

# Ho Bee Land Limited

Largely stable set of results



StocksBnB.com

## SINGAPORE | REAL ESTATE | 3Q17 RESULTS

- ASPs for main China development projects maintained despite cooling measures.
- Recurring income office portfolio remains stable.
- Price and transaction volume pickup for residential properties in Core Central Region not yet translating to Sentosa condominium market.
- Maintain ACCUMULATE with unchanged RNAV-derived target price of S\$2.98.

### Results at a glance

(SGD mn)/Dec Yr End	3Q17	3Q16	YoY (%)	Comments
Sale of development properties	4.5	12.0	(63.0)	Lower sales recognition of two residential projects in Australia
Rental Income	39.3	34.9	12.4	Contribution from new office acquisition in London
Share of Profits from Associates and JV	31.2	5.3	489.8	Increased handover of residential projects in Shanghai, Tangshan
Profit from continuing operations before tax	65.5	31.1	110.4	
Net Profit	54.4	26.7	103.5	

Source: Company, PSR

### The Positives

**+ ASPs for main China development projects maintained despite cooling measures:** HBL continued to make sales progress on their residential projects in China despite cooling measures, with prices maintained or higher. Average transacted prices for Yanlord Western Garden, Shanghai (HBL's biggest project in China) for example are at now at RMB60k/sqm, up 13% from start of the year.

**+ Recurring income office portfolio remains stable:** The Metropolis at Buona Vista, a Grade A suburban office tower which takes up 38% of HBL's total GAV maintained a near 100% occupancy going into its second rent renewal cycle since operating in 2013. Average passing rents have held stable YoY at S\$7+/psf.

### The Negatives

**- Price and transaction volume pickup for residential properties in Core Central Region not yet translating to Sentosa condominium market:** HBL's 3 condominium projects in Sentosa remains held for lease and occupancy is around 80% currently. We believe market conditions there have not picked up significantly enough for management to consider other monetization options.

### Outlook

HBL's local and overseas rental properties (66% of total GAV) provide stable recurring income for the Group. We expect the Group's Singapore office portfolio to benefit from a recovery in office rents. Their London office properties are mostly on long leases of 5-10 years with built in rental escalations which would enable it to ride out Brexit uncertainties in the short term. Buying activity for Sentosa Cove bungalows have improved this year with the [highest volume transacted since 2013](#). While still not evident in the Sentosa condominium market, we expect interest and transaction volumes to gradually return to the overall high-end market due to 1) lack of supply 2) increasing cooling measures implemented in other countries 3) widening price gap with other top cities over the years and narrowing price gap vs suburban (Sentosa condos have fallen 50% from peak). This will benefit the Group's 3 Sentosa condominium projects held for lease currently.

### Maintain ACCUMULATE with unchanged RNAV-derived target price of S\$2.98.

HBL trades at one of the largest 42% discount to NAV amongst the large cap property developers (Figure 3). We expect the discount to narrow as interest and transaction volumes gradually return to the high-end market in Singapore. Recurrent income is around S\$180mn per year, sufficient to cover 3.8x their present S\$47mn dividend per annum.

10 November 2017

## ACCUMULATE (Maintained)

LAST DONE PRICE	SGD 2.57
FORECAST DIV	SGD 0.07
TARGET PRICE	SGD 2.98
<b>TOTAL RETURN</b>	<b>18.7%</b>

### COMPANY DATA

BLOOMBERG CODE:	HOBEE SP
O/S SHARES (MN):	666
MARKET CAP (USD mn / SGD mn):	1259 / 1711
52 - WK HI/LO (SGD):	2.6 / 2.02
3M Average Daily T/O (mn):	0.18

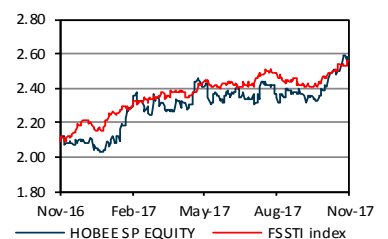
### MAJOR SHAREHOLDERS (%)

