

# Geely (175 HK)

## Electrification Upgrading Is Accelerating

Hong Kong | Automobile | Update Report

25 April 2022

### Investment Summary

#### Sales Volume Underperforms the Industry Average for Multiple Reasons

According to the released sales data, Geely reported a sales volume of 146.4/78.5/101.2 thousand units in Jan/Feb/Mar, -6.36%/+1.63%/+1.14% yoy. In the first quarter of this year, the cumulative sales volume was 326024 units, down 2.26% yoy. Geely completed 19.8% of the annual target of 1,650 thousand units.

According to the information released by the CPCA, the sales volume of China's passenger cars fell by 4.4% yoy in January, and increased by 27% yoy in February, down by 1.6% yoy in March. The overall growth of the Geely's sales volume was below the industry average. We think that the main reasons are listed as follows: 1) The dilemma of chip shortage (such as body electronic stability system (ESP) chips) has not been got rid of. 2) The Chinese Spring Festival holiday in 2022 was earlier than the previous year. 3) With a small proportion of new energy models, the Company has not fully enjoyed the booming prosperity of new energy vehicles.

#### The Sales Volume Increase Mainly Depends on New Energy Products

On a closer look at brands, Geely brand's sales volume in Jan/Feb/Mar dropped by 6.1%/3.0%/flat yoy, respectively. In particular, the high-end models of China Star series (Xingrui, Xingyue, and Xingyue L) recorded a sales volume of 25/14/21.6 thousand units, respectively in Jan/Feb/Mar, accounting for 17.1%/17.8%/21.35% of the total sales, respectively. The proportion saw a further increase. The premiumization of Geely brand was steadily advancing.

In Jan/Feb/Mar, LYNK&CO brand reported a sales volume of 18/11/13.6 thousand units, respectively, down 28.1%/11.0%/17.2% yoy, respectively. We think that 'LYNK&CO', as the Company's high-end sub-brand, has a high level of intelligent configuration, which has led to a more serious shortage of required chips, and the lack of new energy models, are the main reasons for the poor performance.

'Geometry', Geely's pure electric sub-brand, displayed remarkable performance. Its sales volume in Jan/Feb/Mar was 10.2/7.7/8.1 thousand units, respectively, up 391%/863%/334%, respectively. 'Zeekr', Geely's premium pure electric brand, delivered 3,530/2,916/1,795 units in Jan/Feb/Mar. Since its launch, 13.8 thousand units have been delivered accumulatively. 'Ruilan', the battery swap-enabled brand of Geely, sold 1,618/2,008 units in Feb/Mar, with a cumulative sales volume of 5,309 units this year.

On a closer look at markets, export markets maintained outstanding performance. In 22Q1, the export sales volume climbed to 27,417 units, up 15% yoy.

On the whole, the Company's sales volume increase was mainly driven by the sales volume of new energy products. The proportion of the sales volume of new energy vehicles continued to expand, rising to 18.5% at one point in February, compared with 12.2% and 14.4% in January and March, respectively.

### BUY (Upgrade)

CMP HKD 11.8

(Closing price as at 21 April)

TARGET HKD 14.9 (+26.3%)

#### COMPANY DATA

O/S SHARES (MN) :	9816
MARKET CAP (HKD MN) :	118246
52 - WK HI/LO (HKD):	29.8/10.00

#### SHARE HOLDING PATTERN, %

Proper Glory Holding Inc.	26.85
---------------------------	-------

#### PRICE VS. HSI



Source: Aastock, Phillip Securities (HK) Research

#### KEY FINANCIALS

CNY bn	FY20	FY21E	FY22E	FY23E
Net Sales	101.6	127.6	146.0	170.3
Net Profit	4.8	6.3	8.9	12.2
EPS, CNY	0.48	0.63	0.89	1.23
P/E, x	20.1	15.1	10.7	7.8
BVPS, CNY	6.64	7.19	7.89	8.83
P/BV, x	1.5	1.3	1.2	1.1
DPS (CNY)	0.17	0.22	0.30	0.45
Div. Yield (%)	1.8%	2.3%	3.1%	4.7%

Source: Company reports, Phillip Securities Est.

