

Singapore Company Guide

Wilmar International

Version 12 | Bloomberg: WIL SP | Reuters: WLIL.SI

Refer to important disclosures at the end of this report

DBS Group Research . Equity

23 Feb 2018

BUY (Upgrade from HOLD)

Last Traded Price (23 Feb 2018): S\$3.13 (STI : 3,533.22)

Price Target 12-mth: S\$3.65 (17% upside) (Prev S\$3.50)

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What's New

- Upgrade to BUY with revised TP of S\$3.65 (previous: S\$3.50)
- Higher earnings expected on better margin outlook
- Stock is a bargain after prolonged correction
- China operations listing could be next re-rating catalyst

Price Relative



Forecasts and Valuation

FY Dec (US\$ m)	2016A	2017A	2018F	2019F
Revenue	41,402	43,846	44,039	44,234
EBITDA	2,162	2,359	2,701	2,832
Pre-tax Profit	1,300	1,598	1,652	1,768
Net Profit	972	1,219	1,214	1,299
Net Pft (Pre Ex.)	962	1,025	1,214	1,299
Net Pft (ex. BA gains)	983	1,226	1,214	1,299
Net Pft Gth (Pre-ex) (%)	(13.9)	6.5	18.4	6.9
EPS (S cts)	20.0	25.1	25.0	26.8
EPS Pre Ex. (S cts)	19.8	21.1	25.0	26.8
EPS Gth Pre Ex (%)	(14)	7	18	7
Diluted EPS (S cts)	20.0	25.1	25.0	26.8
Net DPS (S cts)	6.1	9.6	9.6	10.3
BV Per Share (S cts)	297.4	328.9	344.3	361.2
PE (X)	15.6	12.5	12.5	11.7
PE Pre Ex. (X)	15.8	14.8	12.5	11.7
P/Cash Flow (X)	13.5	39.3	5.6	8.1
EV/EBITDA (X)	12.8	13.4	11.2	10.5
Net Div Yield (%)	2.0	3.1	3.1	3.3
P/Book Value (X)	1.1	1.0	0.9	0.9
Net Debt/Equity (X)	0.8	0.9	0.8	0.7
ROAE (%)	6.7	8.0	7.4	7.6
Earnings Rev (%):			10	16
Consensus EPS (S cts):			25.4	27.7
Other Broker Recs:		B: 8	S: 1	H: 9

Source of all data on this page: Company, DBSVI, DBS Bank, Bloomberg Finance L.P.

Trading at bargain price after prolonged correction

Upgrade to BUY rating with higher TP of S\$3.65. Wilmar's share price corrected c.25% in 2017 and we believe that it is currently a bargain, trading at 12.1x FY18F P/E (-1SD forward P/E), lower than its five-year average multiple of 14.6x. Our higher target price is derived from our revised FY18F/19F earnings forecast (by 10%/16%), on better margins outlook in its Oil Seeds and Grains segment supported by soy crushing margins in China. Improving cost management will also help keep Tropical Oils' profitability in check. Our TP offers c.20% upside from the last close of S\$3.06 and c.3% dividend yield for FY18/F.

Where we differ: Market priced in mild earnings performance in previous two years. At the current price, we believe that the market has fully priced in concerns over earnings fluctuation in its Tropical Oils as well as Oil Seeds and Grains segments, due to commodity prices and supply chain congestion. However, we are of the view that the market is underestimating the ROE improvement potential on a stronger margin outlook. In the longer term, with a greater presence in India (through Adani-Wilmar's proposed JV with Ruchi), and gradual penetration of well-established brands – including Goodman Fielder – in China.

Beyond earnings performance: Catalyst from China operations' listings. Possible IPO plans (A-share listing) for its China operations may drive its share price closer to its potential listing date. Wilmar is expected to file for an IPO in 1H19, at the earliest. We note that the China operations contribute to c.60% of Wilmar's pretax profits.

Valuation:

We employed DCF methodology (FY18F base year) to arrive at our revised TP of S\$3.65 (WACC 7%, TG 3%).

Key Risks to Our View:

CPO and soybean prices. Wilmar's share price is influenced by palm oil refining/soybean crushing margins on top of crude palm oil (CPO) and sugar price expectations.

At A Glance

Issued Capital (m shrs)	6,326
Mkt. Cap (S\$m/US\$m)	19,800 / 15,009
Major Shareholders (%)	
Archer-Daniels-Midland Co	24.9
Kuok Brothers Sdn Bhd	18.6
Kerry Group Ltd	5.3
Free Float (%)	45.9
3m Avg. Daily Val (US\$m)	11.1
ICB Industry : Consumer Goods / Plantation	

WHAT'S NEW**4Q17 results largely in line**

Upgrade to BUY; TP of S\$3.65 – Share price corrected c.25% in 2017 and we believe it is a bargain.

