

# Fraser's Centrepoint Trust

Holding up in a tough environment



StocksBnB.com

## SINGAPORE | REAL ESTATE (REIT) | FY17 RESULTS

26 October 2017

- FY17 NPI and DPU were within our estimates.
- Strong rental reversions of 5.1% for FY17 despite a tough operating environment.
- Catalysts from higher occupancy in Northpoint City North Wing (NPNW) and Changi City Point (CCP).
- Cap rate compression drove NAV increase of 9c/share to S\$2.02.
- Rising occupancy costs may make it harder to sustain future rental reversions unless tenant sales improve.
- Maintain Neutral with unchanged DDM-derived target price of S\$2.14.

### Results at a glance

(SGD mn)/Sept Yr End	FY17	FY16	YoY (%)	Comments
Gross Revenue	181.6	183.8	(1.2)	Mainly impacted by planned vacancies in Northpoint AEI. Up 0.5%, excluding AEI and impact of new acquisition
Net property income	129.6	129.9	(0.2)	Lower utilities tariff rates and other property expenses
Distributable income	109.8	108.1	1.6	Higher proportion of management fees paid in units (FY17: 70% vs FY16: 42%)
<b>DPU (Cents)</b>	<b>11.90</b>	<b>11.76</b>	<b>1.2</b>	

Source: Company, PSR

### The positives

+ **Strong rental reversions for FY17 despite a tough operating environment:** Overall portfolio achieved +5.1% rental reversions. Portfolio occupancy also improved QoQ from 87.1% to 92%, following the completion of AEI on NPNW. FCT was able to build on its previously low occupancy cost of 15.7% in FY16 to drive rental reversions upwards despite lower tenant sales this year.

+ **Catalysts for better upcoming performances in NPNW and CCP:** Management expressed optimism at achieving 100% occupancy for NPNW post AEI before Chinese New Year in 2018. Committed occupancy is presently at 95%. CCP also looks set to benefit from the Oct 21 Opening of the Downtown Line 3, with the mall directly integrated with the Expo station. Along with CWP, these 3 malls make up 84% of FY17 portfolio valuation.

+ **Cap rate compression drove portfolio NAV increase of 9c/share to S\$2.02:** In line with the trend across most REIT sectors this year, cap rate compressions of 25-60bps across the portfolio drove up net asset value YoY.

### The negatives

- **Rising occupancy costs may make it harder to sustain future rental reversions unless tenant sales improve:** Tenant sales fell mid-single digit YoY for FY17 excluding NPNW (including: c.-7.5%). With tenant sales failing to keep pace with rental reversions, portfolio occupancy cost crept up from 15.7% in FY16 to just below 18% currently. We estimate occupancy costs could actually be closer to 17%, without the impact of AEI. Sustaining or improving rental reversions in FY18 could be harder to achieve unless tenant sales improve. For tenant sales, F&B/Services did well, Supermarkets stable (for now) (despite Amazon's entry into grocery sales in Singapore), and Fashion was the laggard.

- **Bedok Point (BP) still struggling:** Recall that BP has been struggling for the past 3 FYs after the opening of the neighbouring Bedok Mall. Management has been trying to readjust tenant mix, but expects occupancy at BP to remain sluggish. Nonetheless, BP is a small constituent of overall portfolio and only made up 2.8% of FY17 NPI, with FY17 occupancy at 85.2%.

## Neutral (Maintained)

LAST DONE PRICE	SGD 2.21
FORECAST DIV	SGD 0.12
TARGET PRICE	SGD 2.14
<b>TOTAL RETURN</b>	<b>2.1%</b>

### COMPANY DATA

BLOOMBERG CODE:	FCT SP
O/S SHARES (MN):	922
MARKET CAP (USD mn / SGD mn):	1497 / 2039
52 - WK HI/LO (SGD):	2.25 / 1.87
3M Average Daily T/O (mn):	103

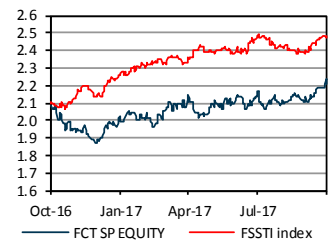
### MAJOR SHAREHOLDERS (%)

FRASERS CENTREPOINT LTD	416%
SCHRODERS PLC	5.4%
SCHRODER INV MGMT HK LTD	3.6%
SUMITOMO MITSUBISHI ASSET MGMT	3.40%
VANGUARD GROUP	2.23%

