

INITIATION REPORT

12 September 2017

Name of PLC: Malayan Flour Mills Berhad (MFM)		PLC Website: www.mfm.com.my	
Business Summary: Milling of wheat flour, trading in grains, manufacture of animal feeds and poultry products			
Top Three Shareholders: Teh Wee Chye and family		24.2%	
Tan Sri Dato' Seri Utama Arshad bin Ayub		7.4%	
Yong Kok Yian		6.1%	
Market / Sector:	Consumer	Stock Code:	3662
		Bloomberg Ticker:	MFL:MK
Market Capitalisation:	RM 1,172.1m	Recommendation:	HOLD
Target Price:	RM 2.14	Expected Capital Gain:	0.4%
Current Price:	RM 2.13	Expected Div Yield:	3.1%
		Expected Total Return:	3.5%
Analyst: Lim Boon Ngee Tel: +603 2163 3200; Email: bnlim@bcta.com.my			

Key Stock Statistics	2015	2016	2017F	2018F
EPS (sen)	3.7	14.7	14.3	14.3
P/E (x)	57.0	14.5	14.9	14.9
Net Dividend/Share (sen)	4.0	6.5	6.5	6.5
NTA/Share (RM)	1.40	1.51	1.59	1.67
Book Value/Share (RM)	1.40	1.51	1.59	1.67
Issued Capital (mil shares)	550.2	550.2	550.3	550.3
52-weeks Share Price Range (RM)			1.32 - 2.50	
Estimated free float				44%
Average volume (shares)				327,650

Per Share Data	2015	2016	2017F	2018F
Year-end 31 Dec				
Book Value/Share (RM)	1.40	1.51	1.59	1.67
Operating CF/Share (sen)	13.3	7.7	24.1	21.4
EPS (sen)	3.7	14.7	14.3	14.3
Net Dividend/Share (sen)	4.0	6.5	6.5	6.5
P/E (x)	57.0	14.5	14.9	14.9
P/Cash Flow (x)	16.1	27.6	8.8	10.0
P/Book Value (x)	1.5	1.4	1.3	1.3
Dividend Yield (%)	1.9	3.1	3.1	3.1
Payout Ratio (%)	106.0	44.2	45.6	45.3
ROE (%)	2.7	10.1	9.2	8.8
Net Gearing (%)	70.0	74.3	94.4	114.3

P&L Analysis (RM mil)	2015	2016	2017F	2018F
Revenue	2,301.91	2,538.69	2,583.40	2,730.07
EBITDA	117.20	162.81	176.85	197.96
Depreciation & amort	(42.77)	(47.70)	(58.60)	(75.84)
Net interest income	(8.62)	(10.52)	(14.02)	(19.83)
JV & associates	(21.94)	6.73	6.30	7.30
Pre-tax Profit	43.87	111.32	110.53	109.60
Net Profit	20.55	80.84	78.48	78.91
EBITDA Margin (%)	5.1	6.4	6.8	7.3
Pre-tax Margin (%)	1.9	4.4	4.3	4.0
Net-Margin (%)	0.9	3.2	3.0	2.9

1. **Investment Highlights/Summary**

- MFM is an integrated food and poultry producer with manufacturing operations in flour milling, grains trading, animal feeds, management of breeder and broiler farms and the downstream processing of poultry products.
- Its longer-term growth prospects are well anchored by the tripling in capacity of downstream poultry processing and a new aqua feed mill. However, its impact will only be felt from FY19 onwards. Upon commercial operation, it will take a few more years to digest the expanded capacity. Meanwhile, MFM will have to incur higher depreciation charges, finance expenses and pre-operating expenses.
- The strong run-up in its share price could have partly factored in the expansion plan. We are initiating coverage on MFM with a Hold recommendation based on valuation which is fair given the sharp run-up in share price. We value the stock at a P/E of 15x, which is at a slight discount to the broad market P/E of 17x. Based on our EPS forecast of 14.3 sen for FY17, the stock is currently trading at a P/E of 14.9x.