#### Research Analyst

ZhangJing (+ 86 021-51699400-103)

zhangjing@phillip.com.cn

### **Affected by the increases Investment in Transformation and Upgrading strategy, 2021's Results Are and Decrease by over 10%**

According to the latest released financial report, under the premise that the total sales volume increased by 1% yoy to 1,328 thousand units in 2021, the Company reported a gross revenue of RMB101.61 billion, up 10% yoy. Specifically, the automobile sales revenue increased by 5% yoy to RMB87.7 billion, which reflected the further optimization of the sales mix. Excluding LYNK&CO/Zeekr, the average sales price increased by 9% yoy to RMB87.7 thousand. The proportion of models with a guidance price between RMB100 - RMB150 thousand increased to 44% from 25% in the previous year. The proportion of above RMB150 thousand increased from 11% to 22%. In addition, the Company recorded a total of RMB4.53 billion in revenue from technical support services and intellectual property licensing, we believe whose contribution to the results is expected to continue in the future.

However, the revenue growth was offset due to the sharp increase in raw material costs, and the significant increase in expenses resulting from the increased R&D investment (up 120% yoy) and the recognition of large-value employee share incentive scheme (RMB1.2 billion). Therefore, the net profit attributed fell 12.4% yoy to RMB4.85 billion, lower than expected. While excluding the expenses paid by shares and RMB370 million of loss attributable to stockholders resulting from Zeekr, the net profit would increase by 16% yoy to RMB6.43 billion.

The annual gross margin grew by 1.1 ppts yoy to 17.1%. The ratios of S&A expense saw a yoy increase of 0.7 ppts and 1.7 ppts, respectively. The R&D expense ratio increased significantly by 2.6 ppts due to the increased R&D investment in the new brand Zeekr and the transformation and upgrading strategy in the Geely 4.0 era (including new powertrain, and electrification and intelligence of automobiles).

The capital expenditure in 2021 was RMB6.1 billion. The budget for 2022 is RMB9.2 billion. In order to maintain medium- and long-term competitiveness and attract talent, the Company is expected to maintain large R&D expenditure and share incentive.

### **Electrification Upgrading Is Accelerating**

In October 2021, Geely released its hybrid power technology: Leishen Power. Leishen Hi-X, the Leishen intelligence engine, highly integrates one power generation motor, one drive motor, two motor controllers and 3-speed hybrid transmission, with the advantages of low fuel consumption, strong power, and long endurance. It reduces fuel consumption by 40%, and has a NEDC rating as low as 3.6L/100km, which is 0.4-0.6L lower than the Japanese HEV. In the future, it can match different models graded at A0-C, and adapt to full hybrid systems such as HEV, PHEV, and REEV. Relying on its CMA, BMA, SPA and SEA architecture platforms, Geely plans to launch more than 25 new smart new energy models in the next five years, including ten models of Geely brand, five models of Geometry, five models of LYNK&CO, and five models of new battery swap-enabled travel brand. New models equipped with Leishen Power launched in 2022 include LYNK&CO 01 HEV/PHEV, 03 HEV, 09 PHEV, 05 PHEV, Emgrand L HEV, and Xingyue L HEV/PHEV. We think that the launch of Leishen Power is significant for Geely, which not only makes up for the shortcomings in smart HEV, but also takes the first step of the "Smart Geely 2025" strategy, facilitating the realization of the objective of "Smart Travel Technology Enterprise".

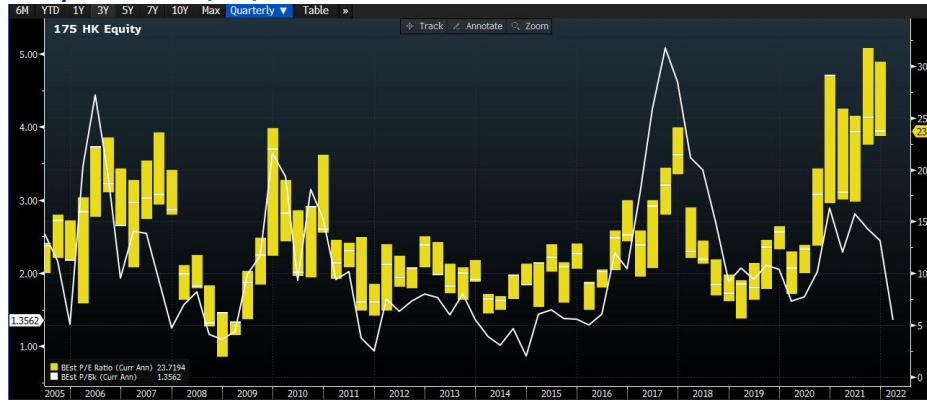
### **Investment Thesis**

Since 21Q4, the Company's share price has tumbled by 60%, mainly reflecting market concerns about the profit erosion of downstream manufacturing by rising raw material prices or subsidy declines. From Feb 2022, it has been dragged down by the potential impact of political conflicts. We think that Geely is relatively less affected by rising costs due to the model structure and excellent cost control. In 2021, the Company exported only 2% of vehicles to Russia, with limited risk exposure. Factors such as the chip shortage caused by the pandemic are expected to gradually improve