We have upgraded Wilmar to BUY rating, with a higher TP of S\$3.65. Our higher target price is derived from our latest revised forecast for FY18/19 earnings (by 10%/16%) on better margins, mainly in its Oil Seeds and Grains segment. Improving cost management also will keep Tropical Oils' profitability in check.

Margin improvement on better cost management across the divisions will improve Wilmar's ROE performance and may be one of the share price re-rating catalysts. We have traced that the margin surprises seen in 2Q16 and 2Q17 were the key trigger of valuation de-rating on concerns that Wilmar's earnings have become less predictable due to dynamic commodity prices.

We believe Wilmar will be able to continue improving cost management across all divisions, particularly the upstream Tropical Oils segment, which should result in better margins. Positive and stable soybean crushing margins will also help support Wilmar's oilseeds & grains division's profitability.

What is priced in? Market has priced in earnings volatility from commodity prices and its trading-related division.

Wilmar is trading at 12.1x FY18F P/E, lower than its five-year average multiple of 14.6x and we believe it is a bargain.

At the current share, we believe that the market has priced in concerns about earnings fluctuation in its trading-related division and swings in commodity prices. We believe Wilmar's profitability will improve this year, driven by steady margins in oilseeds and grains as well as improving margins in its palm-oil division, which will also improve Wilmar's ROE.

Beyond earnings performance: Catalyst from China operations' listing.

Possible IPO plans (A-share listing) for its China operations may drive its share price closer to its potential listing date. Wilmar is expected to file for an IPO for its Chinese operations in 1H19, at the earliest. We note that in 2017, the China region's pretax contribution amounted to >60%. China A-share's listing permit (multiple of 23.0x) is much higher than Wilmar's current P/E of 12.1x.

4Q17 results overview

Core earnings met our and consensus expectation. Core NPAT reached U\$374m in 4Q17 (-16% y-o-y, +15% q-o-q), sending FY17 core NPAT to U\$1bn (+7.3% y-o-y), in line with our and consensus forecast. The improving earnings trend in 4Q17 was driven by the quarter-on-quarter (q-o-q) recovery in the profitability of the tropical oil seeds division, which rebounded from a low base in 3Q17, despite the weaker q-o-q earnings in the oilseeds and grains divisions, due to flat q-o-q sales volume and lower soybean crushing margins in 4Q17.

Tropical oil division rebounded q-o-q, despite weaker CPO output. Tropical oils' profit before tax reached U\$104.9m (-43% y-o-y, +26% q-o-q). The q-o-q improvement was driven by improving downstream processing margins, despite the lower CPO output of 453k MT (-17% y-o-y, -7% q-o-q) – which implies fruits yield of 4.7MT per hectare – caused by poor weather conditions.

However, oil seeds and grains 4Q17 PBT weaker q-o-q. The division's pre-tax earnings reached U\$206.5m (+16% y-o-y, -19% q-o-q) in 4Q17. The weaker q-o-q result was driven by the lower soybean crush margin in the period and flat sales volume growth. The combined sales volume in manufacturing and consumer products reached 9.2m MT (+23% y-o-y, flat q-o-q), mainly affected by the Chinese New Year season, which happened in early 2017.

Weak performance in its sugar division. Sugar's pre-tax profit reached U\$41.4m (-69% y-o-y, -41% q-o-q) in 4Q17. The decline due to the marketing programme for the Australian sugar business, i.e. only a part of the sugar produced will only be sold in 1H18.

Associates and JVs poised to perform better going forward. Associates and JVs contributed pre-tax profit of US\$112m in 4Q17, bringing full year contribution to US\$228.3m (+62% y-o-y). Accordingly, entities in Russia, Ukraine, China, India and Africa saw better performance and we expect growth in contribution going forward.

2017 total dividend of S\$0.10 per share. The board has proposed a final tax-exempt (one-tier) dividend of S\$0.07 per share – total dividend reached S\$0.10 in 2017, with total dividend payout ratio of c.39%.

Quarterly / Interim Income Statement (US\$m)

