Research Department

Morning Research Focus

11 August 2015

Table of Contents 目录

- Industry and Company Focus 行业和公司焦点
  - Alibaba Group (BABA US): Announced to invest RMB28.3 in Suning

    阿里巴巴集团 (BABA US)：宣布向苏宁投资 RMB283 亿
  - China Yurun Food (01068 HK): Reported Net Loss of HK$724 Million in 1H15

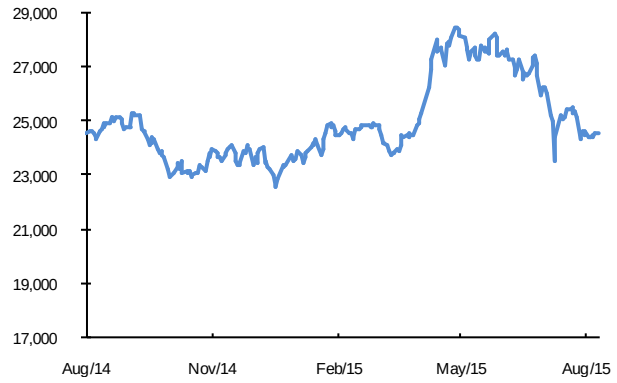
    中国雨润食品 (01068 HK): 2015 年上半年报告亏损为 724 百万港元

Latest Reports 最新报告摘要

	Company Name 公司名称	Code 代码	Title 标题	TP 目标价	Chg 变动	Rating 评级	Chg 变动	EPS Est. Change? 盈利预测是否改变
➢	Uni-President China	00220 HK	New Products, New Markets, Higher Profitability	HK$9.00	--	Accumulate	--	Y
	统一企业中国	00220 HK	新产品、新市场、更高的利润率	HK$9.00	--	收集	--	是
➢	Port Sector		Flash Note: July Exports Down 8.3% YoY, Missed Consensus	--		Outperform	--	N
	港口业		快讯：7 月出口同比下降 8.3%，差于预期	--		跑赢大市	--	否
➢	Wynn Macau	01128 HK	More Confident Wynn Palace to Open in March 2016, Upgrade to “Neutral”	HK$15.00	↑	Neutral	↑	Y
	永利澳门	01128 HK	更有信心永利皇宫将在 2016 年 3 月开幕，上调至“中性”	HK$15.00	↑	中性	↑	是

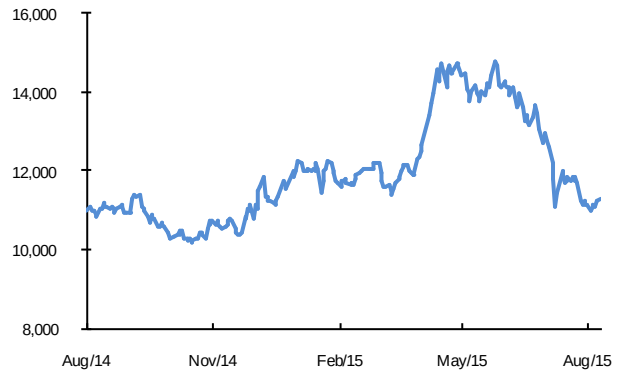
Appendices：Chinese Version of the Industry and Company Focus, Latest Reports.
后附：行业和公司焦点，最新报告摘要中文版。