2. Company Background/Overview

a) **History**

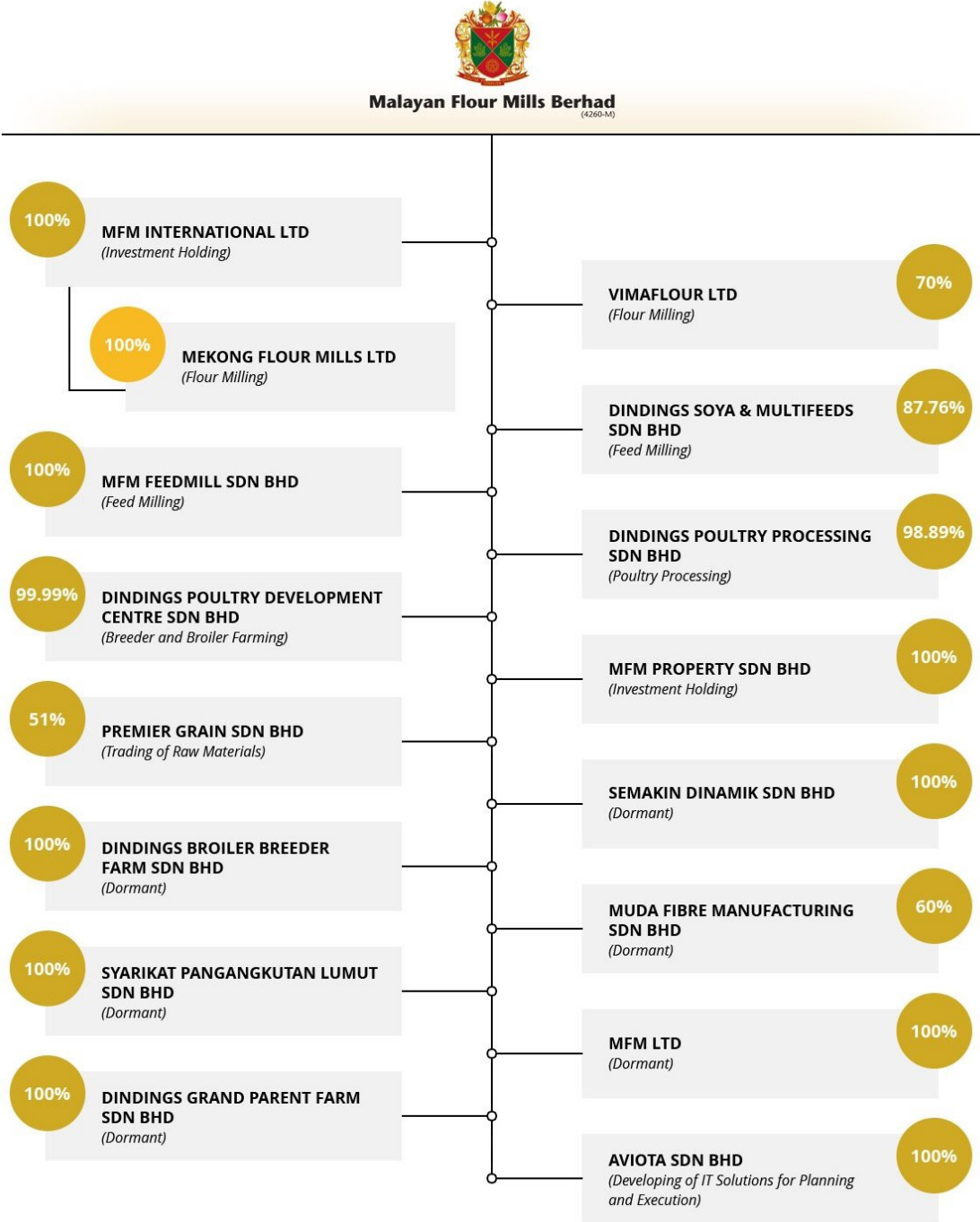
Malayan Flour Mills Limited was incorporated on 24-Jun-1961 and subsequently converted into a public company on 16-May-1968 under its present name, Malayan Flour Mills Berhad (MFM). It was listed on the Bursa Malaysia Securities Berhad on 10-Jul-1968 (previously known as Kuala Lumpur Stock Exchange).