### PRICE PERFORMANCE (%)

	1M TH	3M TH	1YR
COMPANY	5.7	6.2	12.8
STIRETURN	3.59	2.06	20.66

### PRICE VS. STI



Source: Bloomberg, PSR

### KEY FINANCIALS

SGD mn	FY 16	FY 17	FY 18 e	FY 19 e
Gross Revenue	183.8	181.6	226.9	232.0
NPI	129.9	129.6	160.5	164.1
Dist Inc.	108.1	109.8	125.0	126.5
P/NAV (x)	0.95	1.05	1.06	1.06
ROE (%)	5.50	5.40	5.60	5.70
DPU (Cents)	11.76	11.90	12.30	12.40
Dist yield %	5.58	5.56	5.75	5.81

Source: Company Data, PSR est.

### Valuation Method

**DDM (Cost of equity 7.2%, Terminal Growth 1.5%)**

Dehong Tan (+65 6212 1849)  
tandh@phillip.com.sg

### Outlook

Higher occupancy costs, coupled with the challenging retail background could mean increasing difficulty to sustain rental reversions unless sales pick up. We expect any upside in rental income to be partially mitigated by a lower proportion of management fees taken in units in upcoming quarters (FY17:70% vs normalised year FY15: 20%). We have projected a 3.4% improvement in DPU in FY18e driven by possible acquisitions, and improved performances in CWP, NPNW, and CCP.

### Maintain NEUTRAL with unchanged target price of S\$2.14.

This translates to an FY18e yield of 5.8% and P/NAV of 1.06, as we roll forward our estimates to FY18 onwards. At current 5.4% yield (-1s.d. post GFC levels), we opine that the positives are in the price, and given the headwinds in the retail sector, prefer to see a pick-up in brick-and-mortar sales before revisiting our recommendation.

Figures 1 and 2: FCT trades at below post-GFC average yield and close to average P/NAV

