

Singapore Company Update

Japfa Ltd

Bloomberg: JAP SP | Reuters: JAPF.SI

Refer to important disclosures at the end of this report

DBS Group Research . Equity

2 Nov 2020

BUY

Last Traded Price (30 Oct 2020): S\$0.645 (STI : 2,423.84)
Price Target 12-mth: S\$1.03 (60% upside) (Prev S\$0.82)

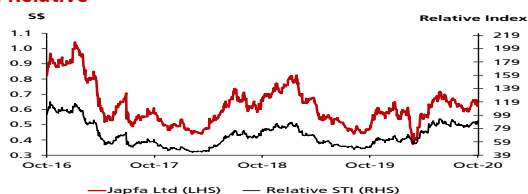
Analyst

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What's New

- 3Q20 results beat expectations on continued strong showing from Vietnam swine and China Dairy ops
- YTD results highlight benefits of its geographical and protein diversification strategy
- Raised FY20F/21F earnings by 74%/19%
- Counter looks like a steal at 5x EV/EBITDA, 6.4x PE; BUY with TP raised to S\$1.03

Price Relative



Forecasts and Valuation

FY Dec (US\$m)	2019A	2020F	2021F	2022F
Revenue	3,890	3,664	4,135	4,512
EBITDA	462	444	485	553
Pre-tax Profit	247	206	242	313
Net Profit	120	152	137	164
Net Pft (Pre Ex.)	108	152	137	164
Net Pft Gth (Pre-ex) (%)	(25.1)	40.0	(9.8)	19.4
EPS (S cts)	8.66	10.1	9.13	10.9
EPS Pre Ex. (S cts)	7.83	10.1	9.13	10.9
EPS Gth Pre Ex (%)	(26)	29	(10)	19
Diluted EPS (S cts)	8.66	10.1	9.13	10.9
Net DPS (S cts)	1.10	1.51	1.51	1.51
BV Per Share (S cts)	63.6	71.8	79.4	88.8
PE (X)	7.5	6.4	7.1	5.9
PE Pre Ex. (X)	8.2	6.4	7.1	5.9
P/Cash Flow (X)	2.3	2.9	3.4	2.6
EV/EBITDA (X)	5.3	5.0	4.7	4.0
Net Div Yield (%)	1.7	2.3	2.3	2.3
P/Book Value (X)	1.0	0.9	0.8	0.7
Net Debt/Equity (X)	0.9	0.5	0.5	0.3
ROAE (%)	14.5	15.5	12.1	13.0
Earnings Rev (%):		74	19	27
Consensus EPS (S cts):		8.6	9.2	9.2
Other Broker Recs:		B: 3	S: 0	H: 0

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



Brain Box

(Our NEW Pilot Research Platform) is available to Institutional Investors on Demand. Please contact your DBSV Institutional Sales contact for a demonstration.

Surging ahead on animal spirits

Investment Thesis

Valuation attractive at <5x EV/EBITDA. The market is missing out on the group's long-term prospects on growing consumption of animal protein, and its geographical diversification. Trading at <5x EV/EBITDA, this food supply play is a bargain.

High pork prices a boon. Swine prices in Vietnam remain robust at above VND70,000 per kg, due to the outbreak of African Swine Fever (ASF). Supply is expected to remain tight for the next few years.

Benefits of 5 protein in 5 countries. Its [Indonesia poultry operations](#) is facing headwinds due to the outbreak of Covid-19 but this would be mitigated by its dairy and swine operations in China and Vietnam.

Valuation:

Our sum-of-parts TP is revised up to S\$1.03 on the back of stronger Vietnam swine and China Dairy operations. Our TP implies c.11.3x FY21F PE, marginally above its historical average.

Where we differ:

Geographical diversification a benefit in a cyclical industry. Some may scorn at the cyclical nature of the industry, but the group's diversification across different geographies and proteins help to mitigate the fluctuations.

Key Risks to Our View:

Downside risks stem from weaker-than-expected consumer demand and outbreak of diseases, leading to price volatility.