MFM is a pioneer in the flour milling industry in Malaysia. The first Prime Minister of Malaysia, the late Tunku Abdul Rahman, officiated the opening of a RM40m modern flour mill at Lumut, Perak on 15-Oct-1966. The company subsequently expanded the facilities at Lumut to include a feed mill, breeder farm, broiler farm and poultry processing plant. The feed mill at Lumut was established in 1983. Another flour mill and feed mill were subsequently set up at Pasir Gudang, Johor in 1992-1993. MFM ventured into downstream processing activities by investing in Dindings Poultry Processing Sdn Bhd in 1985 to produce processed chicken and further processed poultry products from its plant at Sitiawan, Perak. As part of the poultry integration project, Dindings Broiler Breeder Farm Sdn Bhd was established in 1988. It commenced its production of broiler day-old-chicks in 1990.

In line with the vision of MFM to be a leading food manufacturing enterprise in the ASEAN region, its 70%-owned Vimaflour Ltd (based in northern Vietnam) commenced its commercial operation in Jan-1998. In Apr-2003, its wholly-owned Mekong Flour Mills Ltd (based in southern Vietnam) commenced commercial production.

Today, MFM is an integrated food and poultry producer with manufacturing operations in flour milling, grains trading, animal feeds, management of breeder and broiler farms and the downstream processing of poultry products.

b) Corporate structure



Source: www.mfm.com.my

3. Business Operations

MFM is a pioneer in the flour milling industry in Malaysia. It has also diversified its business from flour milling to include the manufacture and sale of poultry feed and aqua feed, sale of raw materials and integrated poultry business. Its full poultry integration comprises the breeding and sale of day-old chicks, broiler farming, downstream processing and sale of poultry products.

The scope of business activities is described as follow:-

a) **Flour and grains trading**

The flour and grains trading is the largest division contributing 68.4% and 46.6% of group turnover and EBIT in FY16. This division is further divided into 1) milling and selling of wheat flour, and 2) trading in grains (corn, soybean and soybean meal) and other allied products (bran, pollard and wheat germ).

MFM currently operates five flour mills located in Lumut (Perak), Pasir Gudang (Johor), Hanoi, Ho Chi Minh City and Jakarta through a 30%-owned joint venture, PT Bungasari Flour Mills Indonesia.

Production capacity of flour milling operations

mt of wheat/day

Lumut, Perak	1,100
Pasir Gudang, Johor	850
Hanoi (Vimaflour, northern Vietnam)	1,500
Ho Chi Minh City (Mekong Flour Mills, southern Vietnam)	1,200
Total	4,650
Jakarta (30%-owned PT Bungasari Flour Mills)	1,500

In **Malaysia**, MFM is one of the key producers of flour with a market share of around 25%. Based on the installed capacity of 1,950 mt wheat/day, it's believed to be the second largest flour producer in Malaysia after PPB Group's Federal Flour Mill. Its flour products are mainly for domestic consumption with less than 5% of production exported to Singapore and Brunei. Since 1-Mar-16, under a subsidy rationalization programme by the government, the wheat flour subsidy for 25-kg bag flour had been removed whereas the subsidy for 1-kg packet flour remains unchanged. The production of 1-kg packet flour, which is still price-controlled, is not significant as a percentage of MFM's total flour milling production in Malaysia.

In **Vietnam**, the manufacturing and selling flour products are not regulated by the government. MFM operates two flour mills with a combined capacity of 2,700 mt/day. Based on the installed capacity, MFM is the largest flour miller in Vietnam. While Vimaflour commands a market share of about 50% in northern Vietnam, Mekong Flour Mills is estimated to have a market share of close to 20% in southern Vietnam.

