

# 800 Super Holdings Ltd

Gaining market share



StocksBnB.com

SINGAPORE | INDUSTRIALS | UPDATE

16 January 2018

- Awarded \$193.5mn PWC contract for Pasir Ris-Bedok Sector with the lowest bid
- Gained market share by dislodging incumbents
- Downgrade to Accumulate due to 6.4% favourable price movement since our last report, and lower target price of \$1.40

## What is the news?

The National Environmental Agency awarded 800 Super Waste Management Pte Ltd, a wholly-owned subsidiary of 800 Super Holdings Ltd ("800 Super"), the contract to provide public waste collection (PWC) services in the consolidated Pasir Ris-Bedok Sector. The contract value is \$193.5mn and is effective from 1 July 2018 to 31 October 2025, for a tenure of seven years and four months.

## How do we view this?

### The positives

- Gained market share by dislodging incumbents.** 800 Super already operates in the Ang Mo Kio-Toa Payoh (AMK-TPY) Sector, and will add the newly consolidated Pasir Ris-Bedok (PR-B) Sector into its stable. 800 Super has dislodged the respective incumbents of Veolia ES (Pasir Ris-Tampines Sector) and SembWaste (Bedok Sector).
- A boost to revenue and earnings from FY19e onwards.** As the PR-B contract commences on 1 July 2018, a full year of revenue will be recognised in FY19e. We estimate \$22.9mn incremental revenue in FY19e from the contract and \$26.9mn annually thereafter. The difference in annual revenue is due to the progressive transition of the existing Pasir Ris-Tampines and Bedok contracts after June 2018 and October 2018, respectively. We have revised our FY19e revenue and PATMI estimates upwards by 14.1% and 5.9%, respectively.
- Ability to pay higher dividends further out in the future.** We think it is likely for expenses to be higher during the ramp-up phase due to the learning curve on operational issues in the new sector. After stabilisation, we believe earnings and cash flows to be improved and we think that higher dividends is likely.

### The negatives

- Tendered the lowest bid, likely trading-off margins.** The ongoing AMK-TPY contract was awarded at \$160.6mn for a tenure of seven years and nine months. This new PR-B contract is worth only 20% more, despite being for a comparable tenure and yet approximately double the number of households. (See overleaf.)
- Expect higher interest expense and negative free cash flow in FY18e, due to start-up capex.** We assume \$30mn capex for vehicles, bins and containers. We also assume the capex to be funded by a 20/80 mix of equity/debt. Also expect higher depreciation expense going forward due to higher PPE.

## Outlook

The outlook is positive. Some weakness in the near-term is to be expected as recent initiatives (waste to energy plant, sludge treatment facility and public waste collection contract) normalise or ramp-up utilisation, but earnings and cash flow is expected to be higher after the respective learning curves have been overcome.

## Downgrade to Accumulate (from Buy); lower target price of \$1.40 (previously \$1.43)

Our rating downgrade is due to the combined effect of the 6.4% favourable price movement since our last report, and the new lower target price. We have revised our estimates to include the PR-B contract. Our target price is lower than previous due to our change of assumption that the ongoing AMK-TPY contract is not renewed when it concludes in September 2021. Our target price gives an implied FY18e forward P/E multiple of 16.3 times.

## Accumulate (Downgrade)

LAST CLOSE PRICE	SGD 1.250
FORECAST DIV	SGD 0.040
TARGET PRICE	SGD 1.400
TOTAL RETURN	15.2%

## COMPANY DATA

BLOOMBERG CODE:	ESH SP
O/S SHARES (MN):	178.8
MARKET CAP (USD mn / SGD mn):	169 / 224
52 - WK HI/LO (SGD):	138 / 0.98
3M Average Daily T/O (mn):	0.07

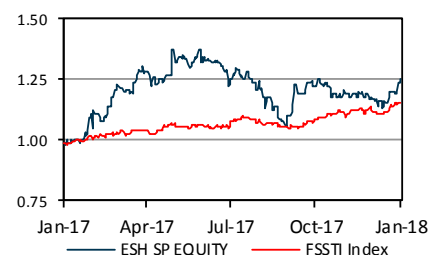
## MAJOR SHAREHOLDERS (%)

