

# Singapore Company Guide

# Frasers Logistics & Commercial Trust

Version 11 | Bloomberg: FLT SP | Reuters: FRAE.SI

Refer to important disclosures at the end of this report

DBS Group Research . Equity

9 Jun 2020

## BUY

Last Traded Price ( 8 Jun 2020): S\$1.21 (STI : 2,796.97)

Price Target 12-mth: S\$1.40 (16% upside)

### Analyst

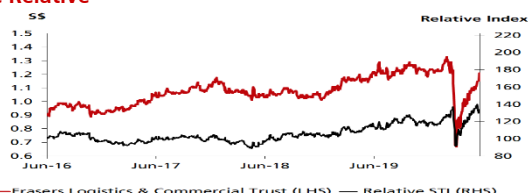
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### What's New

- Post-merger, FLCT remains a key capital recycling vehicle for its Sponsor
- Enhanced growth trajectory with up to S\$5.0bn of properties to be acquired, potentially doubling its AUM
- Increased debt headroom and capacity to take on value-accretive deals; debt-funded headroom of over S\$830m
- TP of S\$1.40 offers 16% upside

### Price Relative



### Forecasts and Valuation

FY Sep (A\$m)	2018A	2019A	2020F	2021F
Gross Revenue	196	241	361	462
Net Property Inc	162	199	293	374
Total Return	179	226	178	235
Distribution Inc	118	150	218	268
EPU (S cts)	6.08	4.47	5.08	6.65
EPU Gth (%)	5	(26)	14	31
DPU (S cts)	6.76	7.08	7.24	7.56
DPU Gth (%)	(1)	5	2	4
NAV per shr (S cts)	93.1	99.9	110	109
PE (X)	20.0	27.1	23.9	18.3
Distribution Yield (%)	5.6	5.8	6.0	6.2
P/NAV (x)	1.3	1.2	1.1	1.1
Aggregate Leverage (%)	34.4	33.2	37.5	37.5
ROAE (%)	6.5	4.9	5.8	6.1

Distn. Inc Chng (%): 30 46  
 Consensus DPU (S cts): 7.3 7.3  
 Other Broker Recs: B: 4 S: 0 H: 1

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

## Positioned for further growth and enhancement

**Maintain BUY and TP of S\$1.40.** We maintain our BUY call and TP of S\$1.40 for Frasers Logistics & Commercial Trust (FLCT). Post-merger, FLCT is among the Top 10 largest S-REIT but with a robust pipeline of acquisition possibilities. We like FLCT for its resilience in income, steady organic growth profile of c.3.3% CAGR over the next two years, driven by (i) enlarged portfolio through the accretive merger with Frasers Commercial Trust (FCOT), (ii) contribution from the more than S\$777m worth of acquisitions over the past 12 months, and (iii) annual rental escalations in leases.

**Enhanced inorganic growth trajectory not priced in.** We remain excited about FLCT's pipeline that amounts to more than S\$5.0bn across key gateway cities of Singapore, Australia and Europe (including UK). As one of the key focus for the group, we anticipate the REIT to be active in acquiring assets to continue to bulk up and grow its AUM in the medium term. With expectations for interest rates to remain lower for longer and the tightening in FLCT's yield, we believe that conditions are conducive for accretive acquisitions to be considered.

**Full occupancy of logistics and industrial portfolio to provide buffer.** The ongoing COVID-19 outbreak is expected to create some weakness in FLCT's newly consolidated commercial properties. However, the 100% occupancy of FLCT's logistics portfolio with a long WALE and annual rental escalations will provide buffer and mitigate weaknesses in the rest of the portfolio.

### Valuation:

Our DCF based TP is maintained at S\$1.40.

### Key Risks to Our View:

**Currency risk.** As the Manager pays its distributions in SGD, the REIT is exposed to currency fluctuations in AUD, EUR and GBP. The Manager attempts to reduce foreign currency fluctuations by hedging distributions regularly.