Its **grains trading** activity is undertaken by a 51%-owned Premier Grain Sdn Bhd, which is a joint venture between MFM and Toyota Tsusho Corporation (TTC). It is in the sourcing and trading of grain commodity such as corn, soybean and soybean meal, which are the raw materials for the production of animal feeds. Premier Grain Sdn Bhd also acts as the procurement and trading arm to supply animal feed ingredients to support group's poultry business.

b) **Poultry integration**

The business activities of integrated poultry division comprise the following:-

- Manufacture and sale of animal and aqua feeds; and
- Processing and sale of poultry products, breeding and sale of day-old-chicks and broilers and contract farming activities.

The principal activities of the **manufacturing and sale of animal feeds** are the operation of two feed mills, catering to poultry and aquaculture industries. Its mills are located at Lumut (Perak) and Pasir Gudang (Johor) with a combined capacity of around 55,000 mt per annum. Both feed mills are strategically located to maximise logistical advantage, both for incoming raw materials and proximity to our customers.

MFM’s **poultry division** is involved in the purchase and contract farming of poultry, breeding and sale of day-old chicks and eggs, poultry grow-out farms, training & research, and the processing and sale of poultry products. The processed poultry products are pre-dominantly for the local market supplied to major restaurant chains, quick service restaurants, cafés, hospitals, hypermarkets, food manufacturers and caterers. Total production capacity of processed poultry products is at around 80,000 birds per day. It also manages breeder and broiler farms. Its farms are located in Perak, Kedah and Johor states.

Overall, its poultry integration division contributed 31.6% and 53.4% of group turnover and EBIT in FY16. MFM has a full poultry integration process from the sourcing of feed raw materials to finished processed food products, undertaken inhouse by its various subsidiaries as illustrated below:

- Sourcing and trading of grain commodity operated by Premier Grain Sdn Bhd;
- Feed milling by MFM Feedmill Sdn Bhd and Dindings Soya & Multifeeds Sdn Bhd;
- Breeder hatchery and farming by Dindings Poultry Development Centre Sdn Bhd;
- Broiler farming by Dindings Poultry Development Centre Sdn Bhd; and
- Poultry processing and further processed products by Dindings Poultry Processing Sdn Bhd

c) Joint venture

PT Bungasari Flour Mills Indonesia (PTBFMI) was formed in Oct-11, in which MFM has a 30% stake. The remaining JV partners are PT FKS Capital (40%), Toyota Tsusho Corporation (25%), Toyota Tsusho Asia Pacific Pte Ltd (3%) and PT Toyota Tsusho Indonesia (2%). PTBFMI is principally engaged in the milling and selling of wheat flour together with its allied products in Indonesia.

PTBFMI’s flour mill commenced its commercial production in 2HFY14. Based on its production capacity of 1,500 mt/day, we believe PTBFMI is one of the top five flour millers in Indonesia. It had been loss-making in FY14 and FY15 as its production had yet to achieve economies of scale in its operations. In FY16, profitability turned-around substantially, achieving a net profit of RM21.36m. MFM’s share of profit amounted to RM6.41m in FY16.

