

Singapore Company Guide

Roxy-Pacific Holdings

Version 4 | Bloomberg: ROXY SP | Reuters: RXYP.SI

Refer to important disclosures at the end of this report

DBS Group Research . Equity

14 Dec 2018

HOLD (Upgrade from FULLY VALUED)

Last Traded Price (13 Dec 2018): S\$0.405 (STI : 3,111.08)

Price Target 12-mth: S\$0.39 (-3% downside) (Prev S\$0.40)

Analyst

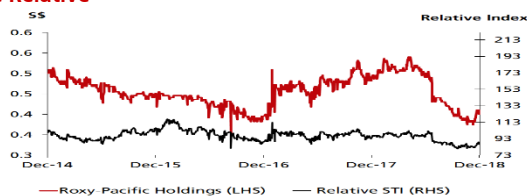
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What's New

- Strong sales and margins from 2018 launched projects with S\$0.6bn unrecognised sales to drive future profit
- Building recurring income through acquisition of investment properties in Australia and New Zealand
- Pipeline projects of 600 units to be launched in FY19
- Upgrade to HOLD; lower TP to S\$0.39

Price Relative



Forecasts and Valuation

FY Dec (S\$m)	2017A	2018F	2019F	2020F
Revenue	247	188	336	362
EBITDA	41.6	57.8	79.4	92.1
Pre-tax Profit	46.7	34.6	54.3	65.2
Net Profit	29.4	24.0	38.4	40.1
Net Pft (Pre Ex.)	6.51	24.0	38.4	40.1
Net Pft Gth (Pre-ex) (%)	(80.5)	269.0	59.6	4.6
EPS (S cts)	2.47	1.83	2.92	3.06
EPS Pre Ex. (S cts)	0.55	1.83	2.92	3.06
EPS Gth Pre Ex (%)	(80)	235	60	5
Diluted EPS (S cts)	2.47	1.83	2.92	3.06
Net DPS (S cts)	0.98	0.46	0.73	0.76
BV Per Share (S cts)	42.2	39.3	41.7	44.1
PE (X)	16.4	22.1	13.8	13.2
PE Pre Ex. (X)	74.1	22.1	13.8	13.2
P/Cash Flow (X)	nm	nm	24.9	12.3
EV/EBITDA (X)	25.0	24.9	18.7	16.4
Net Div Yield (%)	2.4	1.1	1.8	1.9
P/Book Value (X)	1.0	1.0	1.0	0.9
Net Debt/Equity (X)	1.1	1.7	1.7	1.6
ROAE (%)	5.9	4.7	7.2	7.1
Earnings Rev (%):		(42)	(44)	(36)
Consensus EPS (S cts):		2.70	4.30	4.80
Other Broker Recs:		B: 0	S: 1	H: 1

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

The "Grinch" who stole Roxy's Xmas

Upgrade to HOLD; lower TP to S\$0.39. We upgrade our rating on Roxy to HOLD from FULLY VALUED previously and nudge down our TP to S\$0.39 from S\$0.40, based on a 55% discount to RNAV. It is currently trading at below -1.5SD of its historical average. As such, we believe the potential headwinds from new property measures have been substantially priced in.

Where we differ. Negative sentiment continues to weigh on property sales. Despite the strong sales take-up rates for its property launches thus far, with a pipeline of 600 units expected to be launched in FY19, we believe there could be limited positive catalysts given the softening buyer sentiment. But Roxy has shown strong sales take-up from its property launches, thus far, possibly due to its well-located projects on mostly freehold sites.

Potential catalysts: Property sales remain strong despite recent cooling measures.

Building recurring income through acquisition of investment properties. Given the softer sentiment for Singapore residential properties, Roxy continues to build its recurring income through active acquisitions of investment properties. After divesting 117 Clarence St for double its acquisition price in 2016, Roxy reinvested in three commercial buildings (two in NSW, Australia and one in New Zealand) for a total of S\$117m. The properties are estimated to yield c.5% in Australia and c.6% in New Zealand.

Valuation:

Upgrade to HOLD from FULLY VALUED. Our TP of S\$0.39 is based on a 55% discount to RNAV.

Key Risks to Our View:

- Slower take-up rates,
- Government regulates more to manage the Singapore property market,
- AUD / NZD / JPY forex fluctuations,
- settlement risks of Australia projects, and
- acquisitions of less desirable investment properties.