YONG SEONG INVESTMENT PTE	67.0%
KOH YONG LEE	2.8%
HOCK SEONG LEE	2.8%
CHENG CHYE LEE	2.4%

## PRICE PERFORMANCE (%)

	1M TH	3M TH	1Y R
COMPANY	6.0	4.1	315
STIRETURN	18	6.9	215

## PRICE VS. STI



Source: Bloomberg, PSR

## KEY FINANCIALS

Y/E Jun	FY 16	FY 17	FY 18e	FY 19e
Revenue (SGD mn)	156.4	156.9	158.6	185.2
PATMI (SGD mn)	16.7	17.1	14.9	16.0
EPS (cents)	9.36	9.58	8.33	8.94
P/E, adj. (x)	7.5	13.3	14.9	13.9
BVPS (cents)	39.4	45.1	49.4	54.3
P/B (x)	178	2.83	2.51	2.28
DPS (cents)	2.5	4.0	4.0	4.0
Div. Yield (%)	3.6	3.1	3.2	3.2

Source: Company Data, PSR est.

## VALUATION METHOD

DCF (WACC: 6.8%; Terminal g: 15%)

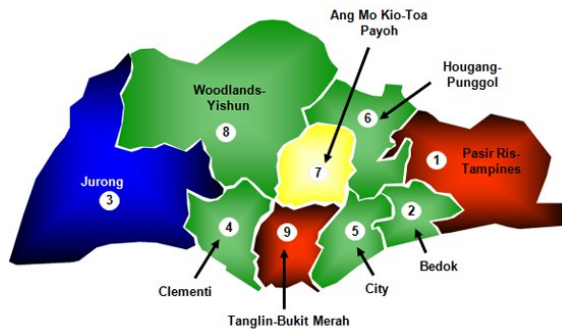
Richard Leow, CFA, CFTe, FRM (+65 6212 1848)

Investment Analyst

richardleowwt@phillip.com.sg

**Public Waste Collection in Singapore consolidates from nine to six sectors**

**Figure 1: Pre-consolidation original nine sectors**



Source: NEA

**Figure 2: Present-day seven sectors**



Source: NEA

**Figure 3: Post-consolidation six sectors**



Source: NEA

**Pasir Ris-Tampines Sector is materially larger than Ang Mo Kio-Toa Payoh Sector**

Data from the Census of Population 2010 is likely to be outdated, in view of recent residential developments. Nonetheless, it suggests that the Pasir Ris-Bedok sector is twice as large as the Ang Mo Kio-Toa Payoh sector, in terms of number of households.

**Number of Resident Households**

Planning Area	Households
Ang Mo Kio	59,705
Bedok	91,224
Pasir Ris	36,057
Tampines	73,591
Toa Payoh	42,977
Public Waste Collection Sector	Households
Pasir Ris-Bedok	200,872
Ang Mo Kio-Toa Payoh	102,682

Source: SingStat (Census of Population 2010), PSR

## Financials

### Income Statement

Y/E Jun, SGD mn	FY16	FY17	FY18e	FY19e	FY20e
<b>Revenue</b>	<b>156.4</b>	<b>156.9</b>	<b>158.6</b>	<b>185.2</b>	<b>197.3</b>
Other income	0.39	0.43	0.48	0.53	0.39
<b>EBITDA</b>	<b>27.9</b>	<b>30.6</b>	<b>31.4</b>	<b>37.7</b>	<b>42.2</b>
Depreciation & Amortisation	(8.2)	(9.0)	(12.1)	(16.6)	(16.7)
<b>EBIT</b>	<b>19.7</b>	<b>21.6</b>	<b>19.3</b>	<b>21.1</b>	<b>25.5</b>
Net Finance (Expense)/Inc	(1.0)	(0.7)	(1.0)	(1.3)	(1.2)
Other items	(0.13)	(0.10)	(0.05)	-	-
<b>Profit Before Tax</b>	<b>18.6</b>	<b>20.8</b>	<b>18.3</b>	<b>19.8</b>	<b>24.3</b>
Taxation	(1.9)	(3.7)	(3.4)	(3.9)	(4.5)
<b>Profit After Tax</b>	<b>16.7</b>	<b>17.1</b>	<b>14.9</b>	<b>16.0</b>	<b>19.8</b>
- Non-controlling interest	-	(0.03)	-	-	-
<b>PATMI</b>	<b>16.7</b>	<b>17.1</b>	<b>14.9</b>	<b>16.0</b>	<b>19.8</b>

### Per share data (cents)

Y/E Jun	FY16	FY17	FY18e	FY19e	FY20e
EPS	9.36	9.58	8.33	8.94	11.08
DPS	2.50	4.00	4.00	4.00	5.00
BVPS	39.39	45.09	49.42	54.29	61.34