### At A Glance

Issued Capital (m shrs)	3,408
Mkt. Cap (S\$m/US\$m)	4,124 / 2,982
Major Shareholders (%)	
Frasers Prop Ind Trust	22.1
Free Float (%)	77.9
3m Avg. Daily Val (US\$m)	10.4
<b>GIC Industry</b> : Real Estate / Equity Real Estate Investment (REITs)	



Live more, Bank less

## WHAT'S NEW

### Positioned for further growth and enhancement

#### (+) Successful merger with FCOT in April 2020

- Frasers Logistics & Industrial Trust has been renamed to Frasers Logistics & Commercial Trust to reflect the REIT's broadened investment mandate to include commercial properties
- Enlarged portfolio of c.S\$5.7bn includes commercial properties in Singapore, Australia and the UK
  - Office and Business Parks, and CBD Commercial properties make up c.41% of FLCT's portfolio
  - FLCT's revised top three geographical allocation are Australia (48%), Singapore (22%) and Germany (20%)
- Portfolio WALE of 5.3 years and overall occupancy rate of 97.6%
  - Robust logistics and industrial portfolio that reported 100% occupancy with a WALE of more than six years; average annual rental escalations of 3.1% for Australia and CPI-linked for Europe
  - Commercial portfolio relatively healthy with 95% occupancy and WALE of 4.5 years; slightly weaker occupancy of 93.7% in Australia and 95.2% in Singapore
  - Since the completion of AEI works at China Square Central, occupancy has been ramped up to more than 90% currently
  - S\$23m AEI at Central Park is expected to complete in 3Q20; better amenities will help strengthen the office building's premium-grade positioning
- Reduced tenant concentration risk with an enlarged tenant base of 326 and a 50:50 split between multi-tenancy and single-tenancy assets
  - Top-10 tenants include the likes of Commonwealth of Australia, Rio Tinto, Commonwealth Bank of Australia, CEVA, BMW, etc.

- The enlarged asset base, coupled with the larger headroom, gives FLCT the financial strength to pursue pipeline assets from the Sponsor
- Assuming an acquisition of A\$200m (funded by debt and equity on a 50:50 ratio), DPU will increase by c.3.0%

#### (-) Potential weakness in newly consolidated commercial portfolio

- Due to the Circuit Breaker measures in Singapore, many retail and commercial businesses faced up to two months of closure
- The rental waiver bill could also require landlords to provide retail tenants with up to two months of rental waivers, in addition to the two months that have been subsidised by the government
- Given the weaker economic landscape, occupancy and rental rate could come under pressure in FY20
- However, retail and ancillary services only account for approximately 2% of FLCT's revenues currently
- Moreover, only c.93,000 sqft of retail and commercial space will be due for renewal in FY20

#### (+) Logistics and industrial portfolio remain very robust

- Logistics and industrial portfolio remain robust with 100% occupancy and long WALE of 6.07 years
- Annual rental escalations will also help mitigate potential negative rent reversions for the year
  - Logistics and industrial leases have an average annual rental escalation of 3.1% or linked to the CPI
  - More than 50% of commercial leases have an average rental escalation of 2.8% in FY20 and FY21

#### (+) Enlarged ROFR pipeline in excess of S\$5.0bn

- ROFR pipeline from sponsor worth more than S\$5.0bn with an NLA of 1.9m sqm
  - Logistics and industrial (63%), Office and Business Parks (32%), CBD Commercial (5%)
  - Australia (30%), UK (26%), Germany (21%), Others (24%)
- With a leverage of approximately 37%, the enlarged portfolio provides FLCT with a debt headroom of more than S\$830m (based on gearing of 45%)

#### (+) Improved trading liquidity with higher market cap

- Market cap increased by approximately 50% to c.S\$4.2bn; the 8<sup>th</sup> largest S-REIT by market cap
- Free float increased by more than 70% to c.S\$3.3bn

## Frasers Logistics & Commercial Trust

### Our views

We remain positive on the merger of FLT and FCOT to form one of the largest integrated S-REITs with logistics and commercial properties in the developed markets of Singapore, Australia, the UK and Europe. With the consolidation, FLCT's broadened investment mandate allows it to invest in business park properties that are currently going through a structural growth trend. In addition, FLCT has the ROFR to c.1.9m sqm of office and business park assets from the enlarged pipeline.