4. Financial Review

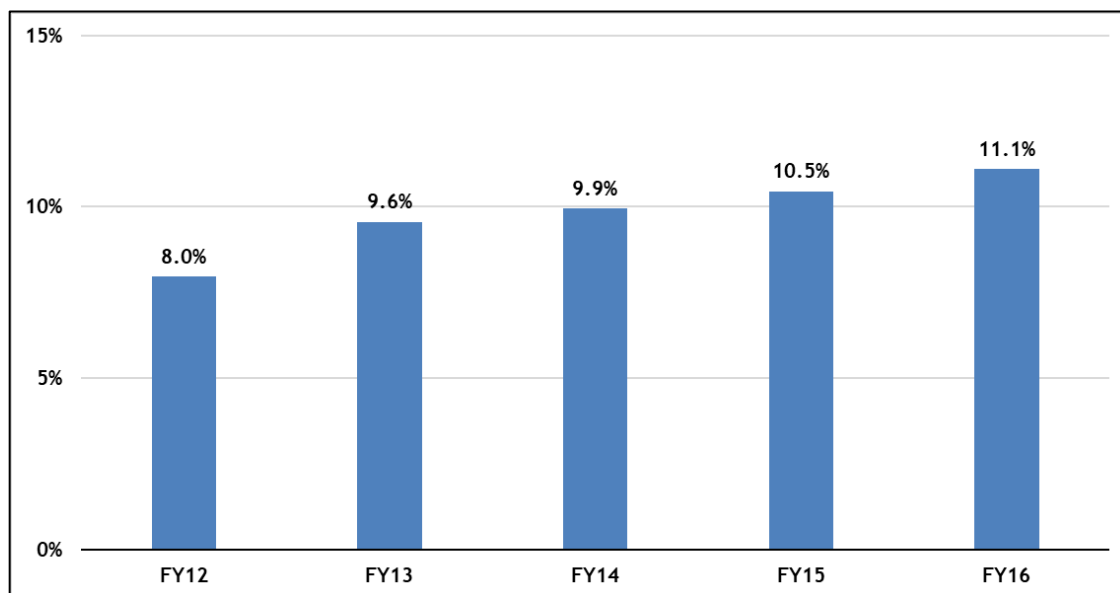
a) Revenue Breakdown by Segmental (RMm)

RMm	FY12	FY13	FY14	FY15	FY16	
Flour and grains trading	1,148.53	1,250.55	1,424.56	1,570.32	1,735.38	
Poultry integration	879.95	1,055.49	862.02	731.59	803.31	
Group turnover	2,028.48	2,306.04	2,286.58	2,301.91	2,538.69	
% growth						5-year CAGR
Flour and grains trading	1.0%	8.9%	13.9%	10.2%	10.5%	8.8%
Poultry integration	12.6%	19.9%	-18.3%	-15.1%	9.8%	0.6%
Group turnover	5.7%	13.7%	-0.8%	0.7%	10.3%	5.8%

- Demand for flour and poultry products is steadily growing underpinned by domestic consumption and food manufacturing activities.
- In FY12, MFM expanded production capacity of flour milling operations in Pasir Gudang and Lumut, which was completed at end-FY12. The expansion included expansion of existing milling, packaging and warehousing facilities in both locations. This resulted in stronger growth of flour division throughout FY13-FY16 as MFM geared up its production volumes.

- Domestic poultry is a matured market. Historically, it was also restricted by the limited capacity at the downstream processing. In FY14-15, the poultry division recorded lower turnover due to the implementation of a new contract farming arrangement whereby day-old-chicks and feeds were transferred instead of being sold to contract farmers.

b) Historical Gross Margin Trend



c) EBIT Breakdown by Segmental (RMm)

RMm	FY12	FY13	FY14	FY15	FY16
Flour and grains trading	48.79	59.61	42.29	44.75	53.68
Poultry integration	(3.22)	33.21	52.95	29.68	61.45
Others	(0.02)	(0.02)	(0.03)	0.01	(0.03)
Group EBIT	45.55	92.80	95.21	74.43	115.11
EBIT margin					
Flour and grains trading	4.2%	4.8%	3.0%	2.8%	3.1%
Poultry integration	-0.4%	3.1%	6.1%	4.1%	7.7%
Group EBIT margin	2.2%	4.0%	4.2%	3.2%	4.5%

- The flour milling business remains the largest profit contributor. Historically, its EBIT performance had been relatively stable as compared with poultry business. Although the EBIT performance of flour milling business of RM53.68m in FY16 was lower than poultry division, which generated RM61.45m in EBIT. This was due to higher net fair value loss from future and options contracts, whereas poultry division benefited from insurance recoveries and higher fair value gain on biological assets.
- The profitability is susceptible to the fluctuations in raw materials prices such as wheat (flour milling), corn and soybean meal (poultry division), as well as the swing in selling prices of flour and poultry products.
- From FY14-16, despite MFM recording higher sales volume for flour and grains, its flour and grains trading division recorded a lower EBIT margin averaging around 3.0% as compared with 4.0-5.0% in the previous years. The reduced profitability was attributed to lower selling prices of flour products because of competitive pressure in the market.