HOBEE HOLDINGS PTE LTD	73.8%
DIMENSIONAL FUND ADVISORS LP	14%
CHOON LENG WOON	0.3%

### PRICE PERFORMANCE (%)

	1M TH	3M TH	1YR
COMPANY	7.9	8.9	24.8
STI RETURN	4.1	3.8	25.4

### PRICE VS. STI



Source: Bloomberg, PSR

### KEY FINANCIALS

SGD MN	FY 15	FY 16	FY 17e	FY 18e
Revenue	130	299	218	183
EBITDA	118	130	118	115
NPAT (adj.)	55	113	117	85
EPS (adj.)	0.36	0.33	0.17	0.13
PER, x (adj.)	23.8	10.4	116	15.9
P/BV, x	0.5	0.5	0.5	0.4
DPS (SGD)	0.07	0.06	0.07	0.07
Div Yield, %	3.4%	3.0%	3.4%	3.4%
ROE, %	19%	3.8%	3.9%	2.8%

Source: Company, PSR

### Valuation Method

RNAV

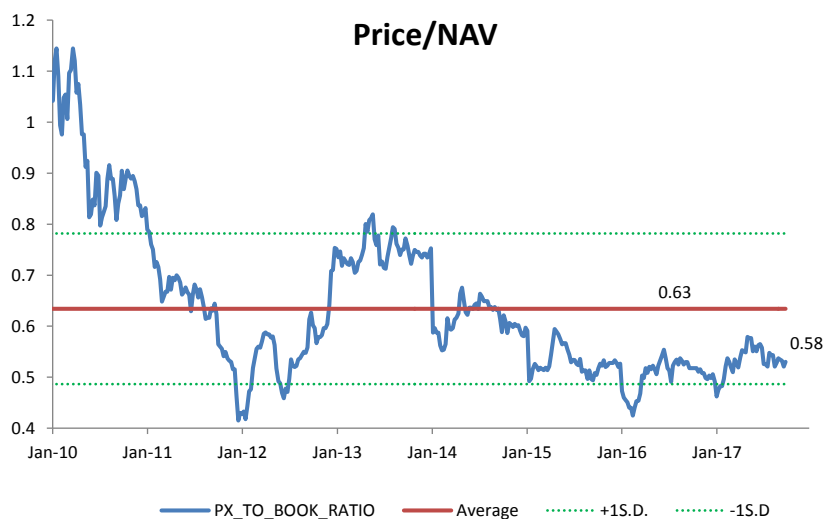
Dehong Tan (+65 6212 1849)

Investment Analyst  
tandh@phillip.com.sg

Figure 1: RNAV Table

Ho Bee Land RNAV	
	Valuation (SGD m)
<b>Investment Properties</b>	
Singapore Commerical	1725.7
London Commerical	967.2
<b>Residential Properties</b>	
PV of Singapore Properties	591.2
PV of China Properties	658.8
PV of Australia Properties	113.1
Others	5.2
GAV	4061.1
Less FY2017 Net debt	1217.9
RNAV	2843.2
RNAV per share	4.26
Discount to RNAV	30.0%
<b>Fair Value</b>	<b>2.98</b>

Figure 2: HBL trades at below post-GFC P/NAV



Source: Bloomberg, PSR

Figure 3: Peer Comparison – HBL and Wing Tai trade at the largest discount to RNAV amongst large caps

Name	Mkt Cap (SGD mn)	Last Price (SGD)	P/E	ROE (%)	ROA (%)	Dividend Yield	P/B	Debt/Assets (%)
HO BEE LAND LTD	1,711	2.57	6.2	5.5	3.6	2.3	0.58	30.6
CITY DEVELOPMENTS LTD	11,039	12.14	18.9	5.7	2.6	1.3	1.23	29.0
UOL GROUP LTD	7,405	8.80	8.3	3.9	2.7	1.7	0.86	20.8
FRASERS CENTREPOINT LTD	5,928	2.04	9.0	9.2	2.5	4.2	0.86	40.5
UNITED INDUSTRIAL CORP LTD	4,754	3.32	16.8	4.5	3.2	0.9	0.75	14.4
CAPITALAND LTD	15,247	3.59	8.9	5.3	1.8	2.8	0.84	32.5
YANLORD LAND GROUP LTD	3,351	1.74	4.7	15.7	3.4	2.5	0.79	24.3
GUOCOLAND LTD	2,639	2.23	5.0	8.2	3.4	3.1	0.67	48.5
WHEELLOCK PROPERTIES (S) LTD	2,321	1.94	39.7	3.5	3.0	3.1	0.77	0.0
OXLEY HOLDINGS LTD	2,034	0.69	7.8	26.7	5.5	2.2	1.82	53.4
WING TAI HOLDINGS LTD	1,719	2.22	67.1	0.6	0.4	2.7	0.52	20.1
<b>Peer Average</b>						<b>2.45</b>	<b>0.91</b>	<b>28.3</b>