At A Glance

Issued Capital (m shrs)	1,304
Mkt. Cap (S\$m/US\$m)	528 / 385
Major Shareholders (%)	
Kian Lim Investment Pte Ltd	38%
Teo Hong Lim	12%
Sen Lee Development Pte Ltd	11%
Free Float (%)	
3m Avg. Daily Val (US\$m)	0.04
ICB Industry : Financials / Real Estate	



Live more, Bank less

Roxy-Pacific Holdings

WHAT'S NEW

The "Grinch" who stole Roxy's Xmas

Strong sales and margins from 2018 launched projects; S\$0.6bn unrecognised sales to drive earnings in the next 3-4 years. Roxy's unrecognised sales stood at S\$0.6bn as at end-3Q18. Singapore projects comprise 33% of the unrecognised sales, largely from sales achieved from projects launched in FY18 while Australia projects comprise 58%.

In Singapore, Roxy successfully launched five residential projects in FY18, of which three projects were launched before the authorities implemented new cooling measures. These projects have achieved sales that ranged from 77% to 98%. As the landbank were acquired early, these projects sit on commendable margins at more than 15%. Its project in Orchard, 120 Grange, was transacted at S\$3,100psf and is estimated to have the highest margins.

Two projects were launched post the cooling measures were announced, namely Bukit 828 (Upper Bukit Timah) and Arena Residences (Mountbatten / Kallang). Despite Bukit 828 only achieved 26% sales as at end-3Q18, Arena Residences achieved strong sales with 41% sold during the first weekend of launch and 56% sold to-date despite the weakened sentiment impacted by the new cooling measures.

In Australia, we estimate that majority of the projects are expected to complete by FY19 / FY20. While the projects are almost fully sold, there could be some settlement risks given the tightening of lending.

Building recurring income through acquisition of investment properties Given the softer sentiment for Singapore residential properties, Roxy continues to build its recurring income through active acquisitions of investment properties. After divesting 117 Clarence St for almost double its acquisition price in 2016, Roxy reinvested in three commercial buildings (two in NSW, Australia and one in New Zealand) for a total of S\$117m. The properties are estimated to yield c.5% in Australia and c.6% in New Zealand.

Pipeline projects of 600 units yet to be launched; expected to launch in FY19. Since 2016, Roxy has accumulated 11 pieces of landbank with a total of 900 residential units. As at end-FY18, Roxy has a pipeline of six projects with a total of 600 units expected to be launched in FY19. Management expects to launch another three new projects in 1H19. Despite sentiment continues to soften, we believe the better located freehold sites will still garner interests given its good sales take-up for Arena Residences.

Upgrade to HOLD; TP of S\$0.39. We upgrade our rating on Roxy to HOLD from FULLY VALUED previously and nudge down our TP to S\$0.39 from S\$0.40, based on a 55% discount to RNAV. We lower our FY18F to FY20F earnings estimates by 30% to 42%, taking into account a slower rate of property sales and divestment of 117 Clarence Street.

It is currently trading at attractive valuations at 0.9x FY19F P/NAV, below -1.5SD of its historical average traded during the last property cycle (FY13-FY17). As such, we believe the potential headwinds from new property measures have been substantially priced in. Despite the attractive valuations, we still remain cautious and see limited catalysts for the stock and sector given expectations of a property market slowdown.

Chart 1: Investment properties acquired in FY18

Date acquired	Property	Location	Property Type	% Owned	Tenure	NLA sqft	Acquisition price LC 'm	SGD'm
10-Aug-18	36 Mavis St	NSW, Australia	Warehouse / Office	50%	Freehold	90,773	9.0	9.0
09-Nov-18	33 Argyle St	Parramatta, NSW Australia	Commercial	40%		56,823	40.8	40.4
28-Feb-19*	280 Queen St	Auckland, New Zealand	Commercial	100%	Freehold	158,123	72.6	67.5
Total								485.3

Source: Company, DBS Bank

* Expected completion of the acquisition

Roxy-Pacific Holdings

Chart 2: Residential landbank

Development	Location	Land lease	% stakes	Proposed units	% sold as at 3Q18	Unrecognised GDV S\$m	Total GDV sold S\$m
The Navian	Eunos / Bedok	Freehold	100%	48	88%	42.4	50.1
Harbour View Gardens	Pasir Panjang	Freehold	100%	57	98%	72.2	72.2
120 Grange	Grange Road / Orchard	Freehold	90%	56	77%	70.8	70.8
Bukit 282	Upper Bukit Timah	Freehold	80%	34	26%	9.2	9.2
Arena Residences	Kallang / Mountbatten	Freehold	50%	98	56%	68.7	68.7
RV Altitude	River Valley	Freehold	100%	140	1Q19		
Dunearn 386	Adam Rd / Farrer Rd	Freehold	100%	35	1Q19		
Fyve Derbyshire	Novena	Freehold	100%	71	2Q19		
15,17,19 Lorong Kismis	Upper Bukit Timah	Leasehold	60%	186	2H19		
22 Farrer Road	Farrer Road / Holland V	Freehold	40%	85	2H19		
27 Moulmein Rise	Novena	Freehold	50%	87	2H19		
Total				897		263	271