- Since FY13, profitability at poultry division generally exhibited an improving trend due to improvement in sales volume and continuous efforts in growing economies of scale and cost reduction through operational efficiency.
- In FY15, poultry division recorded a lower turnover and EBIT due to lower sales volume in feeds coupled with lower live bird price as a result of flood in early-15, which resulted in a drop in poultry consumption, sales and pricing.
- Over the past two years, the profitability of poultry integration business had been trending higher due to the successful implementation of industrialised processes of better farming management system.

d) Historical turnover and PAT of PTBFMI (30% associate)

RMm	FY12	FY13	FY14	FY15	FY16
Turnover	-	1.98	65.99	391.90	539.99
PAT	-	-	(35.87)	(72.67)	21.36
MFM's share of PAT	(1.34)	(2.52)	(10.76)	(21.80)	6.41

- MFM's 30%-owned PT BFMI only commenced commercial production in 2HFY14. It recorded a net loss in FY15 as PT BFMI has yet to achieve economies of scale in its operations coupled with intense price war in 1HFY15.
- It achieved profitability in FY16 due to higher sales volumes, increased operational efficiency, better margins and unrealised forex gains due to the appreciation of Indonesian Rupiah (IDR) in 2016.

e) Turnover breakdown by geographical segment

RMm	FY12	FY13	FY14	FY15	FY16
Malaysia	1,554.02	1,716.62	1,625.25	1,573.75	1,794.45
Vietnam	474.46	589.42	661.32	728.16	744.24
Total	2,028.48	2,306.04	2,286.58	2,301.91	2,538.69

- The turnover contribution of Malaysia is mainly derived from its two flour mills, grains trading and poultry integrated business.
- Its Vietnam's operations are mainly made up of manufacturing and selling of wheat flour by VimafLOUR and Mekong Flour Mills.
- Representing the faster consumption growth and larger population base, turnover from Vietnam registered a 5-year CAGR of 11.1%. However, turnover contribution from Malaysia operations only recorded a 5-year CAGR of 3.9%, reflecting the matured stage of flour milling and poultry industries. For the last 10 years since FY06, Vietnam's turnover grew at a CAGR of 10.8%.
- In FY16, Vietnam accounted for 29.3% of group revenue.

5. Balance Sheet

RMm	FY12	FY13	FY14	FY15	FY16
PPE	420.77	499.27	568.55	638.05	667.37
JV & associates	23.03	33.15	24.01	37.52	45.56
Other LT assets	6.35	7.00	18.67	16.33	18.73
Current Asset	938.33	943.97	1,115.99	1,173.32	1,356.42
Current Liabilities	654.25	721.96	890.30	957.09	1,108.11
LT Liabilities	35.36	28.59	34.06	56.41	62.56
Shareholders' Funds	642.13	667.81	730.56	771.10	833.11

MI	56.75	65.04	72.30	80.60	84.29
Total cash	262.28	307.26	346.35	273.68	371.19
Total borrowings	(588.48)	(621.34)	(799.80)	(813.08)	(990.25)
Net cash	(326.20)	(314.08)	(453.44)	(539.40)	(619.06)
Net gearing	50.8%	47.0%	62.1%	70.0%	74.3%
Capex	124.67	108.35	104.59	100.63	74.62
EBITDA	68.46	124.87	133.56	117.20	162.81

- High capex is a norm in the operations of flour milling and integrated poultry. The expansion and upkeep of flour milling capacity requires a considerable amount of capex. In addition, MFM has invested heavily in the implementation of industrialised processes of better farming management system for its integrated poultry business.
- Despite the high capex requirement, MFM should still remain in a healthy balance sheet position due to its strong EBITDA generation. As at end-FY16, its net gearing ratio remains comfortable at 0.74x. In addition, a considerable amount of total borrowings is in the form of unsecured bankers' acceptances/revolving credits (total RM914.75m) to support its grains and animal feed trading business and to purchase the costlier raw materials such as wheat, corn and soya bean due to the rising volumes and higher commodity prices. The amount of such loan and borrowing will vary in accordance with the timing of the shipments of grains.
- However, in anticipation of the planned capacity expansion of poultry processing (RM550m) and a new aquaculture feed mill (RM60m), its net gearing is expected to increase considerably over the next three years.
- As at end-FY16, its book value stood at RM1.51/share.