At A Glance

Issued Capital (m shrs)	2,049
Mkt. Cap (S\$m/US\$m)	1,322 / 967
Major Shareholders (%)	
Rangi Management Ltd	51.8
Morze International Ltd	15.2
Tagburgh Ltd	5.2
Free Float (%)	27.8
3m Avg. Daily Val (US\$m)	0.94

GIC Industry : Consumer Staples / Food, Beverage & Tobacco



Live more, Bank less

WHAT'S NEW

A stellar 3Q20 from swine and dairy, more than offsetting weak Indonesia poultry

Maintain BUY, TP raised to S\$1.03. We reiterate our BUY recommendation and as per our previous thesis, and prefer Japfa Ltd (Japfa) over its subsidiary, Japfa Comfeed Indonesia Tbk. On the back of its blowout quarter for 3Q20 arising from the stellar performance of its Vietnam swine and China Dairy operations, we **raised our FY20F/21F earnings by 74%/19%**. This is negated partially by a weaker than expected performance from its Indonesia poultry operations. That said, overall group performance vindicates management's efforts to diversify its operations across the different animal proteins and geography. **TP is raised to S\$1.03**, representing 60% upside and implying c.11x PE, which is slightly above its 5-year historical mean.

Japfa 9M20 above expectations on swine and dairy operations. Japfa reported a **strong set of 3Q20 results** with net profit at **US\$53.1m (+452% y-o-y)**. This leads to **9M20 attributable profit of US\$130m, which is up almost 5x from \$22.4m last year**, helped by strong performances from 3 out of 4 of its operating segments – Animal Protein Others (APO, namely Vietnam swine operations), Dairy and Consumer Food. Its Indonesia operations, contributed mainly by its poultry operations, were lackluster as it was impacted by weakened demand and volatile day-old chicks (DOC) and broiler prices.

Benefits of diversification is the key highlight of 9M20 results. Cutting beyond what we see on its YTD operational performance, the key highlight is the group's diversification efforts and benefits. This continues to play out to our earlier thesis, particularly with Vietnam swine operations, China Dairy as well as consumer food recorded robust performance in light of respective challenges. Weaker-than-expected Indonesia operations was more than mitigated by stellar Vietnam swine and China Dairy operations.

Animal Protein Indonesia (API) – Japfa Comfeed Indonesia (JPFA)

Indonesia operations bounced back to profit in 3Q20. After reporting a net loss of US\$13.9m in 2Q20, API posted Profit After Tax (PAT) of US\$6.8m (-53% y-o-y) in 3Q20, bringing 9M20 net profit to US\$16.6m (-78.7% y-o-y). Although better compared to last quarter, earnings were still heavily impacted by the COVID-19 pandemic. The significant drop in earnings on a y-o-y basis was mainly due to operational deleveraging caused by lower sales as well as a drop in DOC and broiler prices.

Revenue decreased on a y-o-y basis, mainly due to lower poultry feed and DOC sales volumes in Indonesia, as COVID-19 has eroded consumers' purchasing power and demand

for chicken. Gleaning from its listed subsidiary, Japfa Comfeed Indonesia Tbk's (JPFA) reported results, JPFA saw lower net revenue in DOC (-29% y-o-y), animal feeds (-26%), and cattle (-41%). Meanwhile, net revenue of commercial farm (including consumer products) and aquaculture segments grew by 3% and 6% y-o-y, respectively, in 3Q20.

Strong margins for animal feeds and aquaculture. Animal feed reported an EBIT margin (to gross revenue) of 15.3% in 3Q20, improving from 14.2% in 2Q20 and 13.3% in 3Q19. This was driven by the group's ability to manage cost of raw materials efficiently by doing better procurement for domestic corn during the harvest season. Furthermore, the average price of domestic corn was slightly lower in 3Q20, coming in at Rp5,739/kg (-3% y-o-y). Meanwhile, aquaculture reported an EBIT margin (to gross revenue) of 8.3% in 3Q20, improving from 5.6% in 2Q20 and 6.3% in 3Q19, on the back of higher sales volumes and margins of aqua feed.