Source: Company, DBS Bank

Quarterly / Interim Income Statement (S\$m)

FY Dec	3Q2017	2Q2018	3Q2018	% chg yoy	% chg qoq
Revenue	60.3	37.0	18.8	(68.9)	(49.2)
Cost of Goods Sold	(42.7)	(24.4)	(8.1)	(81.1)	(66.8)
Gross Profit	17.5	12.6	10.7	(39.1)	(15.4)
Other Oper. (Exp)/Inc	(11.4)	(8.6)	(5.7)	(50.4)	(33.8)
Operating Profit	6.10	4.06	5.02	(17.8)	23.5
Other Non Opg (Exp)/Inc	0.0	0.0	0.0	-	-
Associates & JV Inc	0.51	5.57	2.78	448.1	(50.1)
Net Interest (Exp)/Inc	(3.2)	(3.4)	(2.4)	24.1	29.2
Exceptional Gain/(Loss)	0.0	2.58	(0.3)	nm	nm
Pre-tax Profit	3.39	8.77	5.04	48.6	(42.6)
Tax	(1.1)	(2.2)	(0.9)	(22.1)	(61.4)
Minority Interest	(0.8)	(0.2)	0.20	nm	nm
Net Profit	1.50	6.39	4.38	192.3	(31.4)
Net profit bef Except.	1.51	3.80	4.70	212.4	23.6
EBITDA	7.12	11.2	9.33	31.0	(17.0)
Margins (%)					
Gross Margins	29.1	34.1	57.0		
Opg Profit Margins	10.1	11.0	26.7		
Net Profit Margins	2.5	17.3	23.3		

Source of all data: Company, DBS Bank

Roxy-Pacific Holdings

CRITICAL DATA POINTS TO WATCH

Critical Factors

Launching remaining six residential projects with a total of 600 units in Singapore in 2019. Since 2016, Roxy has accumulated 11 pieces of landbank with a total of 900 residential units. As at end-FY18, Roxy has a pipeline of six projects with a total of 600 units expected to be launched in FY19. Management expects to launch another three new projects in 1H19. Even as sentiment continues to soften, we believe the better located freehold sites will still garner interests given its good sales take-up for Arena Residences.

Beefing up its recurring-income portfolio. Since the slowdown of the Singapore property market in 2013, Roxy had started to venture out of Singapore and expanded its horizons to build its portfolio of assets to improve recurring income and provide earnings stability.

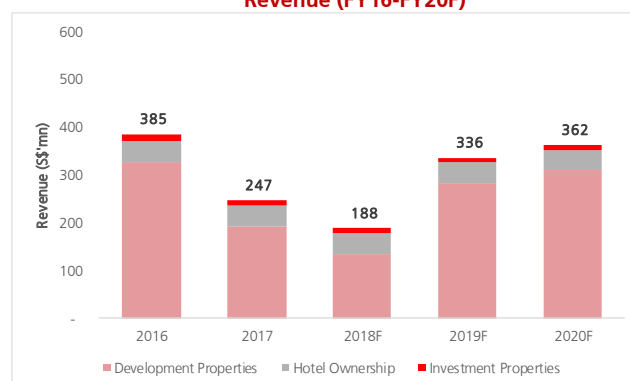
In FY17, Roxy acquired four commercial buildings – two in Australia, and two in New Zealand – adding to its portfolio of one commercial building (excluding the divestment of 59 Goulburn, a commercial building).

In FY18, Roxy reinvested in three commercial buildings (two in NSW, Australia and one in New Zealand) for a total of S\$117m, after divesting 117 Clarence St for almost double its acquisition price in 2016. The properties are estimated to yield c.5% in Australia and c.6% in New Zealand.