FY Dec	4Q2016	3Q2017	4Q2017	% chg yoy	% chg qoq
Revenue	11,947	11,129	11,548	(3.3)	3.8
Cost of Goods Sold	(10,523)	(10,112)	(10,590)	0.6	4.7
Gross Profit	1,424	1,017	958	(32.7)	(5.8)
Other Oper. (Exp)/Inc	(836)	(561)	(542)	(35.1)	(3.3)
Operating Profit	588	456	416	(29.3)	(8.9)
Other Non Opg (Exp)/Inc	0.0	0.0	0.0	-	-
Associates & JV Inc	67.6	51.3	112	65.5	118.1
Net Interest (Exp)/Inc	(39.4)	(40.9)	(44.5)	(12.9)	(8.7)
Exceptional Gain/(Loss)	(18.7)	51.1	65.5	nm	28.3
Pre-tax Profit	598	518	549	(8.2)	6.0
Tax	23.4	(120)	(83.5)	(457.5)	(30.6)
Minority Interest	(60.4)	(27.5)	(37.7)	37.6	37.3
Net Profit	561	370	428	(23.8)	15.5
Net profit bef Except.	579	319	362	(37.5)	13.5
EBITDA	858	696	755	(12.0)	8.5
Margins (%)					
Gross Margins	11.9	9.1	8.3		
Opg Profit Margins	4.9	4.1	3.6		
Net Profit Margins	4.7	3.3	3.7		

Source of all data: Company, DBSVI, DBS Bank

CRITICAL DATA POINTS TO WATCH

Critical Factors

CPO and soybean prices. Approximately 20% of its EBIT comes from sales of CPO and Palm Kernel. Movements in CPO price hence directly affect the profit of the group's Plantation segment. As one of the largest processors of both CPO and soybeans globally, the group holds varying inventories, if any. Generally, changes in commodity prices would also affect the group's Consumer segment with some lag.

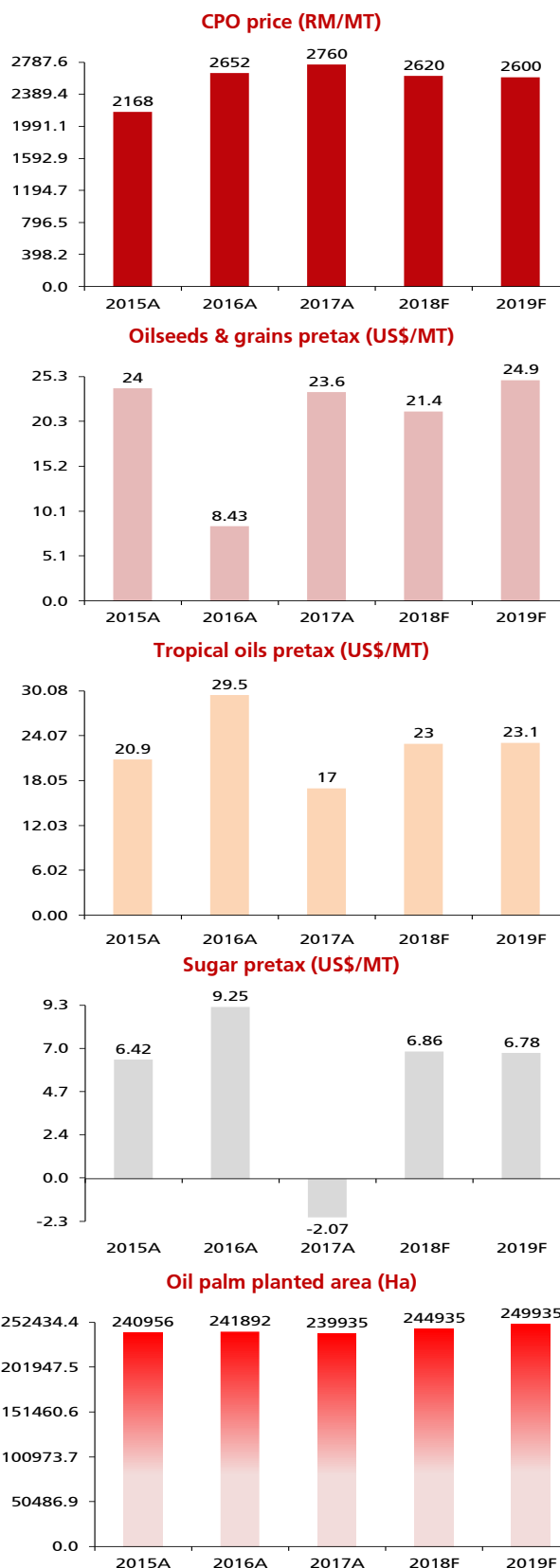
Capacity utilisation and volume output. Wilmar continually assesses its capacity utilisation. Changes in soybean imports by competitors to China and in soybean prices may prompt Wilmar to adjust its crushing volumes as well as margins.

Weather and supply-chain congestion. A worse-than-expected drop in FFB yield would still adversely impact our forecast this year, in view of continued dry weather in some parts of Malaysia and Indonesia. Wilmar continually assesses its originations supply chain to avoid delay in deliveries to customers.

Changes in export-tax policy. A prospective increase in biodiesel production in Indonesia may cause an oversupply and lower prices of glycerin (by-product of biodiesel output) in Wilmar's Oleo chemical unit – although it may make up only a small share of the group's downstream operations. Zero export taxes instituted for much of CY15 in both Malaysia and Indonesia had an adverse impact on palm oil refining margins. Changes in tax policy should therefore have a direct impact on Wilmar's refining profits.