Improvement in DOC margin; back to black. JPFA's DOC segment's EBIT margin (to gross revenue) expanded to 9.2% in 3Q20 from -22.7% in 2Q20 and 0.3% in 3Q19. In our view, this was driven by lower costs or lesser culling given the group has adjusted down volume production to reflect current low demand. In addition, we note that 3Q19 was a weak quarter due to lower DOC prices after the Lebaran season in 2Q19.

At the beginning of July 2020, DOC prices had hit the Rp6,000/chick level due to undersupply conditions after the full PSBB period, which also could have helped to boost margins. However, prices went down again to Rp4,000-5,000/chick towards the end of the month as well as in Aug and Sep.

Volatile broiler and DOC prices expected to continue in Indonesia. We expect prices to remain volatile in Indonesia in 4Q20 given demand is still relatively weak due to lower consumer purchasing power. However, the culling programme is key to ensuring that prices do not drop significantly. The average DOC and broiler prices increased to Rp5,500/chick and Rp16,700/kg in Oct, respectively, supported by relaxation of the PSBB in Jakarta and continuous culling programme.

According to the Indonesian Poultry Farmers Association (Pinsar), broiler price in the first half of Oct was about Rp15,500/kg, still quite low given the reimplementation of the PSBB in Jakarta. However, broiler price picked up in the

second half of Oct, ranging Rp17,000-18,000/kg, supported by the relaxation of the PSBB in Jakarta and the continuous culling programme.

Animal Protein Others (APO)

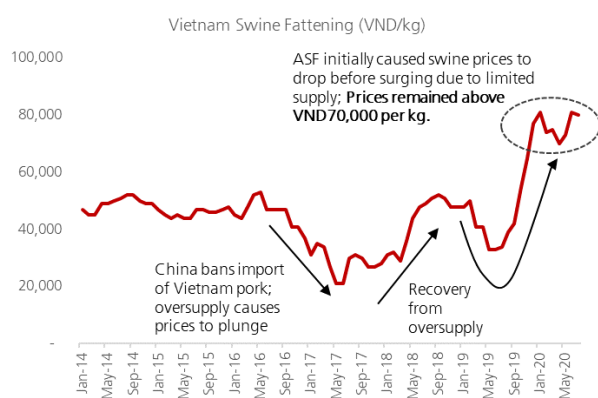
Reversal into profit vs a year ago. The APO segment continued its stellar performance from 2Q20, and posted PAT of US\$26.7m in 3Q20, which is a sharp reversal from a loss of -US\$2.4m in 3Q19 arising from the impact of African Swine Fever (ASF) back then. This strong performance was mainly due to higher swine fattening average selling prices, given the significant drop in pork supply in Vietnam as a result of ASF. In addition, with the group's industrialised model, it has been able to better contain the effects of ASF and replenish its stock faster than most competitors.

Vietnam more than mitigates weak contribution from Myanmar and India.

While operations in Myanmar and India were also impacted by the effects of COVID-19, resulting in weaker demand for feed (in India) and lower DOC and broiler prices (in Myanmar), APO segment revenue still surged 27% y-o-y in 3Q20 driven by Vietnam operations. As a result, operating margin for the segment was 15.2%, vs a negative operating margin of -2.1% in 3Q19.

Swine prices remain high, bodes well for APO. Vietnam swine prices has surged since 3Q19, and remained persistently high YTD in 2020. While there have been efforts by the Vietnamese authorities to moderate the high swine prices, it remains high given the shortage of supply. We understand that while prices have moderated from the highs of above VND90,000/kg earlier this year, it remains at around VND70,000/kg, which is still almost double the price at the same time last year at around VND40,000/kg. This should bode well for Japfa.

Vietnam Swine prices well above VND70,000 per kg



Source: DBS Bank estimates

Japfa's strategy of swine pyramid will continue to see benefit.