Source: Bloomberg, PSR

## Financials

### Income Statement

Y/E Dec, SGD mn	FY14	FY15	FY16	FY17e	FY18e
<b>Revenue</b>	<b>100</b>	<b>130</b>	<b>299</b>	<b>218</b>	<b>183</b>
<b>Operating EBITDA</b>	<b>65</b>	<b>118</b>	<b>130</b>	<b>118</b>	<b>115</b>
Depreciation & Amortisation	1	1	1	1	0
<b>EBIT</b>	<b>64</b>	<b>117</b>	<b>129</b>	<b>117</b>	<b>115</b>
Net Finance (Expense)/Inc	(18)	(23)	(30)	(19)	(23)
Other items	0	1	2	3	4
Associates & JVs	(6)	(23)	33	43	11
Revaluation Gains	282	186	104	0	0
<b>Profit Before Tax</b>	<b>322</b>	<b>258</b>	<b>237</b>	<b>141</b>	<b>103</b>
Taxation	(7)	(17)	(20)	(24)	(17)
<b>Profit After Tax</b>	<b>315</b>	<b>241</b>	<b>217</b>	<b>117</b>	<b>85</b>
<b>Net Income, adj. excl reval gains</b>	<b>33</b>	<b>55</b>	<b>113</b>	<b>117</b>	<b>85</b>

### Per share data (SGD)

Y/E Dec, SGD	FY14	FY15	FY16	FY17e	FY18e
EPS, reported	0.47	0.36	0.33	0.17	0.13
DPS	0.05	0.07	0.06	0.07	0.07
BVPS	3.89	4.23	4.41	4.51	4.56

### Cash Flows

Y/E Dec, SGD mn	FY14	FY15	FY16	FY17e	FY18e
<b>CFO</b>					
Profit before tax	315	241	217	117	85
Adjustments	(251)	(139)	(78)	(0)	28
WC changes	(49)	(120)	71	47	(19)
Cash generated from ops	15	(18)	210	163	94
Taxes paid, others	(17)	(3)	(31)	(24)	(17)
<b>Cashflow from ops</b>	<b>(3)</b>	<b>(21)</b>	<b>178</b>	<b>139</b>	<b>77</b>
<b>CFI</b>					
CAPEX, net	(2)	(2)	(2)	(1)	(1)
Purchase/sale of investments	(485)	(577)	3	(63)	0
Dividends	1	1	1	1	1
Others	(0)	(0)	18	0	0
<b>Cashflow from investments</b>	<b>(486)</b>	<b>(577)</b>	<b>21</b>	<b>(63)</b>	<b>1</b>
<b>CFF</b>					
Purchase of treasury shares	(6)	(3)	(1)	0	0
Loans, net of repayments	443	640	(110)	82	(244)
Dividends paid	(56)	(34)	(47)	(47)	(47)
Others	0	0	0	0	0
<b>Cashflow from financing</b>	<b>381</b>	<b>603</b>	<b>(158)</b>	<b>35</b>	<b>(291)</b>
<b>Net change in cash</b>	<b>(108)</b>	<b>5</b>	<b>41</b>	<b>174</b>	<b>(214)</b>
Effects of exchange rates	0	(0)	(1)	0	0
<b>CCE, end</b>	<b>10</b>	<b>15</b>	<b>54</b>	<b>229</b>	<b>15</b>

Source: Company, Phillip Securities Research (Singapore) Estimates

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

### Balance Sheet

Y/E Dec, SGD mn	FY14	FY15	FY16	FY17e	FY18e
<b>ASSETS</b>					
PPE	22	22	22	23	24
Associates & JVs	802	789	792	835	846
Long-term investments	2,283	3,050	2,790	2,790	2,790
Others	275	289	290	273	273
<b>Total non-current assets</b>	<b>3,382</b>	<b>4,150</b>	<b>3,895</b>	<b>3,921</b>	<b>3,932</b>
Development property	230	321	414	390	418
Accounts Receivables	43	52	29	50	46
Cash balance	10	15	54	229	15
Others	20	21	0	0	0
<b>Total current assets</b>	<b>302</b>	<b>408</b>	<b>500</b>	<b>669</b>	<b>478</b>
<b>Total Assets</b>	<b>3,684</b>	<b>4,558</b>	<b>4,395</b>	<b>4,589</b>	<b>4,411</b>