Movement in crude oil prices. Global demand for both ethanol and biodiesel are subject to certain crude oil price threshold. Below this level, demand for both products would be adversely affected, and would influence sugarcane, corn and palm oil prices. Wilmar's sugar milling segment is exposed to volatility in sugar price if left unhedged.

Geographic exposure. Wilmar's consolidated revenue is globally distributed, with China contributing over 50% in FY16. Southeast Asia accounted for 20%, while Europe contributed 6% of revenue. This means that currency movements in China and Southeast Asia would affect Wilmar's earnings. Prospective economic recoveries in these markets should also improve Wilmar's earnings outlook. Yet, we should also note that competing processors are also vying for the same markets - which would make recoveries not unique to Wilmar. The group also requires a significant amount of working capital, which would affect its borrowing cost.



Source: Company, DBSVI, DBS Bank

Appendix 1: A look at Company's listed history – what drives its share price?
 CPO prices (in IDR) as a critical factor

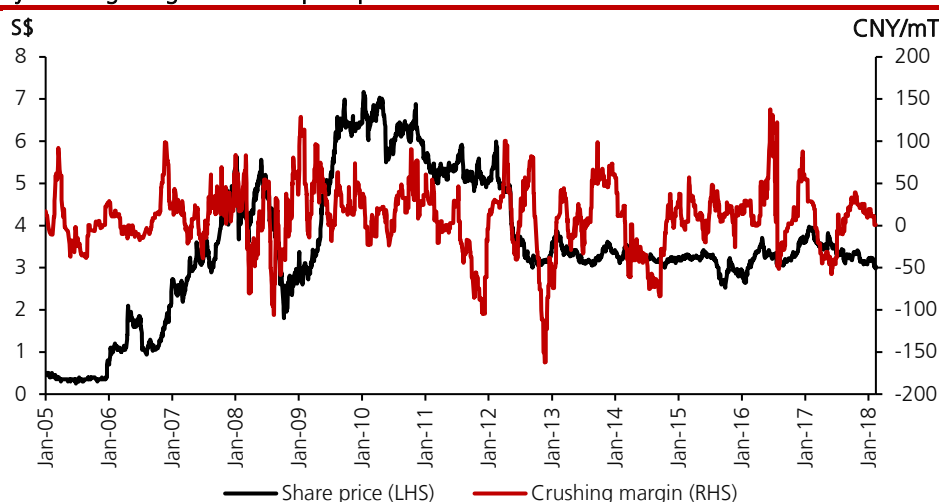


Remarks

Palm oil price is the key catalyst for plantation stocks; the share price movement trend generally tracks the palm oil spot price. However, the outperformance and underperformance of plantation stocks to CPO price are dictated by the productivity factor, where the stronger- or weaker-than-expected yields have led its share price sensitivity to palm oil price.

Share price correlation with CPO prices over the last 16 years is ~76%, the highest among SGX-listed plantation stocks.

Soy crushing margin vs. Share price performance

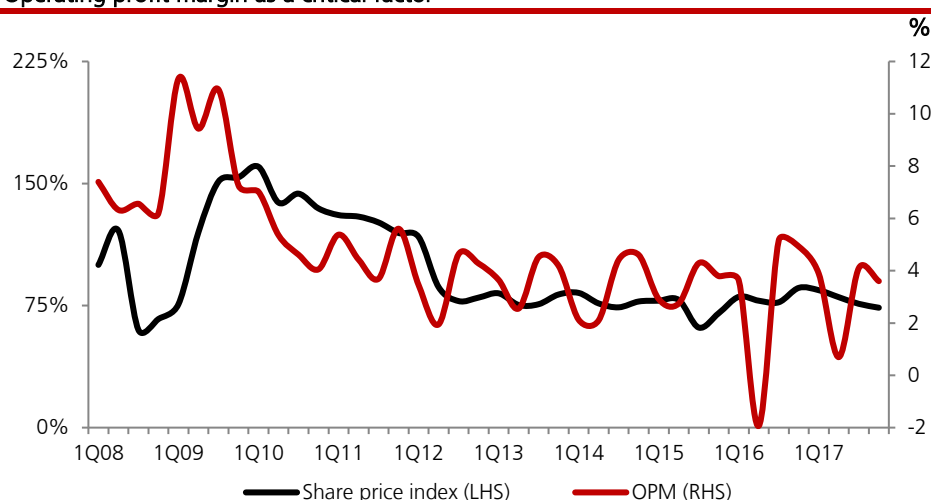


Remarks

While historically, spot margin calculations have had no direct correlation with Wilmar's Oilseeds & Grains pretax margins, soy crushing margin had a correlation of ~67% with Wilmar's share price from Jan – Jun 2017. Thereafter, the relationship broke down with improving soy crushing margins.