### Cash Flow

Y/E Jun, SGD mn	FY16	FY17	FY18e	FY19e	FY20e
<b>CFO</b>					
Net income	16.7	17.1	14.9	16.0	19.8
Adjustments	11.3	13.4	16.4	21.8	22.4
WC changes	7.5	2.5	(0.1)	(2.1)	(1.0)
Cash generated from ops	35.5	33.0	31.2	35.6	41.2
Others	(2.8)	(3.4)	(4.3)	(5.2)	(5.7)
<b>Cashflow from ops</b>	<b>32.7</b>	<b>29.6</b>	<b>26.9</b>	<b>30.5</b>	<b>35.5</b>
<b>CFI</b>					
CAPEX, net	(12.9)	(24.6)	(70.0)	(17.3)	(17.4)
Others	(0.03)	(0.35)	-	-	-
<b>Cashflow from investments</b>	<b>(12.9)</b>	<b>(24.9)</b>	<b>(70.0)</b>	<b>(17.3)</b>	<b>(17.4)</b>
<b>CFF</b>					
Share issuance, net	-	0.0	-	-	-
Loans, net of repayments	(5.6)	6.0	28.0	(5.0)	(5.0)
Dividends	(3.6)	(6.3)	(7.2)	(7.2)	(7.2)
Others	-	-	-	-	-
<b>Cashflow from financing</b>	<b>(9.1)</b>	<b>(0.3)</b>	<b>20.8</b>	<b>(12.2)</b>	<b>(12.2)</b>
<b>Net change in cash</b>	<b>10.7</b>	<b>4.4</b>	<b>(22.3)</b>	<b>1.0</b>	<b>6.0</b>
Effects of exchange rates	(0.1)	0.1	-	-	-
<b>CCE, end</b>	<b>20.6</b>	<b>25.1</b>	<b>2.8</b>	<b>3.8</b>	<b>9.8</b>

Source: Company, Phillip Securities Research (Singapore) Estimates

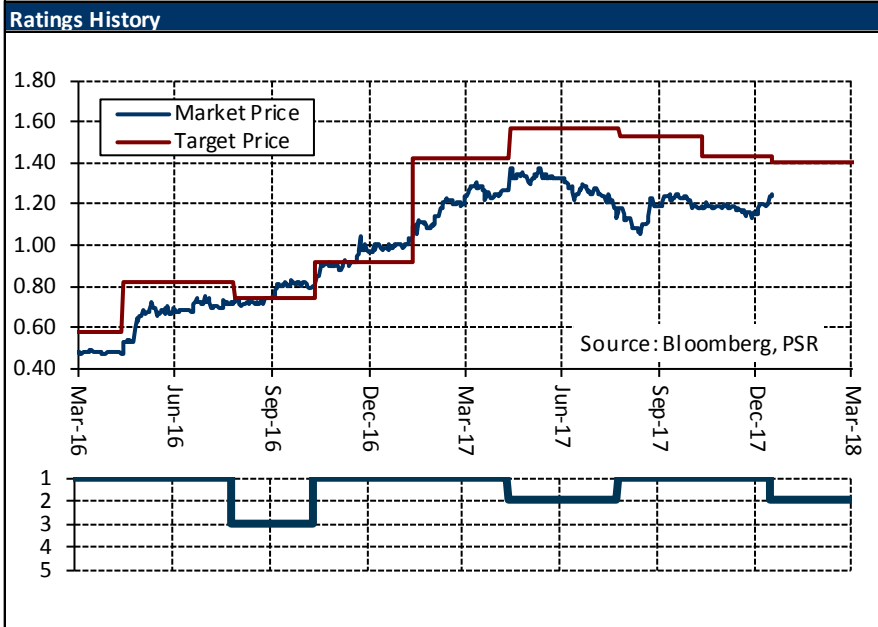
\*Forward multiples & yields based on current market price; historical multiples & yields based on historical market price.