### LIABILITIES

Short term loans	164	384	235	252	30
Accounts Payables	89	50	43	70	75
Others	40	67	36	36	36
<b>Total current liabilities</b>	<b>293</b>	<b>501</b>	<b>313</b>	<b>358</b>	<b>140</b>
Long term loans	752	1,195	1,111	1,195	1,195
Others	24	29	32	32	32
<b>Total non-current liabilities</b>	<b>775</b>	<b>1,224</b>	<b>1,143</b>	<b>1,227</b>	<b>1,227</b>

### EQUITY

Shareholder Equity	2,601	2,820	2,925	2,991	3,030
Non-controlling interest	15	13	14	14	14
<b>Total Equity</b>	<b>2,616</b>	<b>2,834</b>	<b>2,939</b>	<b>3,005</b>	<b>3,044</b>

### Valuation Ratios

Y/E Dec	FY14	FY15	FY16	FY17e	FY18e
P/E (X), adj.	39.1	23.8	10.4	11.6	15.9
P/B (X)	0.5	0.5	0.5	0.5	0.4
EV/EBITDA (X)	34.1	24.7	20.4	21.8	11.8
Dividend Yield (%)	2.5%	3.4%	3.0%	3.4%	3.4%

### Growth & Margins (%)

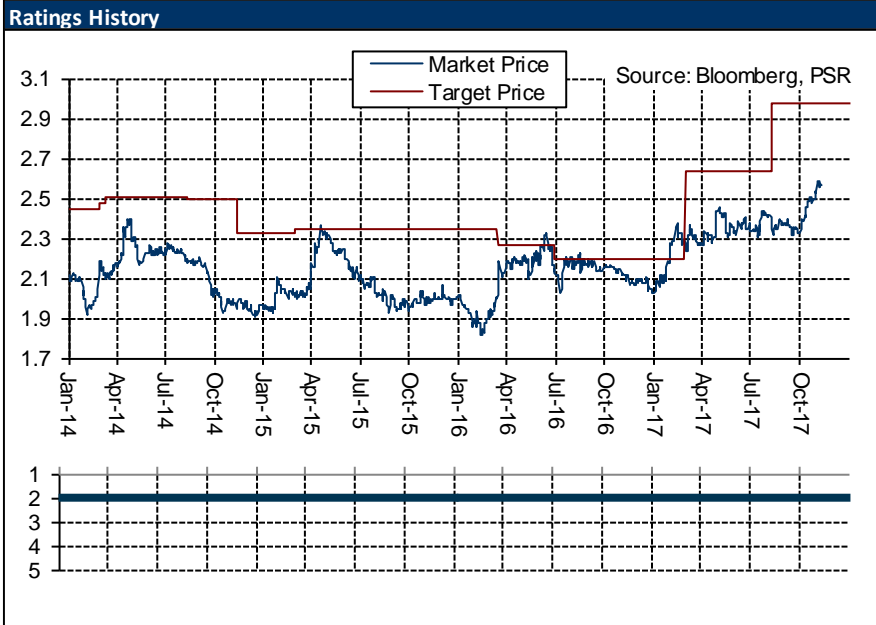
<b>Growth</b>					
Revenue	-28.5%	30.5%	130.4%	-27.1%	-16.0%
EBITDA	-65.1%	81.1%	9.8%	-9.3%	-2.8%
EBIT	-65.3%	82.3%	10.0%	-9.3%	-2.2%
Net Income, adj.	-80.4%	65.9%	106.3%	3.2%	-27.0%

### Margins

EBITDA margin	65.6%	91.0%	43.4%	54.0%	62.5%
EBIT margin	64.6%	90.2%	43.1%	53.7%	62.5%
Net Profit Margin	33.1%	42.2%	37.7%	53.5%	46.5%

### Key Ratios

ROE (%)	1.3%	1.9%	3.8%	3.9%	2.8%
ROA (%)	0.9%	1.2%	2.6%	2.5%	1.9%
Net Debt/(Cash)	905	1,564	1,291	1,218	1,210
Net Gearing (X)	0.25	0.34	0.29	0.27	0.27



### 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, 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)

## 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 (DGCX)  
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 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.