As indicated in our earlier notes, Japfa has instituted an earlier strategy to build a swine breeding pyramid, starting with its own Great Grandparent (GGP) farms. This allows them to replenish its swine breeding stock faster. While we expect swine selling prices to moderate from the highs seen this year, we believe Japfa's operations is likely to remain relatively robust given its ability to grow its sales volume from its breeding stocks.

Dairy

Buoyed by higher volume and prices. Dairy segment posted a strong growth in revenue to US\$146.5m, +23% y-o-y, arising from higher raw milk prices and contribution from its beef operations. Raw milk sales volume in China grew by 4.3% y-o-y in 3Q20, and the operations there remain unaffected by COVID-19, as seen earlier in the year. Based on our checks, raw milk ASP remains healthy at c.CNY3.80-3.90/kg, marginally higher than that seen a year ago at c.CNY3.70/kg.

Sale of 25% stake in its China Dairy operations completed.

Following on from its earlier announcements, the sale of its 25% stake in its China Dairy operations has been completed for a total cash consideration of US\$254.4m on 3 July 2020. The proceeds were used to fully repay the US\$253m syndicated loan. Following on from the strong dairy operations, the construction of a new farm in Chifeng, Inner Mongolia (Farm 8) is in progress and management expects the farm to be fully milking by end 2021. This should continue to provide growth headroom for its operations there.

Consumer Food

Turned the corner, aided by movement restrictions.

Performance of its Consumer Food segment remain robust, continuing from its performance since the start of 2020. While 3Q20 revenue dipped by 4% y-o-y, operating profit surged 2.5x helped by higher sales volume and lower chicken input costs. As a result, 3Q20 PAT registered US\$4.8m, up significantly from last year's US\$0.6m.

Restructuring of Consumer Food. As per its earlier announcement, Japfa has entered into a sale and purchase agreement with its subsidiary JPFA for the sale of PT So Good Food for a consideration of Rp1.2 trillion (or about US\$82.6m). This transfer will integrate JPFA's upstream poultry feed, breeding and mid-stream commercial farming business with the downstream consumer food business. This is also in line with the group's plans to integrate its business within each geographical area.

Japfa Ltd

Valuations and forecasts

Raised FY20F/21F earnings by 74%/ 19%. We raised our FY20F earnings by 74%, after continued strong performance of its swine and dairy operations, which more than offset the weak Indonesia poultry operations. Pork prices in Vietnam has stayed high, and hovers above VND70,000/kg (reaching more than VND90,000/kg at some point), significantly higher than the average of VND60,000/kg we penciled in our assumptions for FY20F. As such, operating margins were strong and looks likely to contribute strongly to operating performance in FY20F.

Valuations attractive, TP raised to S\$1.03. As a result of our raised forecasts, our TP is revised up to S\$1.03 (from S\$0.82 previously) largely driven by stronger contribution from its APO and Dairy operations. Our TP for JPFA remains unchanged a Rp1,200. At current price, Japfa shares remain

attractive at 5x and 6.4x FY20F EV/EBITDA and PE, respectively. We believe the market is underappreciating its geographical diversification, which has shown its benefits this year on the back of the impact of COVID-19. In addition, despite the impact from ASF in Vietnam in 2019, the group has been able to bounce back stronger than before, demonstrating a strong testament of its solid operations. Reiterate BUY with TP of S\$1.03, implying 11.3x FY21PE, which is marginally above its historical average given its growing track record.

Company Background

Japfa Ltd (Japfa) is a leading industrialised and vertically integrated producer of multiple animal proteins, dairy and consumer food products in Indonesia (second largest), Vietnam, Myanmar, India and China.