or eliminate from 2022, and the long-term competitiveness and growth momentum remain unchanged.

We revised our financial forecast and target price to HK\$14.9, equivalent to 19.1/13.5/9.8x P/E ratio in 2022/2023/2024, and we give the rating of BUY. (Closing price as at 21 April)

**Geely's Forward P/E P/B trends**



Source: Bloomberg, Company, Phillip Securities Hong Kong Research

## Financials

FYE DEC	FY18	FY19	FY20	FY21	FY22F	FY23F	FY24F
<b>Valuation Ratios</b>							
P/E (X), adj.	7.4	11.8	17.6	20.1	15.1	10.7	7.8
P/B (X)	2.1	1.9	1.6	1.5	1.3	1.2	1.1
Dividend Yield (%)	3.0%	2.2%	1.7%	1.8%	2.3%	3.1%	4.7%
Dividend payout ratio (%)	22.5%	26.2%	30.1%	35.3%	34.9%	33.7%	36.7%
<b>Per share data (RMB)</b>							
EPS, (Basic)	1.398	0.902	0.565	0.480	0.632	0.892	1.229
EPS, (Diluted)	1.368	0.892	0.564	0.479	0.631	0.890	1.226
DPS	0.309	0.234	0.170	0.169	0.220	0.300	0.450
BVPS	5.01	5.62	6.30	6.64	7.19	7.89	8.83
<b>Growth &amp; Margins (%)</b>							
<b>Growth</b>							
Revenue	14.9%	-8.6%	-5.4%	10.3%	25.6%	14.4%	16.6%
EBIT	16.2%	-36.0%	-34.6%	-29.7%	44.5%	53.6%	38.1%
Net Income, adj.	18.1%	-34.8%	-32.4%	-12.4%	30.7%	40.3%	37.3%
<b>Margins</b>							
Gross margin	20.2%	17.4%	16.0%	17.1%	16.0%	16.3%	17.5%
EBIT margin	14.0%	9.8%	6.8%	4.3%	5.0%	6.7%	7.9%
Net Profit Margin	11.8%	8.4%	6.0%	4.8%	5.0%	6.1%	7.2%
<b>Key ratios (%)</b>							
ROE	31.6%	17.1%	9.9%	7.7%	9.33%	12.11%	14.86%
ROA	13.7%	7.8%	5.0%	3.6%	4.41%	5.82%	7.14%
<b>Income Statement (RMB mn)</b>							
Revenue	<b>106,595</b>	<b>97,401</b>	<b>92,114</b>	<b>101,611</b>	<b>127,600</b>	<b>146,008</b>	<b>170,296</b>
Gross profit	21,513	16,917	14,737	17,412	20,352	23,843	29,717
EBIT	14,880	9,528	6,233	4,385	6,336	9,734	13,444
Profit before tax	14,959	9,636	6,441	4,665	6,511	9,894	13,677
Tax	(2,285)	(1,375)	(866)	(312)	(619)	(1,059)	(1,463)
Profit for the period	12,674	8,261	5,575	4,353	5,893	8,836	12,214
Minority interests	(121)	(72)	(41)	494	441	50	(10)
Total capital share	8976.5	9080.734	9552.3	9819	9821	9823	9827
<b>Net profit</b>	<b>12,553</b>	<b>8,190</b>	<b>5,534</b>	<b>4,847</b>	<b>6,333</b>	<b>8,886</b>	<b>12,204</b>

Source: PSR

(Closing price as at 21 April)

**PHILLIP RESEARCH STOCK SELECTION SYSTEMS**

Total Return	Recommendation	Rating	Remarks
>+20%	Buy	1	>20% upside from the current price
+5% to +20%	Accumulate	2	+5% to +20% upside from the current price
-5% to +5%	Neutral	3	Trade within $\pm$ 5% from the current price
-5% to -20%	Reduce	4	-5% to -20% downside from the current price
<-20%	Sell	5	>20% downside from the current price