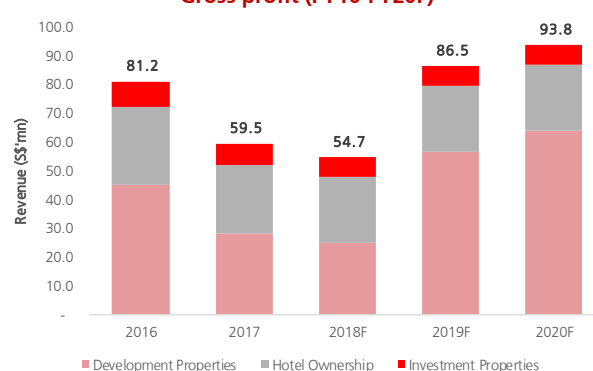
In addition, the group continues to build its hospitality segment, which will add to its recurring income. In FY17, the group acquired Tenmabashi Grand Hotel Osaka for JPY3bn. These properties will start to contribute from FY18 onwards.

Realisation of development projects in Australia upon completion. Roxy's investments of development projects in Australia in 2015 will soon pay off when five projects are completed by 2018. The projects have all been substantially sold (95% sold) except for the last project launched in 3Q17, Art House at West End Glebe. The units sold have a total sales value of more than S\$300m and could potentially contribute to FY19F-FY20F earnings.

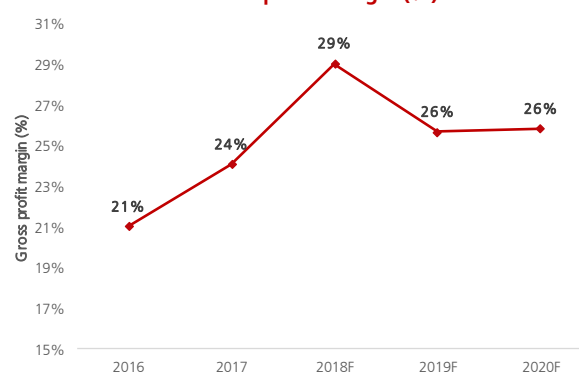
Revenue (FY16-FY20F)



Gross profit (FY16-FY20F)



Gross profit margin (%)



RNAV (S\$m)

OMV (S\$m)

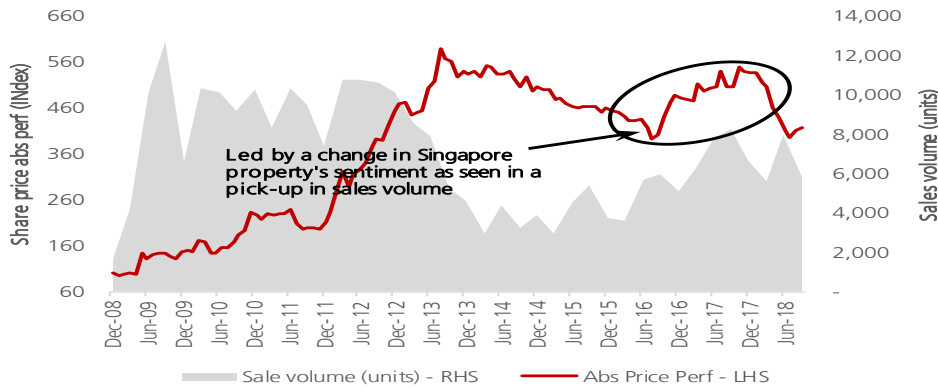
Surplus / deficit of assets:	
Development properties	122.7
Landbank	18.5
Hotel properties	447.2
Investment properties	92.0
	680.5
NAV	461.9
RNAV	1,142.3
No of shares	1,311.6
RNAV per share (S\$)	0.87
Discount	55%
Price Target (S\$)	0.39

Source: Company, DBS Bank

Roxy-Pacific Holdings

Appendix 1:

Roxy's absolute performance vs Singapore property industry sales volume

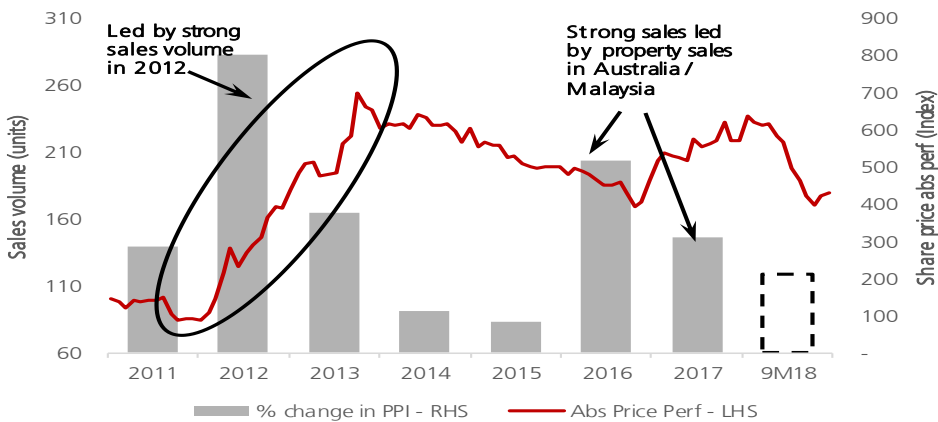


Source: DBS Bank, Thomson Analytics, Company

Remarks

Share price performance is positively correlated to sales volume in the Singapore property industry, especially at the initial stages of an upcycle seen in 2017, when sentiment in the property sector turned positive, supported by an increase in sales volume.

Roxy's absolute performance vs its property sales volume

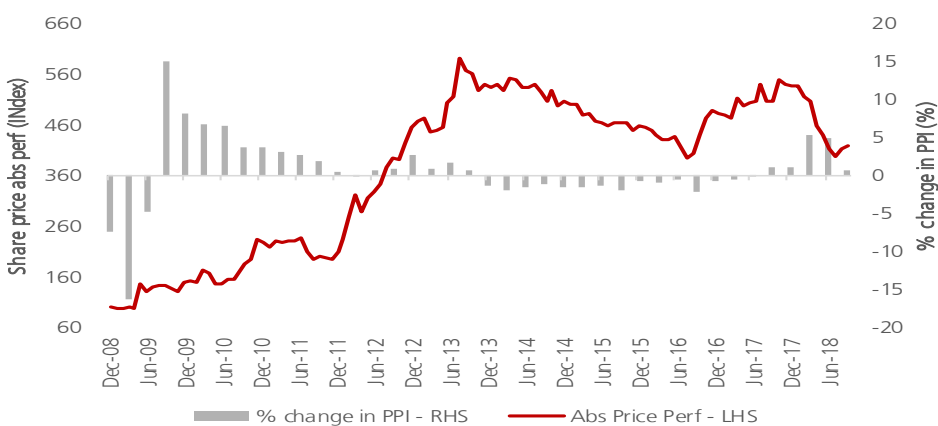


Source: DBS Bank, Thomson Analytics, Company

Remarks

The market did not reward Roxy despite the strong sales performance in 2016. As the strong sales volume was led by sales in Australia and Malaysia, share price performance seemed to be more correlated to its sales volume in Singapore.

Roxy's absolute performance vs PPI changes



Source: DBS Bank, Thomson Analytics, Company, SGX

Remarks

We do not see much correlation between share price performance and property price changes.

Roxy-Pacific Holdings

Balance Sheet:

Undervalued Net Asset Value (NAV). The group's NAV is conservative largely because the carrying values of its hospitality portfolio are at historical cost. In addition, development properties comprise close to 60% of its total assets, which typically offer more upside upon realisation of these development properties. Its RNAV is more than double its current NAV.

Net debt to equity stood at 1x in FY17. Roxy's net debt to equity stood at 1x as at end-FY17. We expect the ratio may increase to 1.7x following landbanking / development activities, and acquisitions of investment properties in FY18. While it may seem high, its NAV could be conservative as mentioned above. The group's net debt to adjusted NAV (ANAV) stood at 0.6x as at FY17.

Share Price Drivers:

Sustainable sales take-up rates despite cooling measures.

Despite the property cooling measures, if sales take-up rates remain sustainable, this would boost confidence and ensure sustainable profitability in its development properties. If property prices remain lofty, it is also a testament that the market is receptive of higher property prices.

Beefing up its recurring income portfolio. Improvement in office rental rates of its office properties and positive asset recycling will boost investor confidence in the capabilities of management in managing and building a sustainable recurring income portfolio for higher income stability.