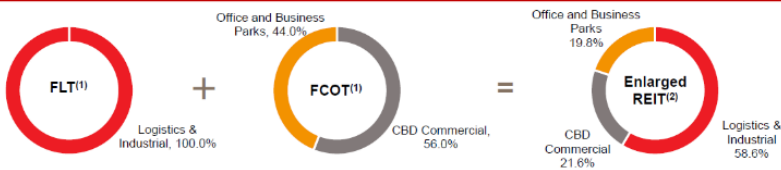
With a majority of FLCT's leases on annual rental escalations of up to 3.1%, it should help abate potential weakness in

rental rates. Moreover, FLCT's portfolio occupancy remains healthy at 97.6% and only c.2.1% of leases are due to expire for the rest of FY20.

FLCT's increased market cap and relatively high forward yields of 6% makes it very attractive at current valuations. The S\$5.0bn of quality assets in the pipeline also put FLCT in good stead to grow inorganically. We maintain our BUY call with a TP of S\$1.40, representing 16% upside potential to the current share price.

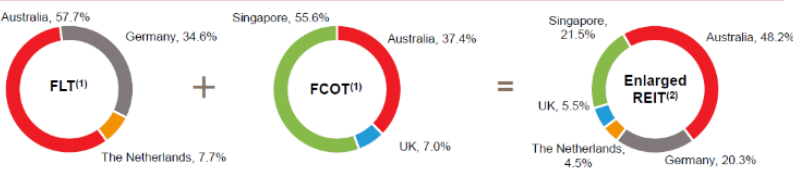
### Portfolio breakdown by sector and geography

#### Portfolio Breakdown by Sector



**Enlarged REIT: No single sector represents >60% of portfolio (100.0% previously)**

#### Portfolio Breakdown by Geography



**Enlarged REIT: No single geography represents >50% of portfolio (57.7% previously)**

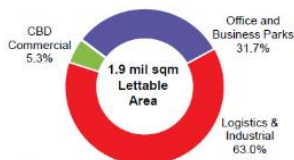
1. Based on book value as at 31 December 2019.  
2. Based on book value of the Enlarged REIT as at 31 December 2019. Includes 100% interest in FBP, which is based on the Agreed Property Value at an exchange rate of £1: S\$1.7841.

### ROFR pipeline of more than S\$5b

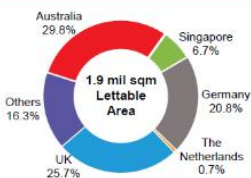
**ROFR pipeline in excess of S\$5.0 bil**

**Ability to leverage the Sponsor's Integrated Development and Asset Management Capabilities**

#### Breakdown by Sector by Lettable Area



#### Breakdown by Region by Lettable Area



#### Commercial, Office and Business Parks



#### Logistics & Industrial



Note: As at 31 December 2019. Includes the acquisition of Lakeshore, Bedfont Lakes Business Park in London, United Kingdom which was acquired by the Sponsor on 23 January 2020.