We do not base our recommendations entirely on the above quantitative return bands. We consider qualitative factors like (but not limited to) a stock's risk reward profile, market sentiment, recent rate of share price appreciation, presence or absence of stock price catalysts, and speculative undertones surrounding the stock, before making our final recommendation

**GENERAL DISCLAIMER**

This publication is prepared by Phillip Securities (Hong Kong) Ltd ("Phillip Securities"). By receiving or reading this publication, you agree to be bound by the terms and limitations set out below.

This publication shall not be reproduced in whole or in part, distributed or published by you for any purpose. Phillip Securities shall not be liable for any direct or consequential loss arising from any use of material contained in this publication.

The information contained in this publication has been obtained from public sources which Phillip Securities has no reason to believe are unreliable and any analysis, forecasts, projections, expectations and opinions (collectively the "Research") contained in this publication are based on such information and are expressions of belief only. Phillip Securities has not verified this information and no representation or warranty, express or implied, is made that such information or Research is accurate, complete or verified or should be relied upon as such. Any such information or Research contained in this publication is subject to change, and Phillip Securities shall not have any responsibility to maintain the information or Research made available or to supply any corrections, updates or releases in connection therewith. In no event will Phillip Securities be liable for any special, indirect, incidental or consequential damages which may be incurred from the use of the information or Research made available, even if it has been advised of the possibility of such damages.

Any opinions, forecasts, assumptions, estimates, valuations and prices contained in this material are as of the date indicated and are subject to change at any time without prior notice.

This material is intended for general circulation only and does not take into account the specific investment objectives, financial situation or particular needs of any particular person. The products mentioned in this material may not be suitable for all investors and a person receiving or reading this material should seek advice from a financial adviser regarding the suitability of such products, taking into account the specific investment objectives, financial situation or particular needs of that person, before making a commitment to invest in any of such products.

This publication should not be relied upon as authoritative without further being subject to the recipient's own independent verification and exercise of judgment. The fact that this publication has been made available constitutes neither a recommendation to enter into a particular transaction nor a representation that any product described in this material is suitable or appropriate for the recipient. Recipients should be aware that many of the products which may be described in this publication involve significant risks and may not be suitable for all investors, and that any decision to enter into transactions involving such products should not be made unless all such risks are understood and an independent determination has been made that such transactions would be appropriate. Any discussion of the risks contained herein with respect to any product should not be considered to be a disclosure of all risks or a complete discussion of such risks.

Nothing in this report shall be construed to be an offer or solicitation for the purchase or sale of a security. Any decision to purchase securities mentioned in this research should take into account existing public information, including any registered prospectus in respect of such security.

**Disclosure of Interest**

Analyst Disclosure: Neither the analyst(s) preparing this report nor his associate has any financial interest in or serves as an officer of the listed corporation covered in this report.

Firm's Disclosure: Phillip Securities does not have any investment banking relationship with the listed corporation covered in this report nor any financial interest of 1% or more of the market capitalization in the listed corporation. In addition, no executive staff of Phillip Securities serves as an officer of the listed corporation.

**Availability**

The information, tools and material presented herein are not directed, intended for distribution to or use by, any person or entity in any jurisdiction or country where such distribution, publication, availability or use would be contrary to the applicable law or regulation or which would subject Phillip Securities to any registration or licensing or other requirement, or penalty for contravention of such requirements within such jurisdiction.

Information contained herein is based on sources that Phillip Securities (Hong Kong) Limited ("PSHK") believed to be accurate. PSHK does not bear responsibility for any loss occasioned by reliance placed upon the contents hereof. PSHK (or its affiliates or employees) may have positions in relevant investment products. For details of different product's risks, please visit the Risk Disclosures Statement on <http://www.phillip.com.hk>.