Key Risks:

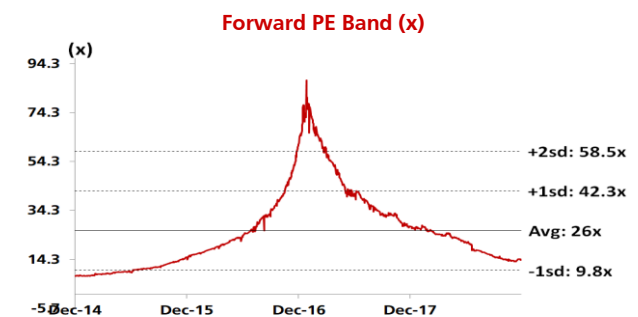
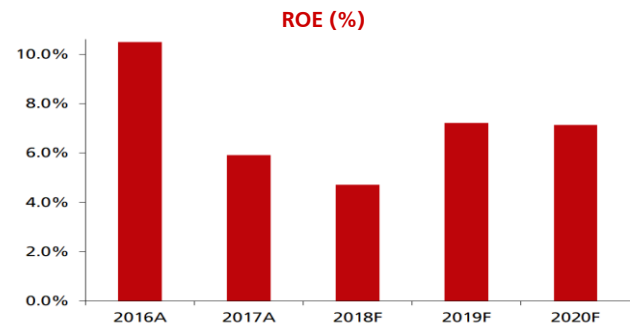
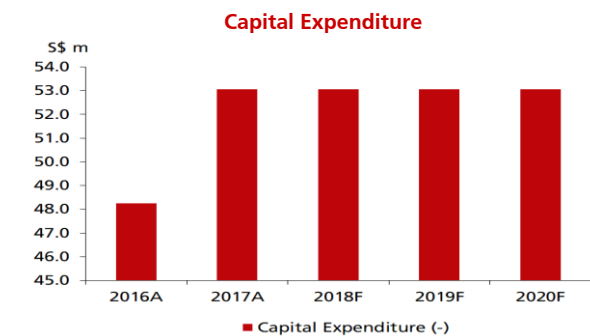
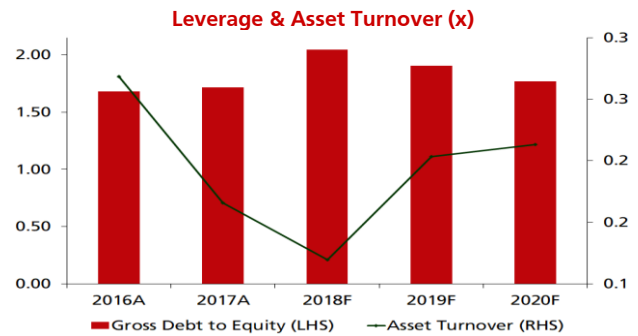
Slower take-up rates. With six developments expected to be launched in FY19, slower take-up rates for its properties would impact the need for more financing, thus, increasing its cost. In addition, Roxy has the five-year timeline to complete its sales before the ABSD and QC charges kick in.

Government regulates more to manage Singapore property.

We remain cautious that the authorities may decide to implement more measures to ensure that the Singapore property market remains sustainable in the medium term and that it doesn't become a "runaway train".

Company Background

Roxy-Pacific Holdings (Roxy) has a long track record in the property and hospitality space since it was established in May 1967. Listed in March 2008, Roxy is one of the reputable small- to mid-cap developers and has established its brand in small- to medium-sized residential developments targeting middle-to-upper-middle-income segments.



Source: Company, DBS Bank

Roxy-Pacific Holdings

Segmental Breakdown

FY Dec	2016A	2017A	2018F	2019F	2020F
Revenues (\$m)					
Development Properties	327	192	136	283	310
Hotel Ownership	46.3	44.3	43.0	43.0	43.0
Investment Properties	12.5	10.8	9.61	9.75	9.75
Total	385	247	188	336	362
Gross Profit (\$m)					
Development Properties	45.3	28.0	24.9	56.5	63.9
Hotel Ownership	26.9	24.0	23.2	23.2	23.2
Investment Properties	9.00	7.59	6.63	6.71	6.71
Total	81.2	59.5	54.7	86.5	93.8
Gross Profit Margins (%)					
Development Properties	13.9	14.6	18.4	20.0	20.6
Hotel Ownership	58.1	54.2	54.0	54.0	54.0
Investment Properties	71.9	70.5	69.0	68.8	68.8
Total	21.1	24.1	29.1	25.7	25.9

Income Statement (\$m)