Wilmar's hedging strategy offers some protection to its consolidated profitability (see chart below), with only 1Q16 consolidated pre-tax losses since 2008.

Operating profit margin as a critical factor



Remarks

Wilmar's share price direction generally tracks that of its operating profit margin (OPM), with the exception of 2Q16 where Wilmar saw a one-time significant realised mark-to-market losses in its short positions.

Source : Bloomberg Finance L.P, Company, DBS Bank

Balance Sheet:

Decent balance sheet. Adjusted for liquid working capital, the group's net debt-to-total equity ratio was 26% as at end of December 2017. We forecast FY18F EBITDA/interest ratio at 6.7x, while FY18F current ratio is forecast at 1.2x.

Scope of improving ROE. We expect the group to earn a ROE-WACC spread above 1.0% going forward. Further upside in ROE may be possible if Wilmar achieves stronger than expected profitability performance.

Share Price Drivers:

Rising contribution from Consumer and JV may address concerns over exposure to commodities price. Wilmar currently trades close to -1SD forward PE (traded at +1SD in 2016), principally reflecting the concerns about the latest development in China soybean crush margins. We believe the market has already priced in the group's performance in the last two years. Any visible improvements from Consumer contribution (i.e. rice & flour milling) and/or JV contribution from Goodman Fielder, as well as potential inclusion of Soya Ruchi would drive Wilmar's share price higher, in our view.

Key Risks:

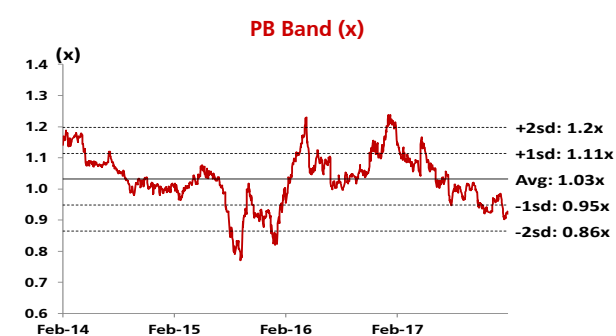
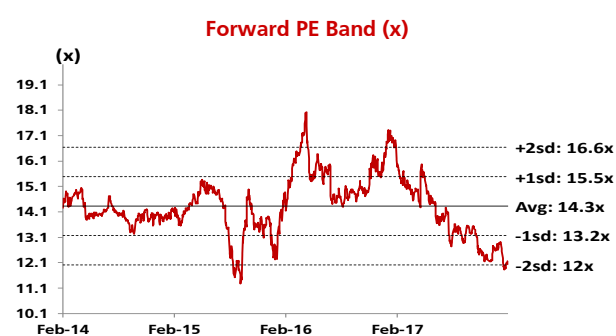
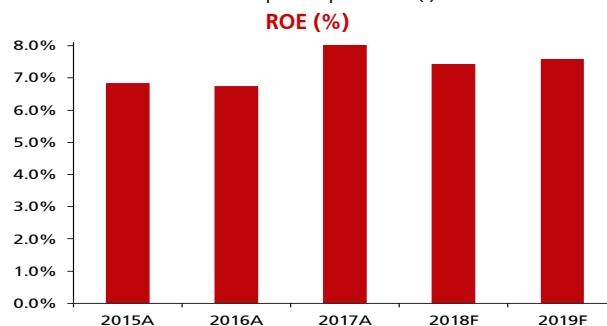
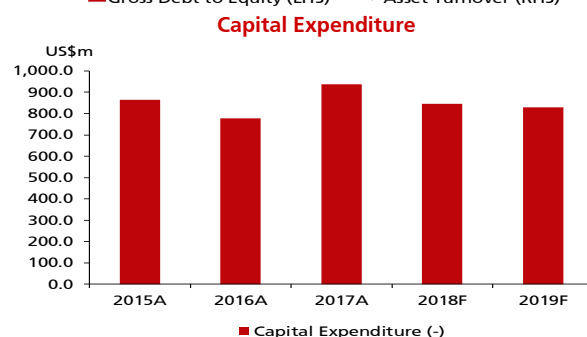
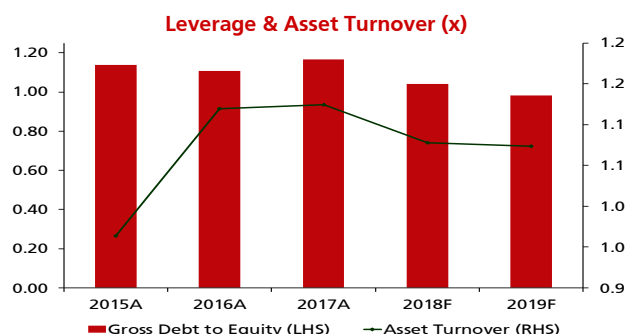
Volatility in CPO prices and USD exchange rates. Continued strength in CPO prices may deliver better-than-expected earnings, while lower energy prices from expansion of US shale gas would have an adverse impact on demand for vegetable oils for biofuels. Likewise, volatility in USD would affect profitability of planters in general.