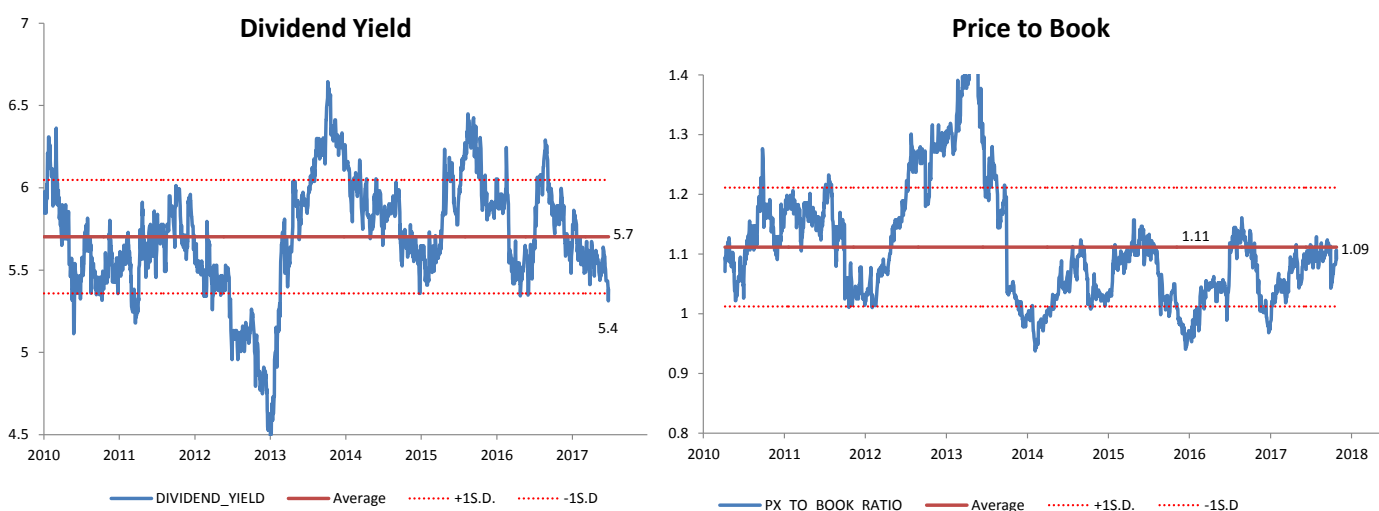


Figure 3: Peer comparison table

Name	PSR CALL	PSR Target Price	Mkt Cap (SGD mn)	Last Close (\$)	Dvd Yld:D-1	P/B	Latest Gearing (%)	Average Cost of debt
FRASERS CENTREPOINT TRUST	NEUTRAL	2.14	2,039	2.21	5.38	1.09	29.0	2.30%
CAPITALAND RETAIL CHINA TRUST	NEUTRAL	1.64	1,488	1.65	6.12	1.01	35.1	2.42%
CAPITALAND MALL TRUST	NEUTRAL	2.01	7,198	2.03	5.49	1.04	34.7	3.20%
SPH REIT			2,633	1.03	5.37	1.09	25.3	2.79%
MAPLETREE COMMERCIAL TRUST			4,561	1.59	5.56	1.15	36.4	2.66%
STARHILL GLOBAL REIT			1,712	0.79	6.27	0.85	35.2	3.17%
SUNTEC REIT			5,113	1.93	5.21	0.91	36.4	2.42%

Source: Bloomberg, Company, PSR

## Financials

### Statement of Total Return and Distribution Statement

Y/E Sept, SGD mn	FY15	FY16	FY17	FY18e	FY19e
<b>Gross Revenue</b>	<b>189.2</b>	<b>183.8</b>	<b>181.6</b>	<b>226.9</b>	<b>232.0</b>
Total Property expenses	(58.2)	(54.0)	(52.0)	(66.4)	(67.9)
<b>Net Property Income</b>	<b>131.0</b>	<b>129.9</b>	<b>129.6</b>	<b>160.5</b>	<b>164.1</b>
Net Finance (Expense)/Inc	(19.3)	(17.2)	(17.6)	(24.9)	(26.9)
Asset Manager's fees	(14.1)	(14.2)	(14.5)	(17.1)	(17.3)
<b>Net Income</b>	<b>96.2</b>	<b>96.8</b>	<b>94.8</b>	<b>115.7</b>	<b>117.0</b>
Other Adjustments	6.0	6.9	11.0	4.3	4.3
Distributions from associates	4.2	4.4	4.7	5.0	5.2
<b>Distributions to unitholders</b>	<b>106.4</b>	<b>108.1</b>	<b>109.8</b>	<b>125.0</b>	<b>126.5</b>

### Per share data (Cents)

Y/E Sept	FY15	FY16	FY17	FY18e	FY19e
NAV	1.91	1.93	2.02	2.02	2.01
DPU	11.6	11.8	11.9	12.3	12.4

### Cash Flow

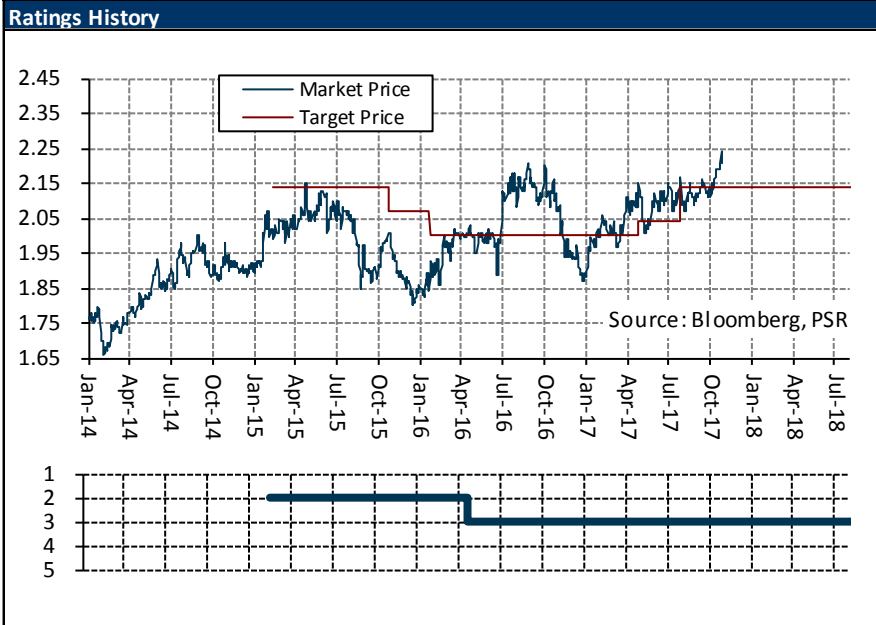
Y/E Sept, SGD mn	FY15	FY16	FY17	FY18e	FY19e
<b>CFO</b>					
Net Income	171.5	123.4	193.9	115.7	117.0
Adjustments	(53.7)	(4.2)	(73.7)	29.3	31.3
WC changes	(6.4)	6.7	2.0	18.1	1.0
Cashflow from ops	<b>120.0</b>	<b>126.0</b>	<b>122.2</b>	<b>163.1</b>	<b>149.4</b>
<b>CFI</b>					
Capex on inv properties	(5.4)	(17.5)	(27.8)	(5.4)	(5.4)
Cashflow from investing activities	<b>(0.6)</b>	<b>(13.2)</b>	<b>(68.2)</b>	<b>(368.8)</b>	<b>(0.2)</b>
<b>CFF</b>					
Share issuance	-	-	-	188.3	-
Loans, net of repayments	(21.0)	16.0	64.0	180.0	-
Distributions to unitholders	(105.7)	(108.4)	(108.2)	(125.0)	(126.5)
<b>Cashflow from financing</b>	<b>(144.9)</b>	<b>(110.3)</b>	<b>(59.2)</b>	<b>217.6</b>	<b>(154.3)</b>
<b>Net change in cash</b>	<b>(25.5)</b>	<b>2.5</b>	<b>(5.2)</b>	<b>11.9</b>	<b>(5.1)</b>
<b>CCE, end</b>	<b>16.2</b>	<b>18.7</b>	<b>13.5</b>	<b>25.5</b>	<b>20.4</b>