Source: Frasers Logistics & Commercial Trust

**Quarterly / Interim Income Statement (A\$m)**

FY Sep	2Q2019	1Q2020	2Q2020	% chg yoy	% chg qoq
Gross revenue	59.7	64.4	67.3	12.8	4.5
Property expenses	(10.7)	(9.0)	(10.2)	(4.7)	13.8
Net Property Income	49.0	55.4	57.1	16.6	3.0
Other Operating expenses	(5.5)	(7.7)	(4.0)	(27.8)	(48.3)
Other Non Opg (Exp)/Inc	3.19	(1.8)	2.44	(23.5)	(234.5)
Associates & JV Inc	0.0	0.0	0.0	-	-
Net Interest (Exp)/Inc	(7.0)	(7.3)	(7.7)	(9.5)	(5.2)
Exceptional Gain/(Loss)	0.0	0.62	0.0	nm	nm
<b>Net Income</b>	<b>39.7</b>	<b>39.3</b>	<b>47.9</b>	<b>20.8</b>	<b>21.9</b>
Tax	(5.7)	(5.5)	(6.0)	6.0	10.0
Minority Interest	(0.3)	(0.4)	(0.6)	(65.1)	53.7
<b>Net Income after Tax</b>	<b>33.6</b>	<b>33.5</b>	<b>41.3</b>	<b>22.8</b>	<b>23.5</b>
Total Return	33.6	33.5	41.3	22.8	23.5
Non-tax deductible Items	3.27	7.99	1.76	(46.1)	(78.0)
Net Inc available for Dist.	36.9	41.4	43.1	16.7	4.0
<b>Ratio (%)</b>					
Net Prop Inc Margin	82.1	86.1	84.9		
Dist. Payout Ratio	100.0	100.0	100.0		

Source of all data: Company, DBS Bank

## Frasers Logistics & Commercial Trust

### Critical Factors

**Merger with Frasers Commercial Trust.** The merger between FLT and FCOT was successfully completed on 29 April 2020. The REIT has been renamed to Frasers Logistics and Commercial Trust to align it with the broadened investment mandate to include commercial properties. The enlarged entity will comprise c.59% logistics and industrial properties, and 41% commercial and business park properties. FLCT will continue to have a large exposure in Australia with more than 48% of its portfolio value, followed by Singapore at 22%, Germany at 20%, and the rest in Europe and the UK.

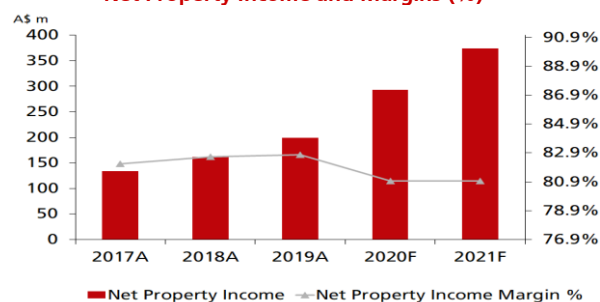
**Significant acquisitions in Europe, Australia and UK.** FLCT added a total of 13 properties in Australia and Europe in FY19. It has also divested three properties in Australia at premiums to book value. The acquisitions in Europe are mainly modern logistics facilities located within major logistics clusters of Germany and the Netherlands which cater to core distribution needs of both countries. Together with the merger, FLCT also acquired the remaining 50% interest in Farnborough Business Park in the UK. Farnborough Business Park makes up approximately 5.5% of FLCT's portfolio and could potentially be an even bigger contributor as planning permissions have been granted for an additional c.18,000 sqm of office space to be built.

**Long WALE of 5.3 years with inbuilt organic growth a key trait.** In our view, the long WALE by Adjusted Gross Rental Income of 5.3 years provides strong cashflow visibility which is a valued trait in the current market volatility. In addition, FLCT's organic growth is underpinned by inbuilt rental escalations. The fixed rental increments, which are built into the existing leases and range from 2.5-4.0%, offer an imbedded steady growth profile.

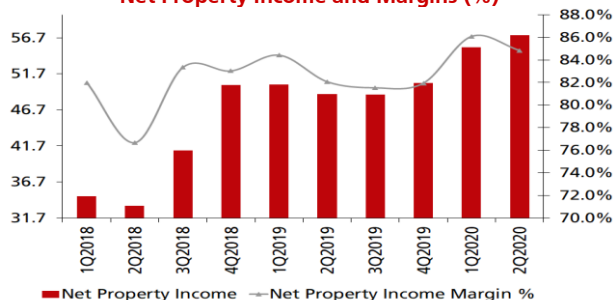
**Inorganic growth with the enhanced ROFR pipeline of more than S\$5.0bn.** Through the merger, FLCT has an enlarged ROFR pipeline from its Sponsor (Frasers Property Limited) that includes industrial, commercial, offices and business parks. The majority of the 1.9m sqm of pipeline assets are in Australia, the UK and Germany. With one of the largest ROFR pipeline among S-REITs, FLCT could potentially double its portfolio size through the injection of ROFR properties and redevelopment of older assets.