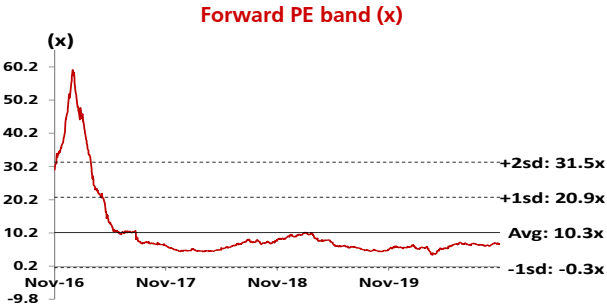
Quarterly Income Statement (US\$m)

FY Dec	3Q2019	2Q2020	3Q2020	% chg yoy	% chg qoq
Revenue	952	883	935	(1.8)	5.9
Other Oper. (Exp)/Inc	(115)	(118)	(117)	1.4	(1.5)
Operating Profit	48.1	59.6	90.2	87.6	51.5
Other Non Opg (Exp)/Inc	12.6	(0.9)	8.90	(29.2)	nm
Associates & JV Inc	0.19	(0.1)	(0.1)	nm	0.0
Net Interest (Exp)/Inc	(27.6)	(25.5)	(28.9)	(4.5)	(13.4)
Exceptional Gain/(Loss)	(8.3)	6.04	2.94	nm	(51.4)
Pre-tax Profit	24.9	39.2	73.1	193.8	86.5
Tax	(8.1)	(4.1)	(8.8)	7.8	113.1
Minority Interest	(7.1)	6.27	(11.2)	(57.3)	nm
Net Profit	9.63	41.3	53.1	452.1	28.5
Net profit bef Except.	18.0	35.3	50.2	179.6	42.2
EBITDA	101	92.9	136	35.3	46.5
Margins (%)					
Opg Profit Margins	5.1	6.7	9.6		
Net Profit Margins	1.0	4.7	5.7		

Source of all data: Company, DBS Bank

Japfa Ltd

Historical PE and PB band



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



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

Japfa Ltd

Key Assumptions

FY Dec	2018A	2019A	2020F	2021F	2022F
Indonesia feed net sales (Rp)	12,104	13,002	10,245	11,750	12,930
Indonesia feed operating margins (%)	10.2	12.4	14.6	13.5	13.8
Indonesia DOC price	6,356	6,235	5,200	6,000	6,200
Indonesia Broiler price (Rp/kg)	19,392	17,721	17,000	18,000	19,000
China raw milk sales volume	526	549	569	586	616

Impact from weakened demand due to COVID-19

Segmental Breakdown

FY Dec	2018A	2019A	2020F	2021F	2022F
Revenues (US\$m)					
Animal Protein Indonesia	2,338	2,555	2,224	2,655	2,946
Animal Protein Other	580	681	772	768	801
Dairy	397	459	483	511	550
Consumer Food	203	190	180	194	210
Others	15.3	5.00	5.25	5.51	5.79
Total	3,533	3,891	3,664	4,135	4,512
Operating profit (US\$m)					
Animal Protein Indonesia	256	219	92.1	156	222
Animal Protein Other	33.1	39.6	111	80.6	64.6
Dairy	71.8	89.2	95.3	99.5	104
Consumer Food	(16.6)	(5.7)	14.4	3.89	4.20
Others	(2.6)	(3.0)	(5.0)	(5.0)	(5.0)
Total	342	339	308	335	390
Operating profit Margins					
Animal Protein Indonesia	11.0	8.6	4.1	5.9	7.5
Animal Protein Other	5.7	5.8	14.4	10.5	8.1
Dairy	18.1	19.4	19.7	19.5	18.8
Consumer Food	(8.2)	(3.0)	8.0	2.0	2.0
Others	(17.0)	(60.0)	(95.2)	(90.7)	(86.4)
Total	9.7	8.7	8.4	8.1	8.6

Helped by high swine prices in Vietnam due to shortage of supply after African Swine Fever outbreak

Income Statement (US\$m)