### Balance Sheet

Y/E Sept, SGD mn	FY15	FY16	FY17	FY18e	FY19e
<b>ASSETS</b>					
Investment properties	2,464	2,509	2,668	3,036	3,036
Investment in Associates	62.8	59.8	64.9	64.9	64.9
<b>Non Current Assets</b>	<b>2,527</b>	<b>2,569</b>	<b>2,733</b>	<b>3,101</b>	<b>3,101</b>
Trade and Other Receivables	5.4	6.8	4.3	7.2	7.3
Cash and Cash Equivalents	16.2	18.7	13.5	25.5	20.4
<b>Current Assets</b>	<b>21.7</b>	<b>25.6</b>	<b>17.8</b>	<b>32.7</b>	<b>27.7</b>
<b>Total Assets</b>	<b>2,549</b>	<b>2,594</b>	<b>2,751</b>	<b>3,134</b>	<b>3,129</b>
<b>LIABILITIES</b>					
Trade and other payables	31.8	40.0	32.7	53.6	54.8
Interest bearing borrowings	278.0	218.0	152.0	120.0	70.0
<b>Current Liabilities</b>	<b>327.7</b>	<b>278.8</b>	<b>202.0</b>	<b>191.0</b>	<b>142.2</b>
Interest bearing borrowings	440.0	516.0	645.5	857.9	907.9
<b>Non Current liabilities</b>	<b>466.5</b>	<b>540.0</b>	<b>676.3</b>	<b>888.6</b>	<b>938.6</b>
<b>Total Liabilities</b>	<b>794.2</b>	<b>818.8</b>	<b>878.7</b>	<b>1,079.6</b>	<b>1,080.8</b>
<b>EQUITY</b>					
<b>Shareholder Equity</b>	<b>1,754.5</b>	<b>1,775.6</b>	<b>1,872.2</b>	<b>2,054.4</b>	<b>2,048.3</b>

### Valuation Ratios

Y/E Sept	FY15	FY16	FY17	FY18e	FY19e
P/NAV	1.05	1.09	1.06	1.06	1.06
Distribution yield (%)	5.77	5.58	5.55	5.75	5.81
NPI yield (%)	5.3%	5.2%	4.9%	5.3%	5.4%
<b>Growth &amp; Margins (%)</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18e</b>	<b>FY19e</b>
<b>Growth</b>					
Revenue	6.8%	-2.1%	-2.0%	25.0%	2.2%
Net property income (NPI)	5.8%	-0.9%	-0.2%	23.9%	2.2%
DPU	3.8%	1.4%	0.9%	3.7%	1.1%
<b>Margins</b>					
NPI margin	70.0%	70.1%	71.3%	70.7%	70.7%
Net Income Margin	50.5%	52.3%	52.2%	51.0%	50.4%
<b>Key Ratios</b>					
Gearing	28.2%	29.3%	29.0%	31.2%	31.3%
ROA	3.8%	3.7%	3.4%	3.7%	3.7%
ROE	5.5%	5.5%	5.1%	5.6%	5.7%



### 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

**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 & 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, CFTE, FRM -  
[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)**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)**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)**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)**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)**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)**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)**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)**FRANCE****King & 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)**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)**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)**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)**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)**UNITED KINGDOM****King & 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)**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)**DUBAI****Phillip Futures DMCC**Member of the Dubai Gold and  
Commodities Exchange (DGCC)  
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

**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.