Regulatory changes. Any further increase in Indian import duty of refined oils or changes in the structure of Indonesian/Malaysian export taxes would impact demand for CPO/refined oils.

Market sentiment. Changes in fund flows towards or out of emerging markets would affect valuations of plantation counters.

Company Background

Wilmar International (Wilmar) is an integrated agribusiness company. It is involved in oil palm cultivation, edible oil refining, oilseed crushing, consumer pack edible oil processing and merchandising, specialty fats, oleochemical and biodiesel manufacturing, and grain processing and merchandising. Wilmar also manufactures and distributes fertilisers and owns a fleet of vessels.



Source: Company, DBSVI, DBS Bank

Key Assumptions

FY Dec	2015A	2016A	2017A	2018F	2019F
CPO price (RM/MT)	2,168	2,652	2,760	2,620	2,600
Oilseeds & grains pretax	24.0	8.43	23.6	21.4	24.9
Tropical oils pretax	20.9	29.5	17.0	23.0	23.1
Sugar pretax (US\$/MT)	6.42	9.25	(2.07)	6.86	6.78
Oil palm planted area	240,956	241,892	239,935	244,935	249,935

Segmental Breakdown

FY Dec	2015A	2016A	2017A	2018F	2019F
Revenues (US\$ m)					
Tropical oils	15,607	16,855	18,067	17,520	17,412
Oilseeds & grains	17,623	18,577	19,806	21,531	21,544
Sugar	4,404	5,862	5,181	5,549	5,838
Others	2,252	1,868	2,120	2,055	2,155
Others	(1,110)	(1,760)	(1,328)	(2,616)	(2,714)
Elimination	(1,110)	(1,760)	(1,328)	(2,616)	(2,714)
Total	38,777	41,402	43,846	44,039	44,234
Pretax (US\$ m)					
Tropical oils	491	685	426	574	571
Oilseeds & grains	690	251	735	723	842
Sugar	84	125	(25)	87	90
Others	17	101	242	30	14
Others	96	138	219	238	251
Unallocated costs	96	138	219	238	251
Total	1,379	1,300	1,598	1,652	1,768
Pretax Margins (%)					
Tropical oils	3.1	4.1	2.4	3.3	3.3
Oilseeds & grains	3.9	1.4	3.7	3.4	3.9
Sugar	1.9	2.1	(0.5)	1.6	1.5
Others	0.8	5.4	11.4	1.4	0.7
Others	N/A	N/A	N/A	N/A	N/A
Total	3.6	3.1	3.6	3.8	4.0

Income Statement (US\$ m)

FY Dec	2015A	2016A	2017A	2018F	2019F
Revenue	38,777	41,402	43,846	44,039	44,234
Cost of Goods Sold	(34,867)	(37,391)	(40,369)	(40,313)	(40,425)
Gross Profit	3,909	4,011	3,477	3,726	3,810
Other Opng (Exp)/Inc	(2,566)	(2,704)	(2,121)	(2,097)	(2,082)
Operating Profit	1,343	1,306	1,356	1,629	1,728
Other Non Opng (Exp)/Inc	0	0	0	0	0
Associates & JV Inc	105	141	228	284	281
Net Interest (Exp)/Inc	26	(157)	(181)	(260)	(241)
Exceptional Gain/(Loss)	(95)	10	194	0	0
Pre-tax Profit	1,379	1,300	1,598	1,652	1,768
Tax	(282)	(206)	(291)	(349)	(374)
Minority Interest	(74)	(121)	(88)	(88)	(96)
Preference Dividend	0	0	0	0	0
Net Profit	1,023	972	1,219	1,214	1,299
Net Profit before Except.	1,118	962	1,025	1,214	1,299
Net Pft (ex. BA gains)	1,034	983	1,226	1,214	1,299
EBITDA	2,122	2,162	2,359	2,701	2,832
Growth					
Revenue Gth (%)	(10.0)	6.8	5.9	0.4	0.4
EBITDA Gth (%)	(2.9)	1.9	9.1	14.5	4.8
Opg Profit Gth (%)	(7.0)	(2.8)	3.8	20.1	6.1
Net Profit Gth (%)	(11.5)	(5.0)	25.4	(0.4)	6.9
Margins & Ratio					
Gross Margins (%)	10.1	9.7	7.9	8.5	8.6
Opg Profit Margin (%)	3.5	3.2	3.1	3.7	3.9
Net Profit Margin (%)	2.6	2.3	2.8	2.8	2.9
ROAE (%)	6.8	6.7	8.0	7.4	7.6
ROA (%)	2.5	2.6	3.1	3.0	3.2
ROCE (%)	2.9	3.3	3.2	3.5	3.6
Div Payout Ratio (%)	36.1	30.6	38.4	38.4	38.4
Net Interest Cover (x)	NM	8.3	7.5	6.3	7.2