**Sensitivity to interest rates not a major concern.** A weighted cost of 2.2% -2.5% with c.70% of the interest rates fixed implies that the REIT has substantially hedged its interest rate risk in the medium term. In addition, debt expiring in FY20 could potentially benefit from some cost savings.

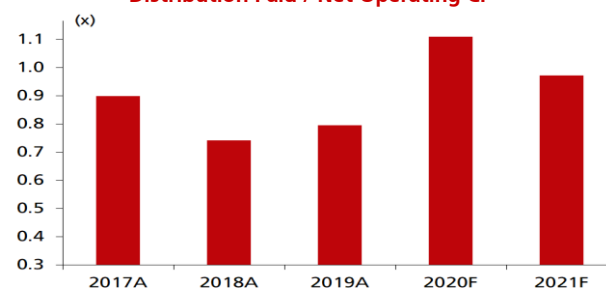
Net Property Income and Margins (%)



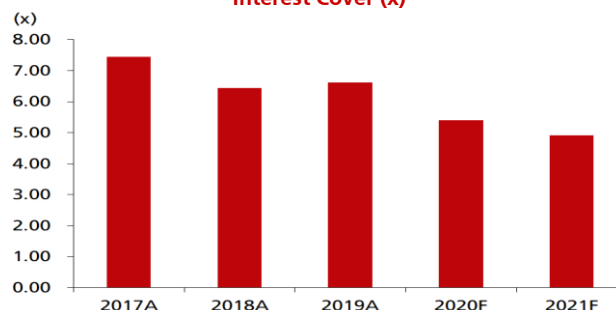
Net Property Income and Margins (%)



Distribution Paid / Net Operating CF



Interest Cover (x)



Source: Company, DBS Bank

## Frasers Logistics & Commercial Trust

### Balance Sheet:

**Gearing up for acquisitions.** Gearing is projected to inch up to c.37% with the completion of the merger and acquisition of the 50% interest in Farnborough Business Park. The low gearing level offers significant headroom for the Manager to execute on opportunistic acquisitions.

**Healthy financial metrics.** The REIT has minimal debt expiries remaining in FY20 with an estimated weighted average debt expiry of c.2.8 years and average cost of borrowing of 2.2% - 2.5%. Interest coverage ratio remains very healthy at c.6.9x. Approximately 70% of the debt is hedged, implying minimal volatility to distributions in the event of an interest rate hike.

### Share Price Drivers:

**Executing on acquisitions.** Post the completion of the merger with FCOT and the acquisition of the 50% interest in Farnborough Business Park, gearing remains undemanding at c.37%. We believe that the portfolio remains under-g geared in relation to peers and its optimal level. With opportunities abounding in the market and the enlarged ROFR pipeline of more than S\$5.0bn, we believe that the execution of more acquisitions, which are projected to be accretive to earnings, will be a catalyst for its stock price.

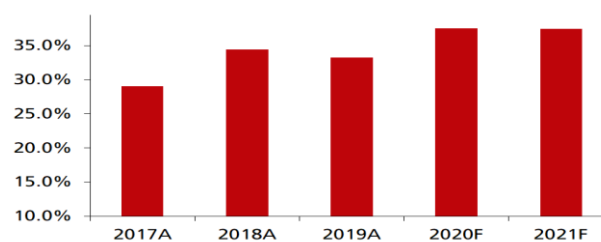
### Key Risks:

**Economic downturn in Australia, Singapore and Europe.** With the ongoing COVID-19 pandemic, occupancy and rental rates could come under pressure amid the economic slowdown in the developed nations of Singapore, Australia and Europe. Despite the high portfolio occupancy and long WALE, the c.2.1% of leases due to expire in the rest of FY20 could face some negative rental reversions. However, the annual rental escalations for most leases should help mitigate some of the weaknesses from the new and renewed leases.