HSI Performance



Source: Bloomberg

HSCEI Performance



Source: Bloomberg

Industry and Company Focus

Alibaba Group (BABA US): Announced to invest RMB28.3 in Suning

Analyst: Ray Zhao

- **What happened:** Alibaba Group announced to invest RMB28.3bn in Suning (002024.CH), to gain 1.9bn shares and become the 2nd largest shareholder with 19.9% shares. Meanwhile Suning will purchase 27.8mn new shares from Alibaba Group with RMB14bn.
- **Comments and Views:** We think Alibaba Group and Suning mutual investment will be a win-win strategy. Alibaba Group and Suning could cooperation in both online and offline business. In Jul 30th, Suning announced its 1H15 sales reached RMB75bn, with online GMV of RMB18.1bn, up 104.7% yoy, with 55% mobile orders. Currently Suning has 1,600 stores, 3,000 after-sales service points, and 5,000 franchised stores. Suning has very large logistic land reserves, amounting to 4.52mn sqm, 50% more than that of JD's. Currently, Suning's logistic utilization rate is very low. We think Suning Ecommerce will open in Tmall soon and will get high quality cheap traffic from Tmall. We think Suning and Cainiao Logistics might have further deep cooperation. Suning after-sales service points could serve Taobao and Tmall buyers in the future. We think the investment in Suning will increase Alibaba Group competition in 3C & White goods and the efficiency in Cainiao Logistics. It's a crucial link of Quality Tmall, a new key strategy from Alibaba Group new CEO Zhang Yong. 50 cities next day arrival services are key parts of Quality Tmall.
- **Investment suggestion:** We will maintain investment rating at "Buy". Our TP is USD 110.0, representing 38.6x FY16 non GAAP PE. Please read company report later.

China Yurun Food (01068 HK): Reported Net Loss of HK$724 Million in 1H15

Analyst: Sunny Kwok

- **What happened:** Yurun Food posted its 1H15 interim results yesterday after market close. Key Fundamentals are as following:

(HK$ m)	Amount	yoy		Amount	yoy
Revenue	9,584	+6.0%	**Gross Margin - Upstream**	0.7%	-4.4 ppt
Gross Profit	255	-61.8%	**Gross Margin - Downstream**	14.7%	-3.2 ppt
Core EBIT *	(542)	631.2%	**Government Grant**	222	-68.2%
Reported Net Profit	(724)	n.a.	**Core EBIT Margin**	-5.7%	-4.8 ppt
Core Net Profit *	(690)	250.6%	**Core EPS (HK$)**	(0.379)	250.6%

Source: the Company, Guotai Junan International.

** Excludes government grant, impairments & disposal gains/losses.*

- **Comments and Views:** Yurun's reported net loss of HK$724 million in 1H15 was basically indifferent to its previous profit warning announcement dated 13th July 2015 (not less than HK$700 million). Gross margin deterioration, decrease in government grants, and some one-off impairments and disposal losses are the major reasons for earnings disappointment.
- **Investment suggestion:** We are "Neutral" on Yurun Food with a TP of HK$3.60. As pork price continues to soar but slaughtering volume is expected to remain weak, we do not foresee significant earnings improvement in 2H15. Thus, we may not upgrade the investment rating in the coming report.

Latest Reports

Uni-President China (00220 HK): New Products, New Markets, Higher Profitability

Rating: Accumulate	**6-18m TP: HK$9.00**
Analyst: Sunny Kwok	**Report Date: 2015-08-10**

Summary

- UPC's revenue in 1H15 was RMB12.0 billion, down 2.9% YoY, but net profit soared by 93.2% YoY to RMB687 million. **UPC's net profit in 1H15 beat consensus by more than 10% on 1) strong gross margin improvement; 2) stringent cost control; and 3) reduction in finance cost.**
- The management remains optimistic on its beverage business as successful new products initiation helps. Instant noodle business's sales remained weak but gross margin improvement helped such business to turn profitable. UPC will keep putting star products on shelves in lower tier cities as production capacity constraint resolves. More new products will be introduced to compensate for sales decline of old products. **With better gross margin on lower raw materials prices, we revise up EPS forecasts in 2015-2017 by 3.7%, 3.3% and 7.2%, respectively.** We expect UPC's EPS in 2015-2017 to be RMB0.217, RMB0.246 and RMB0.290, up 202.0%, 13.4% and 17.9% YoY, respectively.
- UPC's beverage business is gaining market share on new products initiation. Instant noodle business's profitability has room to improve on low base. Sales mix improvement helps to alleviate negative impact from possible rebound of raw materials prices. **Therefore, we maintain UPC's investment rating at "Accumulate" and the Company's TP of HK$9.00 remains unchanged, which represents 33.0x 2015 PER, 29.1x 2016 PER and 24.7x 2017 PER.**

Flash Note: Port Sector: July Exports Down 8.3% YoY, Missed Consensus

Rating: Outperform	**6-18m TP: n.a.**
Analyst: Ivan Zhou	**Report Date: 2015-08-10**

Summary

- **China Customs released July exports and imports data:**

	Total Trade Value	Export	Import
Trade Value (billion USD)	347.2	195.1	152.1
YoY change (%)	(8.2)	(8.3)	(8.1)
Seasonally Adjusted yoy change (%)	(8.1)	(7.9)	(8.4)
Market Consensus for yoy change (%)	n.a.	(1.5)	(8.0)
MoM Change (%)	3.5	2.3	4.9
Seasonally Adjusted mom change (%)	(3.5)	(3.4)	(3.8)

Source: China Customs, Bloomberg.