FY Dec	2016A	2017A	2018F	2019F	2020F
Revenue	385	247	188	336	362
Cost of Goods Sold	(304)	(187)	(133)	(250)	(269)
Gross Profit	81.2	59.5	54.7	86.5	93.8
Other Opng (Exp)/Inc	(38.7)	(36.8)	(37.4)	(38.6)	(39.8)
Operating Profit	42.5	22.8	31.6	62.0	68.1
Other Non Opg (Exp)/Inc	0.0	0.0	0.0	0.0	0.0
Associates & JV Inc	18.6	13.0	20.5	10.4	15.7
Net Interest (Exp)/Inc	(11.9)	(12.0)	(17.5)	(18.1)	(18.6)
Exceptional Gain/(Loss)	16.4	22.9	0.0	0.0	0.0
Pre-tax Profit	65.6	46.7	34.6	54.3	65.2
Tax	(12.7)	(15.4)	(6.6)	(10.3)	(12.4)
Minority Interest	(3.1)	(1.9)	(4.0)	(5.6)	(12.7)
Preference Dividend	0.0	0.0	0.0	0.0	0.0
Net Profit	49.8	29.4	24.0	38.4	40.1
Net Profit before Except.	33.4	6.51	24.0	38.4	40.1
EBITDA	67.6	41.6	57.8	79.4	92.1
Growth					
Revenue Gth (%)	(16.4)	(36.0)	(23.8)	78.6	7.8
EBITDA Gth (%)	(38.5)	(38.5)	39.1	37.4	15.9
Opg Profit Gth (%)	(54.7)	(46.3)	38.6	96.4	9.8
Net Profit Gth (Pre-ex) (%)	(57.4)	(80.5)	269.0	59.6	4.6
Margins & Ratio					
Gross Margins (%)	21.1	24.1	29.1	25.7	25.9
Opg Profit Margin (%)	11.0	9.2	16.8	18.5	18.8
Net Profit Margin (%)	12.9	11.9	12.8	11.4	11.1
ROAE (%)	10.5	5.9	4.7	7.2	7.1
ROA (%)	3.5	2.0	1.5	2.3	2.4
ROCE (%)	2.6	1.1	1.7	3.1	3.3
Div Payout Ratio (%)	39.9	39.9	25.0	25.0	25.0
Net Interest Cover (x)	3.6	1.9	1.8	3.4	3.7

Source: Company, DBS Bank

Roxy-Pacific Holdings

Quarterly / Interim Income Statement (\$m)

FY Dec	3Q2017	4Q2017	1Q2018	2Q2018	3Q2018
Revenue	60.3	43.3	46.5	37.0	18.8
Cost of Goods Sold	(42.7)	(31.4)	(33.0)	(24.4)	(8.1)
Gross Profit	17.5	11.9	13.5	12.6	10.7
Other Oper. (Exp)/Inc	(11.4)	(5.7)	(9.8)	(8.6)	(5.7)
Operating Profit	6.10	6.24	3.71	4.06	5.02
Other Non Opg (Exp)/Inc	0.0	0.0	0.0	0.0	0.0
Associates & JV Inc	0.51	5.22	5.78	5.57	2.78
Net Interest (Exp)/Inc	(3.2)	(2.7)	(3.2)	(3.4)	(2.4)
Exceptional Gain/(Loss)	0.0	0.0	1.55	2.58	(0.3)
Pre-tax Profit	3.39	8.75	7.86	8.77	5.04
Tax	(1.1)	(1.4)	(0.9)	(2.2)	(0.9)
Minority Interest	(0.8)	(0.1)	0.01	(0.2)	0.20
Net Profit	1.50	7.27	7.00	6.39	4.38
Net profit bef Except.	1.51	7.27	5.46	3.80	4.70
EBITDA	7.12	13.1	11.1	11.2	9.33

Growth

Revenue Gth (%)	(22.6)	(28.1)	7.2	(20.4)	(49.2)
EBITDA Gth (%)	(43.2)	84.6	(15.4)	1.1	(17.0)
Opg Profit Gth (%)	0.6	2.2	(40.6)	9.5	23.5
Net Profit Gth (Pre-ex) (%)	(138.0)	383.3	(25.0)	(30.3)	23.6

Margins

Gross Margins (%)	29.1	27.5	29.0	34.1	57.0
Opg Profit Margins (%)	10.1	14.4	8.0	11.0	26.7
Net Profit Margins (%)	2.5	16.8	15.1	17.3	23.3

Balance Sheet (\$m)