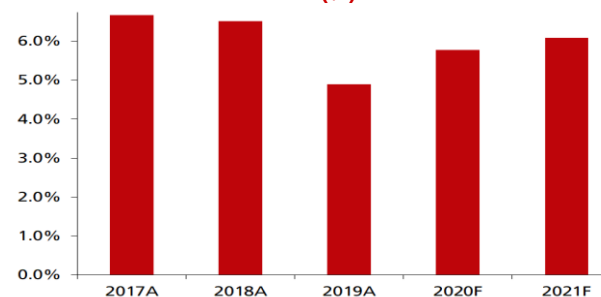
### Company Background

FLCT offers investors the opportunity to invest in prime logistics and commercial properties strategically located within five major developed markets. FLCT currently manages 99 properties across Australia, Singapore, Germany, the UK, and the Netherlands, totalling c.2.6m sqm. The appraised value of FLCT's portfolio is S\$5.7bn as of 31 March 2020.

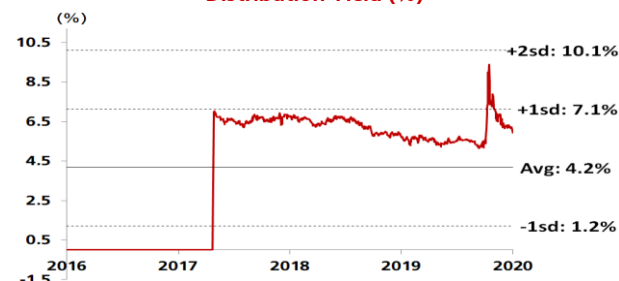
Aggregate Leverage (%)



ROE (%)



Distribution Yield (%)



PB Band (x)



Source: Company, DBS Bank

## Income Statement (A\$m)

FY Sep	2017A	2018A	2019A	2020F	2021F
Gross revenue	163	196	241	361	462
Property expenses	(29.1)	(34.0)	(41.4)	(68.8)	(87.9)
<b>Net Property Income</b>	<b>134</b>	<b>162</b>	<b>199</b>	<b>293</b>	<b>374</b>
Other Operating expenses	(14.0)	(17.1)	(22.7)	(47.8)	(43.8)
Other Non Opg (Exp)/Inc	1.20	(4.1)	(1.2)	0.0	0.0
Associates & JV Inc	0.0	0.0	0.0	0.0	0.0
Net Interest (Exp)/Inc	(16.1)	(22.5)	(26.7)	(45.3)	(67.1)
Exceptional Gain/(Loss)	0.0	23.4	1.65	0.0	0.0
<b>Net Income</b>	<b>105</b>	<b>142</b>	<b>150</b>	<b>200</b>	<b>263</b>
Tax	(18.7)	(34.4)	(44.5)	(20.0)	(26.3)
Minority Interest	0.0	(0.9)	(2.3)	(1.3)	(1.3)
Preference Dividend	0.0	0.0	0.0	0.0	0.0
<b>Net Income After Tax</b>	<b>86.3</b>	<b>106</b>	<b>104</b>	<b>178</b>	<b>235</b>
Total Return	97.8	179	226	178	235
Non-tax deductible Items	3.74	(62.4)	(80.0)	39.3	32.3
Net Inc available for Dist.	102	118	150	218	268
<b>Growth &amp; Ratio</b>					
Revenue Gth (%)	N/A	20.1	23.0	50.1	27.8
N Property Inc Gth (%)	nm	20.8	23.2	46.8	27.8
Net Inc Gth (%)	nm	23.2	(2.5)	72.1	32.0
Dist. Payout Ratio (%)	100.0	100.0	100.0	97.0	100.0
Net Prop Inc Margins (%)	82.2	82.6	82.8	81.0	81.0
Net Income Margins (%)	52.9	54.3	43.0	49.3	51.0
Dist to revenue (%)	62.2	60.4	62.2	60.2	58.0
Managers & Trustee's fees	8.6	8.7	9.4	13.2	9.5
ROAE (%)	6.7	6.5	4.9	5.8	6.1
ROA (%)	4.6	4.2	3.0	3.5	3.7
ROCE (%)	5.4	4.4	3.7	4.4	4.7
Int. Cover (x)	7.4	6.4	6.6	5.4	4.9