- **China exports decreased by 8.3% yoy in July 2015; imports decreased by 8.1% yoy.** For the first seven months of 2015, cumulative exports decreased by 0.8% yoy and cumulative imports decreased by 14.6% yoy. A trade surplus of US$43.0 billion was recorded during the month. China's July exports were lower than Bloomberg's market consensus of down 1.5% yoy; imports were also lower than the market consensus of down 8.0% yoy. Compared to the original market expectations of a trade surplus of US$54.7 billion, the actual trade surplus was lower, which was mainly due to the lower-than-expected exports. The negative exports growth was mainly due to the weak global demand during the period; the more important reason was the strong exchange rate of RMB against Euro, Yen and currencies of emerging market countries: for the first seven months of 2015, China's cumulative exports to EU decreased by 4.3% yoy, cumulative exports to Japan decreased by 11.0% yoy but cumulative exports to US increased by 7.3% yoy. Meanwhile, the weak imports reflected the yoy decrease of commodity price and the weak domestic economy in China. Globally, we still expect that the US economy will keep strong; economy in Europe and Japan May also see some improvements in 2015

following the QE policy. However, as RMB remains strong against other currencies excluding USD, we think exports in China will grow slowly in 2015. Imports growth is expected to continue to be negative.

- **Both New Export Order Index and Imports Index declined in July.** China New Export Order Index for manufacturing in July recorded at 47.9%, down 0.3 pts mom. Imports Index for manufacturing reported at 47.8%, down 0.2 pts mom. It showed that China exports may under some pressure in the short term.
- **We think the lower than expected exports numbers may have some negative effect on share price of exports related companies in the short term.** Currently we maintain 'Buy' for CMHI (00144 HK) with TP of HK$37.00. Maintain 'Accumulate' for COSCO Pacific (01199 HK) with TP of HK$13.50. For mid-caps and small caps, maintain "Neutral" for Dalian Port (02880 HK) with TP of HK$3.20. Maintain "Neutral" for Xiamen Int'l Port (03378 HK) with TP of HK$3.60. Maintain "Neutral" for Tianjin Port Dev. (03382 HK) with TP of HK$1.95.

Wynn Macau (01128 HK): More Confident Wynn Palace to Open in March 2016, Upgrade to "Neutral"

Rating: Neutral	**6-18m TP: HK$15.00**
Analyst: Noah Hudson	**Report Date: 2015-08-10**

Summary

- **Wynn Macau's 2Q15 adjusted property EBITDA was US$173.4 million, down 43.5% YoY and 1.7% above Bloomberg consensus.** Casino net revenue decreased 36.4% YoY, slightly better than the 37.4% sector decline.
- **With weaker than expected 2Q15 results, we cut 2015 revenue and adjusted EBITDA forecasts by 4.7% and 6.7%, respectively.**
- **More confident that Wynn Palace will open on time in March 2016, we move up its initial operating date in our model from the beginning of 3Q16 to the beginning of 2Q16 and increase 2016 and 2017 revenue and adjusted EBITDA forecasts.** Our concerns of additional delays due to lack of construction workers is alleviated since the Macau government has now already given the Company permission for all requested construction workers.
- **We increase 2016 and 2017 adjusted EBITDA forecast by 11.6% and 3.7%, respectively.** We forecast 2015 to 2017 adjusted EBITDA of HK$5,131 million, HK$6,681 million and HK$7,498 million, respectively, equivalent to growth of -39.1%, 30.2% and 12.2%. We forecast 2015 to 2017 diluted EPS of HK$0.560, HK$0.685 and HK$0.588, respectively, equivalent to -22.1% CAGR.
- **We increase our target price from HK$13.10 to HK$15.00 and upgrade our investment rating from "Reduce" to "Neutral".**