6. Dividend

	FY12	FY13	FY14	FY15	FY16
Net dividend/share (sen)	2.25	6.75	6.50	4.00	6.50
Net dividend (RMm)	12.11	36.33	34.98	21.77	35.77
Dividend payout (%)	42%	54%	52%	106%	44%

- MFM does not have a dividend policy but it has been consistently paying dividend to reward its shareholders. In FY16, it declared a total dividend of 6.5 sen/share, which translates into a net yield of 3.1%.

7. Recent Developments

- As at the expiry date of 9-May-17, a total of 107.59m warrants remained unexercised, which became null and void and ceased to be exercisable. The unexercised warrants were removed from the official list of Bursa Securities with effect from 11-May-17. The highest share price achieved prior to the expiry date was around RM1.80, rendering the warrants out-of-the-money as compared with the exercise price of RM2.06.

8. Competitive Analysis

- The production of flour milling requires operational scale to maintain its competitiveness. This includes a relatively higher investment cost of flour milling plants and production lines, bulk purchase of wheat at competitive pricing (which accounts for 70-80% of cost of sale) and operating leverage in managing the volatility of wheat price and forex risks in the form of US\$. Combined with its Indonesia and Vietnam operations, MFM has a sizeable scale of flour milling operation.

- MFM has a fully integrated poultry business which combines a strong upstream advantage in sourcing feed grains, feed production, farming and hatchery and downstream poultry processing under one roof. The growing economies of scale enables MFM to import corn and soybean meal in Panamax vessels. This has put MFM in a competitive position in terms of logistics, pricing and raw material quality.
- MFM's farms and poultry production comply with strict health protocols, certified HALAL by the Department of Islamic Development Malaysia (JAKIM), in compliance with standards established by the Department of Veterinary Services (DVS), Malaysian Good Agricultural Practices (myGAP) of livestock, Hazard Analysis and Critical Control Point (HACCP), Good Manufacturing Practice (GMP) for Food, International Organization for Standardization (ISO) 9001:2008 and 22000:2005.
- MFM is uniquely positioned given its exposure to the faster-growing flour consumption demand in Vietnam and Indonesia, as well as synergistic and cost proposition arising from its integrated poultry business. Although MFM constantly faces competition from other flour and feed millers and poultry players, it commands certain competitive edges due to its long business track record and experience, products' quality and long-standing business relationship with customers and suppliers.
- Group operations are led by managing director, Mr. Teh Wee Chye, a substantial shareholder in MFM. He was appointed to the Board in 1989, and has more than 40 years of experience within the group.