FY Dec	2018A	2019A	2020F	2021F	2022F
Revenue	3,533	3,890	3,664	4,135	4,512
Other Opng (Exp)/Inc	(429)	(474)	(432)	(508)	(554)
Operating Profit	342	339	308	335	390
Other Non Opg (Exp)/Inc	24.4	0.33	0.0	0.0	0.0
Associates & JV Inc	0.08	0.60	0.0	0.0	0.0
Net Interest (Exp)/Inc	(78.3)	(104)	(101)	(92.9)	(76.7)
Exceptional Gain/(Loss)	(44.3)	11.5	0.0	0.0	0.0
Pre-tax Profit	244	247	206	242	313
Tax	(65.4)	(62.4)	(28.9)	(43.5)	(62.6)
Minority Interest	(77.8)	(64.7)	(25.6)	(61.3)	(86.8)
Preference Dividend	0.0	0.0	0.0	0.0	0.0
Net Profit	100	120	152	137	164
Net Profit before Except.	145	108	152	137	164
EBITDA	472	462	444	485	553
Growth					
Revenue Gth (%)	10.8	10.1	(5.8)	12.9	9.1
EBITDA Gth (%)	65.6	(2.3)	(3.8)	9.1	14.0
Opg Profit Gth (%)	81.2	(0.8)	(9.3)	8.9	16.4
Net Profit Gth (Pre-ex) (%)	690.3	(25.1)	40.0	(9.8)	19.4
Margins & Ratio					
Opg Profit Margin (%)	9.7	8.7	8.4	8.1	8.6
Net Profit Margin (%)	2.8	3.1	4.1	3.3	3.6
ROAE (%)	13.6	14.5	15.5	12.1	13.0
ROA (%)	3.6	3.9	4.7	4.2	4.7
ROCE (%)	2.9	0.2	1.8	1.6	3.0
Div Payout Ratio (%)	27.2	12.7	14.9	16.5	13.8
Net Interest Cover (x)	4.4	3.2	3.0	3.6	5.1

Source: Company, DBS Bank

Japfa Ltd

Quarterly Income Statement (US\$m)

FY Dec	3Q2019	4Q2019	1Q2020	2Q2020	3Q2020
Revenue	952	1,052	950	883	935
Other Oper. (Exp)/Inc	(115)	(128)	(113)	(118)	(117)
Operating Profit	48.1	155	87.1	59.6	90.2
Other Non Opg (Exp)/Inc	12.6	(11.2)	0.71	(0.9)	8.90
Associates & JV Inc	0.19	0.18	0.05	(0.1)	(0.1)
Net Interest (Exp)/Inc	(27.6)	(28.2)	(24.0)	(25.5)	(28.9)
Exceptional Gain/(Loss)	(8.3)	35.4	(10.4)	6.04	2.94
Pre-tax Profit	24.9	151	53.4	39.2	73.1
Tax	(8.1)	(29.4)	(5.9)	(4.1)	(8.8)
Minority Interest	(7.1)	(23.8)	(12.1)	6.27	(11.2)
Net Profit	9.63	97.5	35.5	41.3	53.1
Net profit bef Except.	18.0	62.2	45.9	35.3	50.2
EBITDA	101	178	121	92.9	136

Growth

Revenue Gth (%)	(2.3)	10.5	(9.7)	(7.0)	5.9
EBITDA Gth (%)	(8.7)	77.0	(31.9)	(23.3)	46.5
Opg Profit Gth (%)	(37.7)	221.5	(43.7)	(31.6)	51.5
Net Profit Gth (Pre-ex) (%)	24.7	246.2	(26.2)	(23.0)	42.2

Margins

Opg Profit Margins (%)	5.1	14.7	9.2	6.7	9.6
Net Profit Margins (%)	1.0	9.3	3.7	4.7	5.7

9M20 helped by Vietnam swine and China Dairy

Balance Sheet (US\$m)