Chinese Translation 中文翻译

行业和公司焦点

阿里巴巴集团 (BABA US)：宣布向苏宁投资 RMB283 亿

分析员：赵睿

- **事件描述：**阿里巴巴宣布向苏宁(002024.CH)投资 RMB283 亿，成为第二大股东，持股 19.99% （19.3 亿股）。苏宁以 140 亿元人民币认购不超过 2,780 万股的阿里新发行股份。
- **观点评论：**我们认为该交易对双方构成利好。阿里巴巴和苏宁将从线上电商和线下物流和服务网点展开全面服务。苏宁 7 月 30 日晚间发布业绩快报，1H15 实现商品销售规模 750.63 亿元；线上 GMV 为 181.67 亿元，同比增长 104.65%，其中移动订单占比达到 55%。苏宁目前有 1,600 家线下门店，3,000 售后服务网点，5,000 个加盟服务商。目前苏宁拥有非常大的物流土地储备，达到 452 万平米，比京东多 50%。目前苏宁物流利用率偏低。我们认为苏宁易购很快会入驻天猫电器城，并获得天猫廉价优质的流量；而菜鸟和苏宁物流可能开展深度合作。苏宁的门店和售后服务网点也有望为淘宝天猫买家开展服务。我们认为阿里巴巴对苏宁的投资，有利于提高在 3C 家电品类的竞争力和菜鸟物流的效率。我们认为阿里巴巴 CEO 张勇所推的品质天猫战略非常关键，而菜鸟物流的 50 城市次日达又是这一战略最重要一环。对苏宁的投资有望加速品质天猫战略的实施。
- **投资建议：**。我们维持公司投资评级买入。我们的目标价为 110 美元，相当于 FY16 年 38.6 倍的 PE。详情请参见公司点评。

中国雨润食品 (01068 HK)：2015 年上半年报告亏损为 724 百万港元

分析员：郭日升

- **事件描述：**雨润食品于昨天收盘后公布 2015 年中期业绩，主要指标表现如下：

（百万港元）	总额	按年增长		总额	按年增长
营业额	9,584	+6.0%	**毛利率 – 上游业务**	0.7%	-4.4 个百分点
毛利	255	-61.8%	**毛利率 – 下游业务**	14.7%	-3.2 个百分点
核心息税前溢利 *	(542)	631.2%	**政府补贴**	222	-68.2%
报告股东净利	(724)	不适用	**核心息税前溢利率**	-5.7%	-4.8 个百分点
核心股东净利 *	(690)	250.6%	**核心每股净利（港元）**	(0.379)	250.6%

资料来源：公司、国泰君安国际。

** 不包括政府补贴、减值拨备及出售收益/亏损。*

- **观点评论：**雨润 2015 年上半年报告亏损达到 724 百万港元，与 2015 年 7 月 13 日盈利预警预期亏损不少于 7 亿港元没有太大差异。毛利率转差、政府补贴减少和一些减值拨备及出售亏损为盈利令人失望的主要原因。
- **投资建议：**我们对雨润食品的投资评级为“中性”，目标价为 3.60 港元。由于猪肉价格大幅上升但屠宰量预期将维持疲弱，我们并不预期公司 2015 年下半年盈利会大幅好转。因此，我们或不会于下一份报告中上调投资评级。

最新报告

统一企业中国 (00220 HK): 新产品、新市场、更高的利润率

评级： 收 集	6-18m 目标价： HK$9.00
分析员： 郭日升	报告日期： 2015-08-10

报告摘要

- 统一 2015 年上半年收入为人民币 120 亿元，同比下降 2.9%，但净利则按年大升 93.2%至人民币 687 百万元。**统一 2015 年上半年报告净利较市场高超过 10%，主要是因为 1) 毛利率大幅上升；2) 严格控制营运费用；及 3) 财务费用支出减少。**
- 管理层对饮料业务前景感到乐观，因其新品对拉动销售增长有明显作用。方便面业务销售仍然比较疲弱，但毛利率改善帮助该分部录得盈利。由于产能紧张的问题渐渐解决，统一会加快新品于低级城市的铺货速度。公司将推出更多新产品去弥补旧品销售下滑的负面影响。**受惠于原材料价格走低对毛利率的利好，我们分别上调统一 2015-2017 年每股净利 3.7%、3.3%及 7.2%。**我们预期统一 2015-2017 年每股净利分别为人民币 0.217 元、人民币 0.246 元及人民币 0.290 元，按年分别增长 202.0%、13.4%及 17.9%。
- 受惠于成功开发受欢迎的新品，统一于中国软饮料的市场份额逐渐上升。公司方便面业务利润率仍低，未来仍有上升空间。产品组合提升有利公司减轻原材料价格反弹对利润率的负面影响。**因此，我们维持统一的投资评级为“收集”，目标价 9.00 港元也维持不变，相当于公司 33.0 倍 2015 年市盈率、29.1 倍 2016 年市盈率及 24.7 倍 2017 年市盈率。**

