6,096	11,043	14,526	19,920
Capex	(7,133)	(5,234)	(8,007)	(9,730)	(10,506)
Other CF from investing activities	437	(1,976)	-	-	-
CF from investing activities	(6,696)	(7,210)	(8,007)	(9,730)	(10,506)
Net change in liabilities	182	(257)	168	185	204
Dividend and interest paid	(1,831)	(2,495)	(2,440)	(3,588)	(4,943)
Other CF from financing activities	(756)	1,443	-	-	-
CF from financing activities	(2,405)	(1,309)	(2,271)	(3,403)	(4,739)
Net cash flow	(73)	(2,441)	765	1,393	4,675

Source : SWS Research

Table 3: Consolidated Balance Sheet

Rmbm	2013	2014	2015E	2016E	2017E
Current Assets	31,026	35,314	49,142	68,037	100,742
Bank balances and cash	6,991	3,394	5,362	8,574	15,417
Trade and other receivables	20,764	26,979	37,280	51,036	73,785
Inventories	2,764	3,470	4,955	6,728	9,671
Other current assets	495	1,405	1,545	1,700	1,869
Long-term investment	53	73	81	89	97
PP&E	18,646	22,548	25,774	32,598	39,443
Intangible and other assets	2,846	3,256	3,581	3,939	4,333
Total Assets	52,605	61,345	78,688	104,785	144,750
Current Liabilities	22,839	26,145	33,724	46,735	67,110
Borrowings	251	76	83	92	101
Trade and other payables	17,522	20,010	28,561	39,101	56,530
Other current liabilities	5,066	6,059	5,079	7,543	10,480
Long-term liabilities	1,757	1,682	1,850	2,035	2,239
Total Liabilities	24,597	27,827	35,574	48,770	69,349
Share Capital	3,042	3,042	3,042	3,042	3,042
Reserves	24,953	30,409	40,029	52,916	72,283
Minority interests	12	67	43	56	75
Total Liabilities and equity	52,605	61,345	78,688	104,785	144,750

Source: SWS Research

Table 4: Key Financial Ratios

	2013	2014	2015E	2016E	2017E
Ratios per share (Rmb)					
Earnings per share	2.70	2.64	3.93	5.41	7.98
Operating CF per share	2.97	2.00	3.63	4.77	6.54
Dividend per share	0.82	0.80	1.18	1.62	2.39
Net assets per share	9.21	11.02	14.17	18.40	24.76
Key Operating Ratios (%)					
ROE	29.39	23.99	27.74	29.41	32.24
Gross profit margin	28.61	27.71	28.41	28.99	29.39
Ebitda Margin	19.30	17.48	17.92	18.01	18.12
Ebit Margin	17.03	14.77	15.44	15.63	16.05
Growth rate of Revenue (YoY)	31.57	10.24	43.72	36.90	44.58
Growth rate of Profit (YoY)	44.47	(2.21)	48.74	37.74	47.55
Debt-to-asset ratio	46.76	45.36	45.21	46.54	47.91
Turnover rate of net assets	2.03	1.87	2.09	2.20	2.36
Turnover rate of total assets	1.08	1.02	1.14	1.18	1.23
Effective tax rate (%)	17.01	16.59	16.50	16.50	16.50
Dividend yield (%)	2.10	2.05	3.01	4.15	6.12

Source: SWS Research

Information Disclosure :

The views expressed in this report accurately reflect the personal views of the analyst. The analyst declares that neither he/she nor his/her associate serves as an officer of nor has any financial interests in relation to the listed corporation reviewed by the analyst. None of the listed corporations reviewed or any third party has provided or agreed to provide any compensation or other benefits in connection with this report to any of the analyst, the Company or the group company(ies). A group company(ies) of the Company confirm that they, whether individually or as a group (i) are not involved in any market making activities for any of the listed corporation reviewed; or (ii) do not have any individual employed by or associated with any group company(ies) of the Company serving as an officer of any of the listed corporation reviewed; or (iii) do not have any financial interest in relation to the listed corporation reviewed or (iv) do not, presently or within the last 12 months, have any investment banking relationship with the listed corporation reviewed.

Undertakings of the Analyst

I (We) am (are) conferred the Professional Quality of Securities Investment Consulting Industry by the Securities Association of China and have registered as the Securities Analyst. I hereby issue this report independently and objectively with due diligence, professional and prudent research methods and only legitimate information is used in this report. I am also responsible for the content and opinions of this report. I have never been, am not, and will not be compensated directly or indirectly in any form for the specific recommendations or opinions herein.

Disclosure with respect to the Company

The company is a subsidiary of Shenwan Hongyuan Securities. The company is a qualified securities investment consulting institute approved by China Securities Regulatory Commission with the code number ZX0065.

Releasing securities research reports is the basic form of the securities investment consulting services. The company may analyze the values or market trends of securities and related products or other relevant affecting factors, provide investment analysis advice on securities valuation/ investment rating, etc. by issuing securities research reports solely to its clients.