© 2022 Phillip Securities (Hong Kong) Limited

**Contact Information (Regional Member Companies)**
**SINGAPORE**
**Phillip Securities Pte Ltd**

250 North Bridge Road, #06-00 Raffles City Tower,  
Singapore 179101

Tel : (65) 6533 6001 Fax: (65) 6535 3834

[www.phillip.com.sg](http://www.phillip.com.sg)

**INDONESIA**
**PT Phillip Securities Indonesia**

ANZ Tower Level 23B, Jl Jend Sudirman Kav 33A,  
Jakarta 10220, Indonesia

Tel (62) 21 5790 0800 Fax: (62) 21 5790 0809

[www.phillip.co.id](http://www.phillip.co.id)

**THAILAND**
**Phillip Securities (Thailand) Public Co. Ltd.**

15th Floor, Vorawat Building, 849 Silom Road,  
Silom, Bangrak, Bangkok 10500 Thailand

Tel (66) 2 2268 0999 Fax: (66) 2 2268 0921

[www.phillip.co.th](http://www.phillip.co.th)

**UNITED STATES**
**Phillip Futures Inc.**

141 W Jackson Blvd Ste 3050  
The Chicago Board of Trade Building  
Chicago, IL 60604 USA

Tel (1) 312 356 9000 Fax: (1) 312 356 9005

**MALAYSIA**
**Phillip Capital Management Sdn Bhd**

B-3-6 Block B Level 3, Megan Avenue II,  
No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur

Tel (60) 3 2162 8841 Fax (60) 3 2166 5099

[www.poems.com.my](http://www.poems.com.my)

**CHINA**
**Phillip Financial Advisory (Shanghai) Co. Ltd.**

No 436 Heng Feng Road, Green Tech Tower Unit 604  
Shanghai 200 070

Tel (86) 21 5169 9400 Fax: (86) 21 6091 1155

[www.phillip.com.cn](http://www.phillip.com.cn)

**FRANCE**
**King & Shaxson Capital Ltd.**

3rd Floor, 35 Rue de la Bienfaisance  
75008 Paris France

Tel (33) 1 4563 3100 Fax : (33) 1 4563 6017

[www.kingandshaxson.com](http://www.kingandshaxson.com)

**AUSTRALIA**
**PhillipCapital Australia**

Level 10, 330 Collins Street  
Melbourne VIC 3000

Tel (+61) 3 8633 9803 Fax (+61) 3 8633 9899

[www.phillipcapital.com.au](http://www.phillipcapital.com.au)

**HONG KONG**
**Phillip Securities (HK) Ltd**

11/F United Centre 95 Queensway Hong Kong

Tel (852) 2277 6600 Fax: (852) 2868 5307

[www.phillip.com.hk](http://www.phillip.com.hk)

**JAPAN**
**Phillip Securities Japan, Ltd**

4-2 Nihonbashi Kabutocho, Chuo-ku  
Tokyo 103-0026

Tel: (81) 3 3666 2101 Fax: (81) 3 3664 0141

[www.phillip.co.jp](http://www.phillip.co.jp)

**INDIA**
**PhillipCapital (India) Private Limited**

No. 1, 18th Floor, Urmi Estate, 95 Ganpatrao Kadam Marg,  
Lower Parel West, Mumbai 400013

Tel: (9122) 2300 2999 Fax: (9122) 6667 9955

[www.phillipcapital.in](http://www.phillipcapital.in)

**UNITED KINGDOM**
**King & Shaxson Ltd.**

6th Floor, Candlewick House, 120 Cannon Street  
London, EC4N 6AS

Tel (44) 20 7929 5300 Fax: (44) 20 7283 6835

[www.kingandshaxson.com](http://www.kingandshaxson.com)

**SRI LANKA**
**Asha Phillip Securities Limited**

Level 4, Millennium House, 46/58 Navam Mawatha,  
Colombo 2, Sri Lanka

Tel: (94) 11 2429 100 Fax: (94) 11 2429 199

[www.ashaphillip.net/home.htm](http://www.ashaphillip.net/home.htm)

## Important Information

This report is prepared and/or distributed by Phillip Securities Research Pte Ltd ("Phillip Securities Research"), which is a holder of a financial adviser's license under the Financial Advisers Act, Chapter 110 in Singapore.

By receiving or reading this report, you agree to be bound by the terms and limitations set out below. Any failure to comply with these terms and limitations may constitute a violation of law. This report has been provided to you for personal use only and shall not be reproduced, distributed or published by you in whole or in part, for any purpose. If you have received this report by mistake, please delete or destroy it, and notify the sender immediately.