快讯：港口业: 7 月出口同比下降 8.3%，差于预期

评级： 跑赢大市	6-18m 目标价： n.a.
分析员： 周一帆	报告日期： 2015-08-10

报告摘要

- **中国海关公布 7 月份进出口数据：**

	进出口	出口	进口
贸易额（亿美元）	3,471.7	1,951.0	1,520.7
同比变动（%）	(8.2)	(8.3)	(8.1)
经季节调整后同比变动（%）	(8.1)	(7.9)	(8.4)
市场预期的同比变动（%）	n.a.	(1.5)	(8.0)
环比变动（%）	3.5	2.3	4.9
经季节调整后的环比变动（%）	(3.5)	(3.4)	(3.8)

来源: 中国海关, Bloomberg.

- **2015 年 7 月份中国出口同比下降 8.3%，进口同比减少 8.1%。**对于 2015 年前 7 个月，累计出口同比下降 0.8%而累计进口同比下降 14.6%。7 月录得贸易顺差约 430 亿美元。对比彭博统计的市场平均预测，中国 7 月份出口增速低于市场平均预测的下降 1.5%；进口增速同样差于市场预期的下降 8.0%。对比市场预测的贸易顺差 547 亿美元，7 月份实际录得顺差低于预期，主要由于出口差于预期。出口负增长的主要原因在于全球需求较弱；而更重要的原因在于人民币汇率相对于欧元、日元以及新兴市场国家货币强势：对于 2015 年前 7 个月，中国对欧盟累计出口同比下跌 4.3%，对日本累计出口同比下跌 11.0%但对美国累计出口同比增长 7.3%。同时，较弱的进口反映了大宗商品价格的同比下跌以及国内经济疲弱。从全球看，我们依然认为美国经济会继续保持强劲；欧洲和日本经济在量化宽松政策后可能在 2015 年也有所改善。然而，由于人民币相对于其他除美元外货币保持强势，我们认为 2015 年出口将会增长缓慢。进口增速预计继续为负。
- **7 月份新出口订单指数和进口指数均下降。**7 月份中国制造业新出口订单采购经理人指数录得 47.9%，月环比下降 0.3 个百分点。进口指数录得 47.8%，环比下降 0.2 个百分点。其表明中国出口在短期内可能有一些压力。
- **我们认为差于预期的出口数据或短期内会对出口相关公司的股价有负面影响。**我们目前维持招商局国际 (00144 HK) “买

入”评级和目标价 37.00 港元。中远太平洋(01199 HK)投资评级为“收集”，目标价 13.50 港元。对于中小市值股票，维持大连港股份(02880 HK)“中性”评级，目标价 3.20 港元。维持厦门港务(03378 HK)“中性”评级，目标价 3.60 港元。维持天津港发展(03382 HK)“中性”评级，目标价 1.95 港元。

永利澳门 (01128 HK): 更有信心永利皇宫将在 2016 年 3 月开幕，上调至“中性”