The Company fulfills its duty of disclosure within its sphere of knowledge. The clients may contact compliance@swsresearch.com for the relevant disclosure materials or log into www.swsresearch.com for the analysts' qualifications, the arrangement of the quiet period and the affiliates' shareholdings.

Introduction of Share Investment Rating

Security Investment Rating :

When measuring the difference between the markup of the security and that of the market's benchmark within six months after the release of this report, we define the terms as follows:

Trading BUY: Share price performance is expected to generate more than 20% upside over a 6-month period.

BUY: Share price performance is expected to generate more than 20% upside over a 12-month period.

Outperform: Share price performance is expected to generate between 10-20% upside over a 12-month period.

Hold: Share price performance is expected to generate between 10% downside to 10% upside over a 12-month period.

Underperform: Share price performance is expected to generate between 10-20% downside over a 12-month period.

SELL: Share price performance is expected to generate more than 20% downside over a 12-month period.

Industry Investment Rating:

When measuring the difference between the markup of the industry index and that of the market's benchmark within six months after the release of the report, we define the terms as follows:

Overweight : Industry performs better than that of the whole market ;

Equal weight : Industry performs about the same as that of the whole market ;

Underweight : Industry performs worse than that of the whole market.

We would like to remind you that different security research institutions adopt different rating terminologies and rating standards. We adopt the relative rating method to recommend the relative weightings of investment. The clients' decisions to buy or sell securities shall be based on their actual situation, such as their portfolio structures and other necessary factors. The clients shall read through the whole report so as to obtain the complete opinions and information and shall not rely solely on the investment ratings to reach a conclusion. The Company employs its own industry classification system. The industry classification is available at our sales personnel if you are interested.

HSCEI is the benchmark employed in this report.

Disclaimer :

This report is to be used solely by the clients of SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities, hereinafter referred to as the "Company"). The Company will not deem any other person as its client notwithstanding his receipt of this report.

This report is based on public information, however, the authenticity, accuracy or completeness of such information is not warranted by the Company. The materials, tools, opinions and speculations contained herein are for the clients' reference only, and are not to be regarded or deemed as an invitation for the sale or purchase of any security or other investment instruments.

The clients understand that the text message reminder and telephone recommendation are no more than a brief communication of the research opinions, which are subject to the complete report released on the Company's website (<http://www.swsresearch.com>). The clients may ask for follow-up explanations if they so wish.

The materials, opinions and estimates contained herein only reflect the judgment of the Company on the day this report is released. The prices, values and investment returns of the securities or investment instruments referred to herein may fluctuate. At different periods, the Company may release reports which are inconsistent with the materials, opinions and estimates contained herein.

Save and except as otherwise stipulated in this report, the contactor upon the first page of the report only acts as the liaison who shall not provide any consulting services.

The clients shall consider the Company's possible conflict of interests which may affect the objectivity of this report, and shall not base their investment decisions solely on this report. The clients should make investment decisions independently and solely at your own risk. Please be reminded that in any event, the company will not share gains or losses of any securities investment with the clients. Whether written or oral, any commitment to share gains or losses of securities investment is invalid. The investment and services referred to herein may not be suitable for certain clients and shall not constitute personal advice for individual clients. The Company does not ensure that this report fully takes into consideration of the particular investment objectives, financial situations or needs of individual clients. The Company strongly suggests the clients to consider themselves whether the opinions or suggestions herein are suitable for the clients' particular situations; and to consult an independent investment consultant if necessary.

Under no circumstances shall the information contained herein or the opinions expressed herein forms an investment recommendation to anyone. Under no circumstances shall the Company be held responsible for any loss caused by the use of any contents herein by anyone. Please be particularly cautious to the risks and exposures of the market via investment.

Independent investment consultant should be consulted before any investment decision is rendered based on this report or at any request of explanation for this report where the receiver of this report is not a client of the Company.

The Company possesses all copyrights of this report which shall be treated as non-public information. The Company reserves all rights related to this report. Unless otherwise indicated in writing, all the copyrights of all the materials herein belong to the Company. In the absence of any prior authorization by the Company in writing, no part of this report shall be copied, photocopied, replicated or redistributed to any other person in any form by any means, or be used in any other ways which will infringe upon the copyrights of the Company. All the trademarks, service marks and marks used herein are trademarks, service marks or marks of the Company, and no one shall have the right to use them at any circumstances without the prior consent of the Company.

This report may be translated into different languages. The Company does not warrant that the translations are free from errors or discrepancies.

This report is for distribution in Hong Kong only to persons who fall within the definition of professional investors whether under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "SFO") or the Securities and Futures (Professional Investor) Rules (Chapter 571D of the laws of the Hong Kong under the SFO).