Source: Company, DBSVI, DBS Bank

Quarterly / Interim Income Statement (US\$ m)

FY Dec	4Q2016	1Q2017	2Q2017	3Q2017	4Q2017
Revenue	11,947	10,570	10,599	11,129	11,548
Cost of Goods Sold	(10,523)	(9,621)	(10,046)	(10,112)	(10,590)
Gross Profit	1,424	949	554	1,017	958
Other Oper. (Exp)/Inc	(836)	(538)	(480)	(561)	(542)
Operating Profit	588	410	74	456	416
Other Non Opg (Exp)/Inc	0	0	0	0	0
Associates & JV Inc	68	42	23	51	112
Net Interest (Exp)/Inc	(39)	(38)	(57)	(41)	(44)
Exceptional Gain/(Loss)	(19)	53	24	51	66
Pre-tax Profit	598	467	64	518	549
Tax	23	(84)	(3)	(120)	(83)
Minority Interest	(60)	(21)	(1)	(27)	(38)
Net Profit	561	362	60	370	428
Net profit bef Except.	579	308	36	319	363
EBITDA	858	631	278	696	755

Growth

Revenue Gth (%)	7.8	(11.5)	0.3	5.0	3.8
EBITDA Gth (%)	9.3	(26.5)	(56.0)	150.4	8.5
Opg Profit Gth (%)	2.8	(30.3)	(82.1)	519.8	(8.9)
Net Profit Gth (%)	43.0	(35.5)	(83.3)	514.7	15.5

Margins

Gross Margins (%)	11.9	9.0	5.2	9.1	8.3
Opg Profit Margins (%)	4.9	3.9	0.7	4.1	3.6
Net Profit Margins (%)	4.7	3.4	0.6	3.3	3.7

Balance Sheet (US\$ m)

FY Dec	2015A	2016A	2017A	2018F	2019F
Net Fixed Assets	8,983	8,297	8,756	8,728	8,678
Invt in Associates & JVs	2,731	2,903	3,428	3,712	3,993
Other LT Assets	6,345	6,396	6,169	6,256	6,319
Cash & ST Invt	5,265	5,375	4,532	4,693	5,151
Inventory	6,318	7,022	8,224	7,612	7,633
Debtors	6,652	6,442	9,456	9,421	9,463
Other Current Assets	633	596	368	368	368
Total Assets	36,926	37,032	40,933	40,790	41,605
ST Debt	11,076	12,689	16,130	14,473	13,937
Creditor	3,034	3,420	2,893	3,152	3,161
Other Current Liab	580	614	663	656	667
LT Debt	6,348	4,331	3,696	4,096	4,480
Other LT Liabilities	587	599	564	592	622
Shareholder's Equity	14,394	14,435	15,964	16,710	17,533
Minority Interests	907	944	1,022	1,110	1,206
Put Equity Reserve	N/A	N/A	N/A	N/A	N/A
Total Cap. & Liab.	36,926	37,032	40,933	40,790	41,605
Non-Cash Wkg. Capital	9,987	10,026	14,491	13,593	13,636
Net Cash/(Debt)	(12,159)	(11,645)	(15,295)	(13,876)	(13,266)
Debtors Turn (avg days)	69.1	57.7	66.2	78.2	77.9
Creditors Turn (avg days)	34.0	32.1	29.1	27.9	29.1
Inventory Turn (avg days)	68.8	66.4	70.3	73.1	70.3
Asset Turnover (x)	1.0	1.1	1.1	1.1	1.1
Current Ratio (x)	1.3	1.2	1.1	1.2	1.3
Quick Ratio (x)	0.8	0.7	0.7	0.8	0.8
Net Debt/Equity (X)	0.8	0.8	0.9	0.8	0.7
Net Debt/Equity ex MI (X)	0.8	0.8	1.0	0.8	0.8
Capex to Debt (%)	5.0	4.6	4.7	4.6	4.5
Z-Score (X)	2.1	2.1	2.0	2.1	2.1