Contribution from the merger with FCOT and the additional 50% interest in Farnborough Business Park only completed in end-April 2020 (3Q20)

Higher fees due to merger with FCOT

Source: Company, DBS Bank

## Frasers Logistics & Commercial Trust

### Quarterly / Interim Income Statement (A\$m)

FY Sep	2Q2019	3Q2019	4Q2019	1Q2020	2Q2020
Gross revenue	59.7	60.0	61.6	64.4	67.3
Property expenses	(10.7)	(11.1)	(11.1)	(9.0)	(10.2)
Net Property Income	49.0	48.9	50.5	55.4	57.1
Other Operating expenses	(5.5)	(4.9)	(5.8)	(7.7)	(4.0)
Other Non Opg (Exp)/Inc	3.19	(4.5)	1.54	(1.8)	2.44
Associates & JV Inc	0	0	0	0	0
Net Interest (Exp)/Inc	(7.0)	(6.8)	(5.7)	(7.3)	(7.7)
Exceptional Gain/(Loss)	0.0	1.65	0.0	0.62	0.0
<b>Net Income</b>	<b>39.7</b>	<b>34.4</b>	<b>40.6</b>	<b>39.3</b>	<b>47.9</b>
Tax	(5.7)	(9.5)	(23.4)	(5.5)	(6.0)
Minority Interest	(0.3)	(0.3)	(1.3)	(0.4)	(0.6)
<b>Net Income after Tax</b>	<b>33.6</b>	<b>24.6</b>	<b>15.8</b>	<b>33.5</b>	<b>41.3</b>
Total Return	33.6	45.4	117	33.5	41.3
Non-tax deductible Items	3.27	(8.4)	(81.9)	7.99	1.76
Net Inc available for Dist.	36.9	36.9	39.3	41.4	43.1
<b>Growth &amp; Ratio</b>					
Revenue Gth (%)	0	0	3	5	4
N Property Inc Gth (%)	(3)	0	3	10	3
Net Inc Gth (%)	14	(27)	(36)	112	24
Net Prop Inc Margin (%)	82.1	81.5	81.9	86.1	84.9
Dist. Payout Ratio (%)	100.0	100.0	100.0	100.0	100.0

### Balance Sheet (A\$m)

FY Sep	2017A	2018A	2019A	2020F	2021F
Investment Properties	1,911	2,978	3,554	6,221	6,226
Other LT Assets	3.08	1.13	2.12	2.12	2.12
Cash & ST Invt	56.1	106	128	157	159
Inventory	0.0	0.0	0.0	0.0	0.0
Debtors	6.17	9.97	16.2	18.1	23.1
Other Current Assets	0.0	0.0	18.0	18.0	18.0
<b>Total Assets</b>	<b>1,976</b>	<b>3,095</b>	<b>3,719</b>	<b>6,416</b>	<b>6,428</b>
ST Debt	0.0	220	206	206	206
Creditor	41.3	40.4	53.2	18.1	23.1
Other Current Liab	4.66	6.89	11.5	20.0	26.3
LT Debt	574	845	1,030	2,203	2,203
Other LT Liabilities	18.7	39.7	75.6	75.6	75.6
Unit holders' funds	1,338	1,924	2,314	3,863	3,863
Minority Interests	0.0	18.9	28.9	30.2	31.4
<b>Total Funds &amp; Liabilities</b>	<b>1,976</b>	<b>3,095</b>	<b>3,719</b>	<b>6,416</b>	<b>6,428</b>
Non-Cash Wkg. Capital	(39.8)	(37.3)	(30.5)	(2.0)	(8.3)
Net Cash/(Debt)	(518)	(959)	(1,107)	(2,252)	(2,250)
<b>Ratio</b>					
Current Ratio (x)	1.4	0.4	0.6	0.8	0.8
Quick Ratio (x)	1.4	0.4	0.5	0.7	0.7
Aggregate Leverage (%)	29.0	34.4	33.2	37.5	37.5
Z-Score (X)	0.0	1.7	1.7	1.8	1.7