This report is for distribution in the United Kingdom only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) order 2001 (as amended) (the "Order") or (ii) are persons falling within Article 49(2)(a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc") of the Order (All such persons together being referred to as "Relevant Persons"). This document is directed only at Relevant Persons. Other Persons who are not Relevant Persons must not act or rely upon this document or any of its contents.

Disclaimer

This report was prepared, approved, published and distributed by the SWS Research Co., Ltd (subsidiary of Shenwan Hongyuan Securities) located outside of the United States (a "non-US Group Company"). This report is distributed in the U.S. by Enclave Capital LLC, a U.S. registered broker dealer, on behalf of SWS Research Co., Ltd only to major U.S. institutional investors (as defined in Rule 15a-6 under the U.S. Securities Exchange Act of 1934 (the "Exchange Act")) pursuant to the exemption in Rule 15a-6 and any transaction effected by a U.S. customer in the securities described in this report must be effected through Enclave Capital LLC (19 West 44th Street, suite 1700, New York, NY 10036).

Neither the report nor any analyst who prepared or approved the report is subject to U.S. legal requirements or the Financial Industry Regulatory Authority, Inc. ("FINRA") or other regulatory requirements pertaining to research reports or research analysts. No non-US Group Company is registered as a broker-dealer under the Exchange Act or is a member of the Financial Industry Regulatory Authority, Inc. or any other U.S. self-regulatory organization.

The information has been compiled or arrived from sources believed to be reliable and in good faith, but no representation or warranty, express or implied is made as to their accuracy, completeness or correctness. SWS Research Co., Ltd has not verified the factual accuracy, assumptions, calculations or completeness of the information. Accordingly, SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities) accepts no liability whatsoever for any direct or consequential loss or damage arising from (i) the use of this communication (ii) reliance of any information contained herein, (iii) any error, omission or inaccuracy in any such Information or (iv) any action resulting there from. SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities) provides the information for the purpose of the intended recipient's analysis and review. Accordingly you are advised to verify the factual accuracy, assumptions, calculations or completeness of the information.

Analyst Certification

Each of the analysts identified in this report certifies, with respect to the companies or securities that the individual analyses, that (1) the views expressed in this report reflect his or her personal views about all of the subject companies and securities and (2) no part of his or her compensation was, is or will be directly or indirectly dependent on the specific recommendations or views expressed in this report.

Important US Regulatory Disclosures on Subject Companies

This material was produced by SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities) solely for information purposes and for the use of the recipient. It is not to be reproduced under any circumstances and is not to be copied or made available to any person other than the recipient. It is distributed in the United States of America by Enclave Capital LLC and elsewhere in the world by SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities) or an authorized affiliate of SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities). This document does not constitute an offer of, or an invitation by or on behalf of SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities) or its affiliates or any other company to any person, to buy or sell any security. The information contained herein has been obtained from published information and other sources, which SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities) or its Affiliates consider to be reliable. None of SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities) accepts any liability or responsibility whatsoever for the accuracy or completeness of any such information. All estimates, expressions of opinion and other subjective judgments contained herein are made as of the date of this document. Emerging securities markets may be subject to risks significantly higher than more established markets. In particular, the political and economic environment, company practices and market prices and volumes may be subject to significant variations. The ability to assess such risks may also be limited due to significantly lower information quantity and quality. By accepting this document, you agree to be bound by all the foregoing provisions.

1. SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities) or its Affiliates have not recently been the beneficial owners of 1% or more of the securities mentioned in this report.
2. SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities) or its Affiliates have not managed or co-managed a public offering of the securities mentioned in the report in the past 12 months.
3. SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities) or its Affiliates have not received compensation for investment banking services from the issuer of these securities in the past 12 months and do not expect to receive compensation for investment banking services from the issuer of these securities within the next three months.
4. However, one or more person of SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities) or its affiliates may, from time to time, have a long or short position in any of the securities mentioned herein and may buy or sell those securities or options thereon either on their own account or on behalf of their clients.
5. As of the publication of this report Enclave Capital LLC, does not make a market in the subject securities.
6. SWS Research Co., Ltd. (subsidiary of Shenwan Hongyuan Securities) or its Affiliates may, to the extent permitted by law, act upon or use the above material or the conclusions stated above or the research or analysis on which they are based before the material is published to recipients and from time to time provide investment banking, investment management or other services for or solicit to seek to obtain investment banking, or other securities business from, any entity referred to in this report

Distribution in Singapore

If distributed in Singapore, this report is meant only for Accredited Investors and Institutional Investors as defined under Section 4A of the Securities and Futures Act of Singapore. If you are not an Accredited Investor or an Institutional Investor, you shall ignore the report and its contents. The Singapore recipients of the report are to contact the Singapore office of Shenyin Wanguo Singapore Private Limited at 65-6323-5208, or 65-6323-5209 in respect of any matters arising from, or in connection with, the report.
rom, or in connection with, the report.