FY Dec	2016A	2017A	2018F	2019F	2020F
Net Fixed Assets	176	216	263	309	354
Invts in Associates & JVs	158	198	219	229	245
Other LT Assets	200	127	161	161	161
Cash & ST Invts	325	322	174	136	117
Inventory	0.78	1.07	1.07	1.07	1.07
Debtors	93.2	53.3	38.9	69.5	74.9
Other Current Assets	509	598	772	772	772
Total Assets	1,462	1,516	1,628	1,678	1,724
ST Debt	562	554	554	554	554
Creditor	15.6	88.9	9.61	17.2	18.5
Other Current Liab	85.3	30.9	6.57	10.3	12.4
LT Debt	271	318	518	518	518
Other LT Liabilities	33.1	16.5	16.5	16.5	16.5
Shareholder's Equity	491	503	515	547	578
Minority Interests	3.75	5.07	9.03	14.7	27.4
Total Cap. & Liab.	1,462	1,516	1,628	1,678	1,724
Non-Cash Wkg. Capital	502	533	796	815	817
Net Cash/(Debt)	(507)	(549)	(898)	(936)	(955)
Debtors Turn (avg days)	57.8	108.3	89.4	58.8	72.7
Creditors Turn (avg days)	16.7	105.0	140.8	20.1	25.0
Inventory Turn (avg days)	0.6	1.9	3.0	1.6	1.5
Asset Turnover (x)	0.3	0.2	0.1	0.2	0.2
Current Ratio (x)	1.4	1.4	1.7	1.7	1.7
Quick Ratio (x)	0.6	0.6	0.4	0.4	0.3
Net Debt/Equity (X)	1.0	1.1	1.7	1.7	1.6
Net Debt/Equity ex MI (X)	1.0	1.1	1.7	1.7	1.7
Capex to Debt (%)	5.8	6.1	4.9	4.9	4.9
Z-Score (X)	1.4	1.4	1.4	1.4	1.4

Source: Company, DBS Bank

Roxy-Pacific Holdings

Cash Flow Statement (\$m)

FY Dec	2016A	2017A	2018F	2019F	2020F
Pre-Tax Profit	65.6	46.7	34.6	54.3	65.2
Dep. & Amort.	6.48	5.75	5.75	7.00	8.23
Tax Paid	(24.6)	(2.1)	(30.9)	(6.6)	(10.3)
Assoc. & JV Inc/(loss)	(18.6)	(13.0)	(20.5)	(10.4)	(15.7)
Chg in Wkg.Cap.	(16.7)	(5.6)	(64.9)	(23.0)	(4.1)
Other Operating CF	(4.6)	(51.5)	0.0	0.0	0.0
Net Operating CF	7.54	(19.7)	(75.9)	21.4	43.3
Capital Exp.(net)	(48.3)	(53.1)	(53.1)	(53.1)	(53.1)
Other Invts.(net)	0.0	99.2	(33.7)	0.0	0.0
Invts in Assoc. & JV	(17.1)	(38.5)	0.0	0.0	0.0
Div from Assoc & JV	13.3	3.34	0.0	0.0	0.0
Other Investing CF	2.36	3.20	(174)	0.0	0.0
Net Investing CF	(49.7)	14.2	(261)	(53.1)	(53.1)
Div Paid	(21.5)	(16.4)	(11.7)	(6.0)	(9.6)
Chg in Gross Debt	19.0	41.9	200	0.0	0.0
Capital Issues	0.0	0.0	0.0	0.0	0.0
Other Financing CF	(32.4)	(22.6)	0.0	0.0	0.0
Net Financing CF	(34.8)	2.85	188	(6.0)	(9.6)
Currency Adjustments	1.28	(0.2)	0.0	0.0	0.0
Chg in Cash	(75.7)	(2.9)	(148)	(37.7)	(19.3)
Opg CFPS (S cts)	2.03	(1.2)	(0.8)	3.38	3.62
Free CFPS (S cts)	(3.4)	(6.1)	(9.8)	(2.4)	(0.7)

Source: Company, DBS Bank

Target Price & Ratings History



S.No.	Date of Report	Closing Price	12-mth Target Price	Rating
1:	14 Dec 17	0.49	0.63	BUY
2:	17 Dec 17	0.50	0.63	BUY
3:	15 Feb 18	0.51	0.63	BUY
4:	19 Feb 18	0.52	0.63	BUY
5:	19 Mar 18	0.50	0.63	BUY
6:	07 May 18	0.52	0.63	BUY
7:	16 May 18	0.52	0.63	BUY
8:	06 Jul 18	0.43	0.40	FULLY VALUED
9:	01 Aug 18	0.44	0.40	FULLY VALUED

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

Source: DBS Bank

Analyst: Rachel TAN

Derek TAN

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: 14 Dec 2018 08:15:41 (SGT)

Dissemination Date: 14 Dec 2018 08:51:55 (SGT)

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