Includes FCOT's portfolio and the additional 50% interest in Farnborough Business Park

Source: Company, DBS Bank

## Frasers Logistics & Commercial Trust

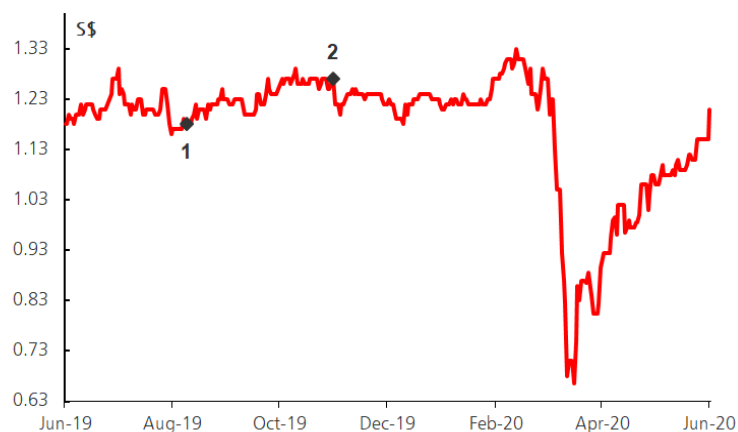
### Cash Flow Statement (A\$m)

FY Sep	2017A	2018A	2019A	2020F	2021F
Pre-Tax Income	105	142	150	200	263
Dep. & Amort.	0.0	0.0	0.0	0.0	0.0
Tax Paid	(6.7)	(11.4)	(15.9)	(10.4)	(20.0)
Associates & JV Inc/(Loss)	0.0	0.0	0.0	0.0	0.0
Chg in Wkg.Cap.	0.69	(5.3)	(14.2)	(38.0)	0.0
Other Operating CF	15.4	(1.0)	37.1	39.3	32.3
<b>Net Operating CF</b>	<b>114</b>	<b>124</b>	<b>158</b>	<b>190</b>	<b>275</b>
Net Invnt in Properties	(1,577)	(490)	23.8	(2,667)	(5.0)
Other Invnts (net)	0.0	0.0	(13.3)	0.0	0.0
Invnts in Assoc. & JV	0.0	0.0	0.0	0.0	0.0
Div from Assoc. & JVs	0.0	0.0	0.0	0.0	0.0
Other Investing CF	0.67	0.0	(5.9)	0.0	0.0
<b>Net Investing CF</b>	<b>(1,576)</b>	<b>(490)</b>	<b>4.54</b>	<b>(2,667)</b>	<b>(5.0)</b>
Distribution Paid	(103)	(91.9)	(125)	(211)	(268)
Chg in Gross Debt	580	61.4	43.4	1,173	0.0
New units issued	1,060	470	274	1,543	0.0
Other Financing CF	(55.2)	(26.6)	(28.9)	0.0	0.0
<b>Net Financing CF</b>	<b>1,483</b>	<b>412</b>	<b>164</b>	<b>2,505</b>	<b>(268)</b>
Currency Adjustments	(50.9)	3.58	1.23	0.0	0.0
Chg in Cash	(29.7)	49.6	327	28.3	2.60
Operating CFPS (S cts)	7.62	7.38	7.41	6.50	7.78
Free CFPS (S cts)	(98.1)	(20.9)	7.82	(70.5)	7.64

Includes consideration units issued to FCOT unitholders and Manager's fees

Source: Company, 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:	16 Aug 19	1.18	1.40	BUY
2:	07 Nov 19	1.27	1.40	BUY

Source: DBS Bank

Analyst: Dale LAI

Derek TAN

DBS Bank recommendations are based on an 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 share price catalysts within this time frame)

\*Share price appreciation + dividends

Completed Date: 9 Jun 2020 07:26:51 (SGT)

Dissemination Date: 9 Jun 2020 08:45:08 (SGT)

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

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