The information and any analysis, forecasts, projections, expectations and opinions (collectively, the "Research") contained in this report has been obtained from public sources which Phillip Securities Research believes to be reliable. However, Phillip Securities Research does not make any representation or warranty, express or implied that such information or Research is accurate, complete or appropriate or should be relied upon as such. Any such information or Research contained in this report is subject to change, and Phillip Securities Research shall not have any responsibility to maintain or update the information or Research made available or to supply any corrections, updates or releases in connection therewith.

Any opinions, forecasts, assumptions, estimates, valuations and prices contained in this report are as of the date indicated and are subject to change at any time without prior notice. Past performance of any product referred to in this report is not indicative of future results.

This report does not constitute, and should not be used as a substitute for, tax, legal or investment advice. This report should not be relied upon exclusively or as authoritative, without further being subject to the recipient's own independent verification and exercise of judgment. The fact that this report has been made available constitutes neither a recommendation to enter into a particular transaction, nor a representation that any product described in this report is suitable or appropriate for the recipient. Recipients should be aware that many of the products, which may be described in this report involve significant risks and may not be suitable for all investors, and that any decision to enter into transactions involving such products should not be made, unless all such risks are understood and an independent determination has been made that such transactions would be appropriate. Any discussion of the risks contained herein with respect to any product should not be considered to be a disclosure of all risks or a complete discussion of such risks.

Nothing in this report shall be construed to be an offer or solicitation for the purchase or sale of any product. Any decision to purchase any product mentioned in this report should take into account existing public information, including any registered prospectus in respect of such product.

Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, may provide an array of financial services to a large number of corporations in Singapore and worldwide, including but not limited to commercial / investment banking activities (including sponsorship, financial advisory or underwriting activities), brokerage or securities trading activities. Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, may have participated in or invested in transactions with the issuer(s) of the securities mentioned in this report, and may have performed services for or solicited business from such issuers. Additionally, Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, may have provided advice or investment services to such companies and investments or related investments, as may be mentioned in this report.

Phillip Securities Research or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report may, from time to time maintain a long or short position in securities referred to herein, or in related futures or options, purchase or sell, make a market in, or engage in any other transaction involving such securities, and earn brokerage or other compensation in respect of the foregoing. Investments will be denominated in various currencies including US dollars and Euro and thus will be subject to any fluctuation in exchange rates between US dollars and Euro or foreign currencies and the currency of your own jurisdiction. Such fluctuations may have an adverse effect on the value, price or income return of the investment.

To the extent permitted by law, Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, may at any time engage in any of the above activities as set out above or otherwise hold an interest, whether material or not, in respect of companies and investments or related investments, which may be mentioned in this report. Accordingly, information may be available to Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, which is not reflected in this report, and Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, may, to the extent permitted by law, have acted upon or used the information prior to or immediately following its publication. Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited its officers, directors, employees or persons involved in the issuance of this report, may have issued other material that is inconsistent with, or reach different conclusions from, the contents of this report.

The information, tools and material presented herein are not directed, intended for distribution to or use by, any person or entity in any jurisdiction or country where such distribution, publication, availability or use would be contrary to the applicable law or regulation or which would subject Phillip Securities Research to any registration or licensing or other requirement, or penalty for contravention of such requirements within such jurisdiction.

This report is intended for general circulation only and does not take into account the specific investment objectives, financial situation or particular needs of any particular person. The products mentioned in this report may not be suitable for all investors and a person receiving or reading this report should seek advice from a professional and financial adviser regarding the legal, business, financial, tax and other aspects including the suitability of such products, taking into account the specific investment objectives, financial situation or particular needs of that person, before making a commitment to invest in any of such products.

This report is not intended for distribution, publication to or use by any person in any jurisdiction outside of Singapore or any other jurisdiction as Phillip Securities Research may determine in its absolute discretion.

## IMPORTANT DISCLOSURES FOR INCLUDED RESEARCH ANALYSES OR REPORTS OF FOREIGN RESEARCH HOUSES

Where the report contains research analyses or reports from a foreign research house, please note:

- (i) recipients of the analyses or reports are to contact Phillip Securities Research (and not the relevant foreign research house) in Singapore at 250 North Bridge Road, #06-00 Raffles City Tower, Singapore 179101, telephone number +65 6533 6001, in respect of any matters arising from, or in connection with, the analyses or reports; and
- (ii) to the extent that the analyses or reports are delivered to and intended to be received by any person in Singapore who is not an accredited investor, expert investor or institutional investor, Phillip Securities Research accepts legal responsibility for the contents of the analyses or reports.