### Balance Sheet

Y/E Jun, SGD mn	FY16	FY17	FY18e	FY19e	FY20e
<b>ASSETS</b>					
PPE	84.0	99.4	157.3	158.0	158.7
Others	1.2	1.5	1.5	1.5	1.5
<b>Total non-current assets</b>	<b>85.2</b>	<b>100.9</b>	<b>158.8</b>	<b>159.5</b>	<b>160.2</b>
Trade receivables	33.5	30.3	30.6	35.8	38.1
Cash	20.6	25.1	2.8	3.8	9.8
Others	1.8	1.7	1.7	2.0	2.1
<b>Total current assets</b>	<b>55.9</b>	<b>57.1</b>	<b>35.1</b>	<b>41.6</b>	<b>50.0</b>
<b>Total Assets</b>	<b>141.1</b>	<b>158.0</b>	<b>194.0</b>	<b>201.1</b>	<b>210.3</b>
<b>LIABILITIES</b>					
Trade payables	21.2	20.2	20.4	23.8	25.4
Short term loans	11.0	11.0	11.0	11.0	11.0
Others	2.6	2.9	2.9	2.9	2.9
<b>Total current liabilities</b>	<b>34.8</b>	<b>34.1</b>	<b>34.3</b>	<b>37.7</b>	<b>39.3</b>
Long term loans	34.8	41.0	69.0	64.0	59.0
Others	1.0	2.3	2.3	2.3	2.3
<b>Total non-current liabilities</b>	<b>35.8</b>	<b>43.3</b>	<b>71.3</b>	<b>66.3</b>	<b>61.3</b>
<b>Total Liabilities</b>	<b>70.6</b>	<b>77.4</b>	<b>105.6</b>	<b>104.0</b>	<b>100.6</b>
<b>EQUITY</b>					
Non-controlling interests	-	(0.01)	(0.01)	(0.01)	(0.01)
<b>Shareholder Equity</b>	<b>70.4</b>	<b>80.6</b>	<b>88.4</b>	<b>97.1</b>	<b>109.7</b>

### Valuation Ratios

Y/E Jun	FY16	FY17	FY18e	FY19e	FY20e
P/E (x), adj.	7.5	13.3	14.9	13.9	11.2
P/B (x)	1.8	2.8	2.5	2.3	2.0
EV/EBITDA (x), adj.	5.4	8.3	9.5	7.8	6.7
Dividend Yield (%)	3.6	3.1	3.2	3.2	4.0
<b>Growth &amp; Margins (%)</b>					
<b>Growth</b>					
Revenue	11.5%	0.3%	1.1%	16.7%	6.5%
EBITDA	3.2%	9.6%	2.6%	20.3%	11.8%
EBIT	-1.6%	9.4%	-10.6%	9.6%	20.6%
Net Income	37.6%	2.3%	-13.0%	7.3%	23.9%
<b>Margins</b>					
EBITDA margin	17.9%	19.5%	19.8%	20.4%	21.4%
EBIT margin	12.6%	13.8%	12.2%	11.4%	12.9%
Net Profit Margin	10.7%	10.9%	9.4%	8.6%	10.0%
<b>Key Ratios</b>					
ROE (%)	26.2%	22.7%	17.6%	17.2%	19.2%
ROA (%)	12.7%	11.4%	8.5%	8.1%	9.6%
Debt-to-Equity (x)	0.65	0.65	0.91	0.77	0.64
Net Debt or (Net Cash)	25.2	26.9	77.2	71.2	60.2
Net Gearing (x)	0.36	0.33	0.87	0.73	0.55



### PSR Rating System

Total Returns	Recommendation	Rating
> +20%	Buy	1
+5% to +20%	Accumulate	2
-5% to +5%	Neutral	3
-5% to -20%	Reduce	4
< -20%	Sell	5

### Remarks

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

## Contact Information (Singapore Research Team)

## Head of Research

Paul Chew – [paulchewkl@phillip.com.sg](mailto:paulchewkl@phillip.com.sg)

## Research Operations Officer

Mohamed Amiruddin – [amiruddin@phillip.com.sg](mailto:amiruddin@phillip.com.sg)

## Consumer | Healthcare

Soh Lin Sin – [sohls@phillip.com.sg](mailto:sohls@phillip.com.sg)

## Oil &amp; Gas | Energy

Chen Guangzhi – [chengz@phillip.com.sg](mailto:chengz@phillip.com.sg)

## Macro

Pei Sai Teng – [peist@phillip.com.sg](mailto:peist@phillip.com.sg)

## Transport | REITs (Industrial)

Richard Leow – [richardleowwt@phillip.com.sg](mailto:richardleowwt@phillip.com.sg)

## REITs (Commercial, Retail, Healthcare) | Property

Dehong Tan – [tandh@phillip.com.sg](mailto:tandh@phillip.com.sg)

## Technical Analysis

Jeremy Ng – [jeremyngch@phillip.com.sg](mailto:jeremyngch@phillip.com.sg)

## Banking and Finance

Jeremy Teong – [jeremyteongfh@phillip.com.sg](mailto:jeremyteongfh@phillip.com.sg)

## US Equity

Ho Kang Wei – [hokw@phillip.com.sg](mailto:hokw@phillip.com.sg)

