

EVALUATE NEWSLETTER

JAN 2017

Welcome to Evaluate's Newsletter for January 2017! Evaluate Research is now on FactSet.

This free quarterly newsletter talks about our recent coverage on two market-leading companies in Hong Kong, our reports now being available on FactSet and a Singapore-based Investor Forum - Smart Karma, as well as in various media publications.

[New Coverage on 2 Market-leading HK Companies: \[reports attached\]](#)

We have recently initiated coverage on Leoch International Technology, Hong Kong [842_HK], which is one of China's leading manufacturers and exporters of lead-acid batteries. The company has a strong international presence and in FY2015 it generated about 50% of its revenue from countries other than China. We had multiple interactions with the company's management, including a visit to their company headquarters in Hong Kong, and one-on-one phone calls with their CFO, Albert Chow, before initiating our report. These interactions only help our analysts to be accurate and objective in writing our reports.

Please see a **testimonial from Leoch's CFO, about our research coverage services:**

"Evaluate Research is covering our stock presently and their analysis is detailed, high quality and objective. We have been interacting on a one-on-one basis with them and they have been proactive in the distribution of our reports as well on Bloomberg, Thomson Reuters and various other platforms. They are one of the firms having research coverage on our company which adds value to us and makes us more visible to the investor community."

-- Albert Chow, CFO, Leoch International Technology

Another company on which we have initiated research coverage is Hong-Kong based Goldlion [533_HK], one of the leading retailers in the men's garment business. The company also invests in properties and operates commercial as well as business centers.

[Evaluate Reports: Now on FactSet & Smart Karma \(Singapore\)](#)

FactSet is a leading provider of financial data for investment management and investment banking professionals around the globe. All our reports are now available free of cost to all investors without any restricted access on FactSet.

Our reports are now also available on Smart Karma, a Singapore-based investment information platform accessed by institutional investors; 50% of whom are based in Singapore, Hong Kong and 50% are based in US and Europe.

Our reports on such platforms including Bloomberg, Thomson Reuters etc., help companies to increase their visibility among all types of investors: retail, institutional, and foreign.

Our Reports in the Media:

We strive to reach out to all entities of the investment community, from global Investor Forums to Business Publications, and our reports have been regularly viewed by investors on these multiple platforms.

Please see below the excerpts from an article on **NextInsight**, a **Singapore-based investor forum**, which refer to our Update Report on Haw Par Corp-Singapore [HPAR_SP], on which we have an ongoing coverage.

NextInsight HAW PAR CORP: 112% Net Cash + Investments; Base Business for Free

Published: 16 November, 2016

Excerpts from analyst's report

Evaluate Research analyst: Ajeya Patil

Haw Par Corp [HPAR_SP; \$1.38 billion market cap; \$0.186 million daily value traded] reported strong results for the third quarter [ended September] as revenue increased 3.3% YoY to SG\$ 49.7 million as compared to SG\$ 48.1 million during 3Q 2015. The increase in revenue came on the back of strong performance from the healthcare segment and improvement in the occupancy rate in the property segment. This increase was partially offset by the 77% decrease in revenue from the leisure segment.

The company reported solid gross margin of 65.1% during the quarter as against 59.6% during 3Q 2015 as the margin of healthcare segment increased further.

Also see below excerpts from an article in **Business Standard**, a **leading Indian business publication** which talks about Rajesh Exports-India [RJEX_IN], which is the world's largest manufacturer and refiner of gold and we are the only firm having detailed and regular coverage on them. Their article mentions the views of one of our analysts, Prajwal Gote, who had written our report on them. [highlighted]

Business Standard With Valcambi, Rajesh Mehta strikes pure gold

The acquisition of Valcambi in Switzerland has made Bengaluru based Mehta's export company the largest integrated gold player in the world.

Raghu Krishnan & Rajesh Bhayani | Bengaluru/Mumbai
August 12, 2015

The challenges

Analysts say though the acquisition of Valcambi is good for Rajesh Exports, there are challenges that need to be met. One of them would be utilising the Valcambi brand that is bigger than its parent; and two, deploying the existing \$190 million cash reserve with Valcambi. As interest rates in Switzerland are nearly zero, it may make sense for Mehta to deploy the cash in India.

"While we believe that acquiring a refinery of the stature of Valcambi will be a paradigm shift for Rajesh Exports, we believe that Rajesh Exports should be able to handle crucial issues and challenges of executing future plans in Valcambi," says Prajwal Gote, analyst at Singapore-based Evaluate Research.