9. Earnings Outlook

- The flour milling and poultry business is a sub-sector of the larger food manufacturing sector. The consumption demand is resilient and recession-proof as its products can be regarded as a daily necessity. Being a basic consumable item, the consumption is tied to population growth and rising disposable income. The demand for flour products is generally slightly above GDP growth due to the change in lifestyle and eating habits, urbanisation and the gradual switching of consumption pattern from rice-based products to higher nutritional wheat products.
- The **flour milling** business will remain the largest profit contributor. The flour milling plants in Malaysia and Vietnam are currently running at utilization rates of 78-82%. With no new capacity coming onstream, the profit growth will come from increased factory utilisation and better economies of scale. Its Vietnam and Indonesian operations offer stronger growth prospects due to the larger population base and a growing middle-income group. In addition, Indonesia and Vietnam's per-capita flour consumption of 29kg and 9kg is considerable lower as compared with 47kg for Malaysia, according to Rabobank.
- For the **production of animal feed**, MFM will be building a new aqua feed mill at Lumut. Currently, the production of aqua feed is already full and is sharing the production capacity of poultry feed. As such, a dedicated aqua feed mill will be constructed to meet the increasing demand from the growing production aquaculture sector in Malaysia. The plant will require a capex of RM60m and two years of construction periods. Demand will be derived from conversion to commercial fish feed and import substitution. The feed mill is expected to commence its commercial production towards latter part of FY18.
- Malaysia has one of the world's largest consumption of poultry products. According to Rabobank, Malaysia's per-capita consumption stood at around 48kg whereas it was below 10kg per capita for China, Philippines, Vietnam and Indonesia. MFM is currently embarking on a big expansion plan to further expand its **poultry integration business**. It will be constructing a new state-of-the-art poultry processing plant in Sitiawan, Perak to triple its current processing capacity of 80,000 birds/day to 240,000 birds/day. It has allocated a capex of RM550m for this project to be spent over FY17-18. Despite the increasing demand from existing customers and under-served consumer marketplace, its potential growth has been constrained by its limited capacity. Its existing poultry processing plant is already running at above its design capacity. The new expansion will cater to the organic growth of its existing customers especially the quick-service restaurant operators and rising demand for poultry products. It also plans to export its processed poultry products to untapped overseas markets such as the Middle-East, China, Hong Kong and Europe. In addition, the enlarged capacity will allow the company to better serve its end-retail markets through more product varieties. The new plant is expected to commence its commercial production towards 4QFY18.

- While we are excited by the longer-term prospects of capacity expansion of poultry processing and the new aqua feed mill, its impact will only be felt from FY19 onwards. Upon commercial operation, it will take a few more years to fill up the tripling in capacity. During the gestation period, MFM will have to incur higher depreciation charges, finance expenses and pre-operating expenses.

10. Key Investment Risks

- MFM's earnings margin is largely dependent on the price of commodities and freight costs, as the bulk of raw materials are imported. Raw materials such as wheat, corn, soybean meal contribute to a significant portion of total cost of production (70-80% of group cost of sale). Hence, the rising prices could adversely affect its profit margin if input cost increase could not be passed-on.
- All its raw materials such as wheat, corn and soya bean are imported, whereby the prices are quoted in US\$. A weaker ringgit would increase its input costs. Any increase in cost will likely to be passed down to consumers.
- Due to the nature of the poultry industry, MFM as well as the poultry industry are faced with the inherent outbreak of avian diseases and viruses.

11. Valuation and Recommendation

- Since the beginning of 2017, MFM's share price has performed strongly, surging to a record high of RM2.50 in Jun-17, translating into an 85% share price gain as compared with RM1.35 as at end-Dec-16. Its share price has since retraced somewhat to around RM2.00 level recently. We think that the strong share price performance was underpinned by a strong earnings turn-around in FY16.
- MFM possesses a sizeable flour milling operation as one of the leading players in key markets in Malaysia, Vietnam and Indonesia. MFM is uniquely positioned given its exposure to the faster-growing flour consumption demand in Vietnam and Indonesia.
- MFM has a fully integrated poultry business which combines a strong upstream advantage in sourcing feed grains, feed production, farming and hatchery and downstream poultry processing under one roof. This has put MFM in a competitive position in terms of logistics, pricing and raw material quality.
- The longer-term growth prospects are well anchored by the tripling in capacity of downstream poultry processing and a new aqua feed mill. However, its impact will only be felt from FY19 onwards. Upon commercial operation, it will take a few more years to fill up the expanded capacity. During the gestation period, MFM will have to incur higher depreciation charges, finance expenses and pre-operating expenses.
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Share price chart of MFM**Disclosures/Disclaimer**

Investment ratings:

Buy (generally >10% upside over the next 12 months)

Hold (generally negative 10% downside to positive 10% upside over the next 12 months)

Sell (generally >10% downside over the next 12 months)

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