## Contact Information (Regional Member Companies)

## SINGAPORE

## Phillip Securities Pte Ltd

Raffles City Tower  
250, North Bridge Road #06-00  
Singapore 179101  
Tel +65 6533 6001  
Fax +65 6535 6631  
Website: [www.poems.com.sg](http://www.poems.com.sg)

## 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 +603 2162 8841  
Fax +603 2166 5099  
Website: [www.poems.com.my](http://www.poems.com.my)

## HONG KONG

## Phillip Securities (HK) Ltd

11/F United Centre 95 Queensway  
Hong Kong  
Tel +852 2277 6600  
Fax +852 2868 5307  
Websites: [www.phillip.com.hk](http://www.phillip.com.hk)

## JAPAN

## Phillip Securities Japan, Ltd.

4-2 Nihonbashi Kabuto-cho Chuo-ku,  
Tokyo 103-0026  
Tel +81-3 3666 2101  
Fax +81-3 3666 6090  
Website: [www.phillip.co.jp](http://www.phillip.co.jp)

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

## CHINA

## Phillip Financial Advisory (Shanghai) Co Ltd

No 550 Yan An East Road,  
Ocean Tower Unit 2318,  
Postal code 200001  
Tel +86-21 5169 9200  
Fax +86-21 6351 2940  
Website: [www.phillip.com.cn](http://www.phillip.com.cn)

## THAILAND

## Phillip Securities (Thailand) Public Co. Ltd

15th Floor, Vorawat Building,  
849 Silom Road, Silom, Bangrak,  
Bangkok 10500 Thailand  
Tel +66-2 6351700 / 22680999  
Fax +66-2 22680921  
Website [www.phillip.co.th](http://www.phillip.co.th)

## FRANCE

## King &amp; Shaxson Capital Limited

3rd Floor, 35 Rue de la Bienfaisance 75008  
Paris France  
Tel +33-1 45633100  
Fax +33-1 45636017  
Website: [www.kingandshaxson.com](http://www.kingandshaxson.com)

## UNITED KINGDOM

## King &amp; Shaxson Capital Limited

6th Floor, Candlewick House,  
120 Cannon Street,  
London, EC4N 6AS  
Tel +44-20 7426 5950  
Fax +44-20 7626 1757  
Website: [www.kingandshaxson.com](http://www.kingandshaxson.com)

## UNITED STATES

## Phillip Capital 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  
Website: [www.phillipusa.com](http://www.phillipusa.com)

## AUSTRALIA

## Phillip Capital Limited

Level 10, 330 Collins Street  
Melbourne, Victoria 3000, Australia  
Tel +61-03 9629 8288  
Fax +61-03 9629 8882  
Website: [www.phillipcapital.com.au](http://www.phillipcapital.com.au)

## SRI LANKA

## Asha Phillip Securities Limited

2<sup>nd</sup> Floor, Lakshmans Building,  
No. 321, Galle Road,  
Colombo 03, Sri Lanka  
Tel: (94) 11 2429 100  
Fax: (94) 11 2429 199  
Website: [www.ashaphillip.net](http://www.ashaphillip.net)

## INDIA

## PhillipCapital (India) Private Limited

No.1, 18th Floor, Urmi Estate  
95, Ganpatrao Kadam Marg  
Lower Parel West, Mumbai 400-013  
Maharashtra, India  
Tel: +91-22-2300 2999 / Fax: +91-22-2300 2969  
Website: [www.phillipcapital.in](http://www.phillipcapital.in)

## TURKEY

## PhillipCapital Menkul Degerler

Dr. Cemil Bengü Cad. Hak Is Merkezi  
No. 2 Kat. 6A Caglayan  
34403 Istanbul, Turkey  
Tel: 0212 296 84 84  
Fax: 0212 233 69 29  
Website: [www.phillipcapital.com.tr](http://www.phillipcapital.com.tr)

## DUBAI

## Phillip Futures DMCC

Member of the Dubai Gold and  
Commodities Exchange (DGEX)  
Unit No 601, Plot No 58, White Crown Bldg,  
Sheikh Zayed Road, P.O.Box 212291  
Dubai-UAE  
Tel: +971-4-3325052 / Fax: + 971-4-3328895

## CAMBODIA

## Phillip Bank Plc

Ground Floor of B-Office Centre, #61-64,  
Norodom Blvd Corner Street 306, Sangkat  
Boeung Keng Kang 1, Khan Chamkamorn,  
Phnom Penh, Cambodia  
Tel: 855 (0) 7796 6151/855 (0) 1620 0769  
Website: [www.phillipbank.com.kh](http://www.phillipbank.com.kh)

**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 licence 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.