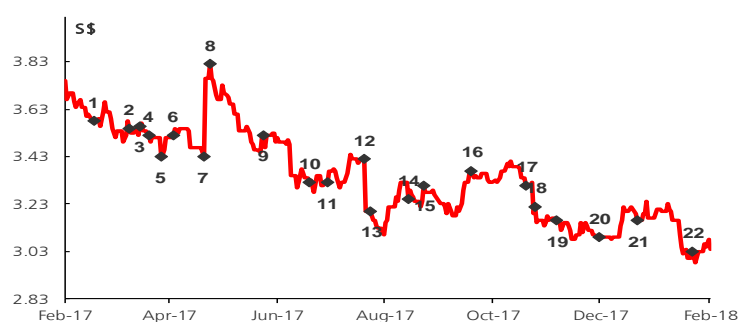
Source: Company, DBSVI, DBS Bank

Cash Flow Statement (US\$ m)

FY Dec	2015A	2016A	2017A	2018F	2019F
Pre-Tax Profit	1,379	1,300	1,598	1,652	1,768
Dep. & Amort.	725	764	775	788	822
Tax Paid	(320)	(307)	(286)	(349)	(374)
Assoc. & JV Inc/(loss)	(105)	(141)	(228)	(284)	(281)
Chg in Wkg.Cap.	398	(523)	(1,728)	905	(54)
Other Operating CF	154	30	256	(23)	(6)
Net Operating CF	2,232	1,124	386	2,689	1,875
Capital Exp.(net)	(865)	(777)	(938)	(847)	(830)
Other Invt.(net)	0	0	0	0	0
Invt in Assoc. & JV	0	0	0	0	0
Div from Assoc & JV	0	0	0	0	0
Other Investing CF	(448)	(33)	1	(63)	(71)
Net Investing CF	(1,313)	(811)	(937)	(909)	(901)
Div Paid	(381)	(371)	(320)	(468)	(476)
Chg in Gross Debt	(7,989)	(2,157)	3,167	(1,257)	(152)
Capital Issues	(149)	(7)	22	0	0
Other Financing CF	3,907	2,423	(3,268)	28	30
Net Financing CF	(4,612)	(113)	(399)	(1,697)	(599)
Currency Adjustments	0	0	0	0	0
Chg in Cash	(3,693)	200	(949)	83	375
Opg CFPS (\$ cts)	28.6	25.7	33.0	27.9	30.1
Free CFPS (\$ cts)	21.4	5.4	(8.6)	28.8	16.3

Source: Company, DBSVI, DBS Bank

Target Price & Ratings History



Note: Share price and Target price are adjusted for corporate actions.

S.No.	Date of Report	Closing Price	12-mth Target Price	Rating
1:	10 Mar 17	3.58	3.90	HOLD
2:	30 Mar 17	3.55	3.90	HOLD
3:	05 Apr 17	3.56	3.90	HOLD
4:	10 Apr 17	3.52	3.90	HOLD
5:	17 Apr 17	3.43	3.90	HOLD
6:	24 Apr 17	3.52	3.90	HOLD
7:	11 May 17	3.43	3.90	HOLD
8:	15 May 17	3.82	3.90	HOLD
9:	14 Jun 17	3.52	3.90	HOLD
10:	10 Jul 17	3.32	3.52	HOLD
11:	20 Jul 17	3.32	3.52	HOLD
12:	10 Aug 17	3.42	3.52	HOLD
13:	14 Aug 17	3.20	3.52	HOLD
14:	04 Sep 17	3.25	3.52	HOLD
15:	13 Sep 17	3.31	3.52	HOLD
16:	10 Oct 17	3.37	3.52	HOLD
17:	10 Nov 17	3.31	3.52	HOLD
18:	15 Nov 17	3.22	3.50	HOLD
19:	27 Nov 17	3.16	3.50	HOLD
20:	21 Dec 17	3.09	3.50	HOLD
21:	12 Jan 18	3.16	3.50	HOLD
22:	12 Feb 18	3.03	3.50	HOLD

Source: DBSVI, DBS Bank

Analyst: William Simadiputra
Singapore Research Team

DBSVI, DBS Bank recommendations are based on Absolute Total Return* Rating system, defined as follows:

STRONG BUY (>20% total return over the next 3 months, with identifiable share price catalysts within this time frame)

BUY (>15% total return over the next 12 months for small caps, >10% for large caps)

HOLD (-10% to +15% total return over the next 12 months for small caps, -10% to +10% for large caps)

FULLY VALUED (negative total return i.e. > -10% over the next 12 months)

SELL (negative total return of > -20% over the next 3 months, with identifiable catalysts within this time frame)

Share price appreciation + dividends

Completed Date: 23 Feb 2018 18:02:37 (SGT)

Dissemination Date: 23 Feb 2018 18:16:01 (SGT)

Sources for all charts and tables are DBSVI, DBS Bank unless otherwise specified.

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