评级：中　性	**6-18m 目标价:　HK$15.00**
分析员：　Noah Hudson	**报告日期:　2015-08-10**

报告摘要

- **永利澳门 2015 年第 2 季度经调整后的物业 EBITDA 为 1.734 亿美元，同比下降 43.5%，高于彭博一致预期 1.7%。**赌场净收入同比下降 36.4%，略好于行业的 37.4%同比下降。
- **由于 2015 年 2 季度业绩差于我们预期，我们分别下调 2015 年收入以及调整后 EBITDA 预期 4.7%和 6.7%。**
- **更有信心永利皇宫将按时在 2016 年 3 月开幕，我们把模型里假设开幕期从 2016 年 3 季度初提早至 2016 年 2 季度初，并且上调 2016 年和 2017 年收入和调整后 EBITDA 预期。**澳门政府已经批准了公司所有申请要的建设员工，所以我们已经不担心建设员工不够将导致开幕期延迟。
- **我们分别上调 2016 年和 2017 年调整后 EBITDA 预测 11.6%和 3.7%。**我们分别预期 2015 年至 2017 年调整后 EBITDA 为 51.31 亿港元、66.81 亿港元和 74.98 亿港元，相当于-39.1%、30.2%和 12.2%的增长。我们分别预期 2015 年至 2017 年摊薄后每股盈利为 0.560 港元、0.685 港元和 0.588 港元，相当于-22.1%的年复合增长率。
- **我们将目标价从 13.10 港元上调至 15.00 港元并且上调投资评级由“减持”至“中性”。**

Research Department 研究部

Grace Liu	刘 谷	Head of Research, Market Strategy, Petrochemicals	主管，市场策略、石化	liugu@gtjas.com	(86755) 23976698 / (852) 25097516
Ray Zhao	赵 睿	Conglomerate, E-commerce	综合、电子商务	zhaorui@gtjas.com	(86755) 23976755
Gary Wong	黄家玮	Environmental Protection, Infrastructure	环保、基建	gary.wong@gtjas.com.hk	(852) 25092616
Leo Wu	吴逸超	Coal, Electricity	煤炭、电力	wuyichao@gtjas.com	(86755) 23976871
Noah Hudson	Noah Hudson	Consumer (Hotels), Gaming	消费（酒店）、博彩	noah.hudson@gtjas.com	(86755) 23976684
Sunny Kwok	郭日升	Consumer (Food & Beverage, Household Products)	消费（食品饮料、日用品）	sunny.kwok@gtjas.com.hk	(852) 25092642
Jason Song	宋 然	Market Strategy	市场策略	jason.song@gtjas.com.hk	(852) 25097768
Shirley Gu	古乔艺	Market Strategy	市场策略	guqiaoyi@gtjas.com	(86755) 23976718
Square Chui	徐惠芳	Futures	期货	square.chui@gtjas.com.hk	(852) 25092629
Kevin Guo	郭 勇	Raw Materials, Gas	原材料、燃气	kevin.guo@gtjas.com	(86755) 23976671
Ricky Lai	黎柏坚	Telecommunications, Internet	电信、互联网	ricky.lai@gtjas.com.hk	(852) 25092603
Dayton Wang	王庆鲁	Insurance, Fixed-income	保险、债券	dayton.wang@gtjas.com.hk	(852) 25095347
Angus Chan	陈 庆	Machinery, Construction Materials	机械、建材	angus.chan@gtjas.com.hk	(852) 25092665
Richard Cao	曹 柱	Banking	银行	caozhu013592@gtjas.com	(86755) 23976870
Jun Zhu	朱俊杰	Clean Energy, Electric Equipment	清洁能源、电力设备	junjie.zhu@gtjas.com.hk	(852) 25097592
Ivan Zhou	周一帆	Shipping & Logistics, Ports	航运物流、港口	zhouyifan013593@gtjas.com	(86755) 23976685
Andrew Song	宋 涛	Consumer (Retailing), Home Appliances	消费（零售）、家电	andrew.song@gtjas.com.hk	(852) 25095313
Van Liu	刘斐凡	Property	房地产	liufeifan@gtjas.com	(86755) 23976672
Sherry Li	李沁亦	Research Assistant	研究助理	liqinyi@gtjas.com	(86755) 23976675
Sean Xiang	向宇豪	Research Assistant	研究助理	xiangyuhao@gtjas.com	(86755) 23976725
Terry Hong	洪学宇	Research Assistant	研究助理	hongxueyu@gtjas.com	(86755) 23976722
Johnny Wong	王俊浩	Research Assistant	研究助理	johnny.wong@gtjas.com.hk	(852) 25095348
Esabella Zhao	赵舒蔓	Research Assistant, Translator	研究助理、翻译员	zhaoshuman013399@gtjas.com	(86755) 23976681

Company Rating Definition

The Benchmark: Hong Kong Hang Seng Index

Time Horizon: 6 to 18 months

Rating	Definition
Buy	Relative Performance >15%; or the fundamental outlook of the company or sector is favorable.
Accumulate	Relative Performance is 5% to 15%; or the fundamental outlook of the company or sector is favorable.
Neutral	Relative Performance is -5% to 5%; or the fundamental outlook of the company or sector is neutral.
Reduce	Relative Performance is -5% to -15%; or the fundamental outlook of the company or sector is unfavorable.
Sell	Relative Performance <-15%; or the fundamental outlook of the company or sector is unfavorable.