FY Dec	2018A	2019A	2020F	2021F	2022F
Net Fixed Assets	1,375	1,566	1,703	1,807	1,848
Invt in Associates & JVs	5.73	6.48	6.48	6.48	6.48
Other LT Assets	221	354	100	96.0	92.0
Cash & ST Invt	168	209	217	148	247
Inventory	764	795	785	884	958
Debtors	194	226	221	249	272
Other Current Assets	160	155	155	155	155
Total Assets	2,889	3,310	3,187	3,346	3,579
ST Debt	440	584	234	154	104
Creditor	389	390	385	433	469
Other Current Liab	60.5	49.0	58.9	73.6	92.6
LT Debt	777	793	793	793	793
Other LT Liabilities	92.0	208	208	208	208
Shareholder's Equity	779	881	1,077	1,191	1,332
Minority Interests	351	406	432	493	580
Total Cap. & Liab.	2,889	3,310	3,187	3,346	3,579
Non-Cash Wkg. Capital	669	736	717	781	823
Net Cash/(Debt)	(1,049)	(1,168)	(810)	(799)	(650)
Debtors Turn (avg days)	19.3	19.7	22.3	20.7	21.1
Creditors Turn (avg days)	69.5	48.1	50.7	47.5	48.4
Inventory Turn (avg days)	98.6	96.3	103.4	96.9	98.7
Asset Turnover (x)	1.3	1.3	1.1	1.3	1.3
Current Ratio (x)	1.4	1.4	2.0	2.2	2.5
Quick Ratio (x)	0.4	0.4	0.6	0.6	0.8
Net Debt/Equity (X)	0.9	0.9	0.5	0.5	0.3
Net Debt/Equity ex MI (X)	1.3	1.3	0.8	0.7	0.5
Capex to Debt (%)	19.0	22.1	26.3	26.4	22.3
Z-Score (X)	2.4	2.2	2.1	2.3	2.3

Pare down of debt from proceeds of 25% divestment in AustAsia Investment (China Dairy ops)

Source: Company, DBS Bank

Japfa Ltd

Cash Flow Statement (US\$m)

FY Dec	2018A	2019A	2020F	2021F	2022F
Pre-Tax Profit	244	247	206	242	313
Dep. & Amort.	106	140	137	150	163
Tax Paid	(72.2)	(95.9)	(19.0)	(28.9)	(43.5)
Assoc. & JV Inc/(loss)	(0.1)	(0.6)	0.0	0.0	0.0
Chg in Wkg.Cap.	(67.1)	(47.2)	9.35	(78.8)	(60.5)
Other Operating CF	96.1	142	0.0	0.0	0.0
Net Operating CF	307	386	333	284	372
Capital Exp.(net)	(231)	(305)	(270)	(250)	(200)
Other Invt.(net)	0.0	0.0	250	0.0	0.0
Invt in Assoc. & JV	2.20	0.0	0.0	0.0	0.0
Div from Assoc & JV	0.0	0.0	0.0	0.0	0.0
Other Investing CF	(56.3)	(19.5)	0.0	0.0	0.0
Net Investing CF	(286)	(324)	(20.0)	(250)	(200)
Div Paid	(6.5)	(27.3)	(22.6)	(22.6)	(22.6)
Chg in Gross Debt	272	148	(350)	(80.0)	(50.0)
Capital Issues	0.0	0.0	67.1	0.0	0.0
Other Financing CF	(349)	(143)	0.0	0.0	0.0
Net Financing CF	(83.6)	(22.4)	(305)	(103)	(72.6)
Currency Adjustments	(3.6)	1.60	0.0	0.0	0.0
Chg in Cash	(66.3)	41.1	7.94	(68.6)	99.1
Opg CFPS (S cts)	27.2	31.3	21.6	24.2	28.8
Free CFPS (S cts)	5.47	5.87	4.23	2.27	11.4

Source: Company, DBS Bank

Target Price & Ratings History



S.No.	Date of Report	Closing Price	12-mth Target Price	Rating
1:	04 Mar 20	0.60	0.84	BUY
2:	16 Apr 20	0.56	0.84	BUY
3:	15 May 20	0.64	0.86	BUY
4:	30 Jun 20	0.69	0.82	BUY
5:	30 Jul 20	0.66	0.82	BUY

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

Source: DBS Bank

Analyst: Andy SIM, CFA

Alfie YEO

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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: 2 Nov 2020 08:16:39 (SGT)

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