Sector Rating Definition

The Benchmark: Hong Kong Hang Seng Index

Time Horizon: 6 to 18 months

Rating	Definition
Outperform	Relative Performance >5%; or the fundamental outlook of the sector is favorable.
Neutral	Relative Performance is -5% to 5%; or the fundamental outlook of the sector is neutral.
Underperform	Relative Performance <-5%; or the fundamental outlook of the sector is unfavorable.

DISCLOSURE OF INTERESTS

(1) The Analysts and their associates do not serve as an officer of the issuer mentioned in this Research Report.
(2) The Analysts and their associates do not have any financial interests in relation to the issuer mentioned in this Research Report.
(3) Except for SMI Holdings Group Limited (00198), China Fire Safety Enterprise Group Limited (00445), Guangshen Railway Company Limited-H shares (00525), China All Access (Holdings) Limited (00633), Guotai Junan International Holdings Limited (01788) and Binhai Investment Company Limited (02886), Guotai Junan and its group companies do not hold equal to or more than 1% of the market capitalization of the issuer mentioned in this Research Report.
(4) Guotai Junan and its group companies have had investment banking relationships with Jiangsu Express-H shares (00177) / Shenzhen Invest (00604) / China All Access Holdings Ltd. (00633) / China Singyes Solar Technologies (00750) / China Dredging (00871) / Huaneng Power-H shares (00902) / Huaneng Renewables Corporation Limited-H shares (00958) / Yanzhou Coal Mining Co., Ltd.-H shares (01171) / Merry Garden Holdings Ltd. (01237) / Powerlong Real Estate (01238) / Baguio Green (01397) / Chanjet Information Technology-H shares (01588) / Redco Properties (01622) / China Creative Home (01678) / CGN Meiya (01811) / CGN Power (01816) / AVICHINA-H shares (02357) / Shanghai Electric-H shares (02727) / China Shipping Container Lines Co. Ltd.- H Shares (02866) / Binhai Investment Company Limited (02886) / Huishang Bank Corporation (03698) / Bosideng (03998) / China U-Ton Holdings Ltd. (06168) / Tianyun INT'L (06836) / Freetech (06888)and China Wood Optimization (08099) mentioned in this Research Report within the preceding 12 months.

DISCLAIMER

This Research Report does not constitute an invitation or offer to acquire, purchase or subscribe for securities by Guotai Junan Securities (Hong Kong) Limited ("Guotai Junan"). Guotai Junan and its group companies may do business that relates to companies covered in research reports, including investment banking, investment services and etc. (for example, the placing agent, lead manager, sponsor, underwriter or invest proprietarily).

Any opinions expressed in this report may differ or be contrary to opinions or investment strategies expressed orally or in written form by sales persons, dealers and other professional executives of Guotai Junan group of companies. Any opinions expressed in this report may differ or be contrary to opinions or investment decisions made by the asset management and investment banking groups of Guotai Junan.

Though best effort has been made to ensure the accuracy of the information and data contained in this Research Report, Guotai Junan does not guarantee the accuracy and completeness of the information and data herein. This Research Report may contain some forward-looking estimates and forecasts derived from the assumptions of the future political and economic conditions with inherently unpredictable and mutable situation, so uncertainty may contain. Investors should understand and comprehend the investment objectives and its related risks, and where necessary consult their own financial advisers prior to any investment decision.

This Research Report is not directed at, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any jurisdiction where such distribution, publication, availability or use would be contrary to applicable law or regulation or which would subject Guotai Junan and its group companies to any registration or licensing requirement within such jurisdiction.

© 2015 Guotai Junan Securities (Hong Kong) Limited. All Rights Reserved.
27/F., Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong.
Tel.: (852) 2509-9118 Fax: (852) 2509-7793 Website: www.gtja.com.hk