

# Singapore Company Update

## Keppel Corporation

Bloomberg: KEP SP | Reuters: KPLM.SI

Refer to important disclosures at the end of this report

DBS Group Research . Equity

29 Jan 2021

**HOLD** (Downgrade from BUY)

Last Traded Price (28 Jan 2021): S\$5.46 (STI : 2,920.30)

Price Target 12-mth: S\$5.85 (7% upside) (Prev S\$5.50)

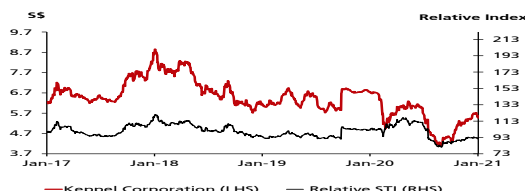
### Analyst

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### What's New

- Higher than expected losses of S\$506m in FY20; declared 7 Scts final dividend
- Transforming KOM into an asset light company; pursuing inorganic options
- Full or partial divestment of Keppel Logistics on the cards
- Downgrade to HOLD, TP S\$5.85; awaiting catalysts

### Price Relative



### Forecasts and Valuation

FY Dec (\$m)	2019A	2020A	2021F	2022F
Revenue	7,580	6,574	7,316	7,169
EBITDA	1,464	289	1,448	1,641
Pre-tax Profit	953	(255)	946	1,098
Net Profit	707	(506)	716	831
Net Pft (Pre Ex.)	707	(506)	716	831
Net Pft Gth (Pre-ex) (%)	(25.1)	nm	nm	16.1
EPS (S cts)	38.9	(27.8)	39.3	45.6
EPS Pre Ex. (S cts)	38.9	(27.8)	39.3	45.6
EPS Gth Pre Ex (%)	(25)	nm	nm	16
Diluted EPS (S cts)	38.8	(27.7)	39.2	45.6
Net DPS (S cts)	20.0	10.0	16.0	19.0
BV Per Share (S cts)	617	589	619	648
PE (X)	14.0	nm	13.9	12.0
PE Pre Ex. (X)	14.0	nm	13.9	12.0
P/Cash Flow (X)	nm	49.1	31.2	10.1
EV/EBITDA (X)	13.3	68.5	13.8	12.0
Net Div Yield (%)	3.7	1.8	2.9	3.5
P/Book Value (X)	0.9	0.9	0.9	0.8
Net Debt/Equity (X)	0.8	0.8	0.8	0.8
ROAE (%)	6.3	(4.6)	6.5	7.2
Earnings Rev (%):			(14)	-
Consensus EPS (S cts):			40.8	47.4
Other Broker Recs:		B: 11	S: 2	H: 2

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

### HOLD for more clarity on restructuring

#### Investment Thesis:

Downgrade to HOLD; stock has risen c.30% since our upgrade at end Sept. Keppel is fairly valued at 1.0x P/BV, near its 5-year mean of 1.1x P/BV. We have adjusted our TP to S\$5.85 after rolling over valuation base to FY21.

**More waves from V2030 execution plan.** A clearer V2030 roadmap should restore confidence. Operationally, Keppel should be on a recovery path as economic activities pick up with vaccination rollouts. Meanwhile, we keep an eye on restructuring execution and await more positive indicators to revisit the stock.

**Successful spin-off of O&M a re-rating catalyst.** We welcome the much-needed yard restructuring given the prolonged industry downturn. As the group continues to pursue M&A opportunities for KOM, a successful divestment to redeploy resources could be a re-rating catalyst.

#### Valuation:

SOTP-based S\$ 5.85 TP (1.1x FY21F P/BV) based on: (1) Urban Development valued at 0.9x P/BV - implies 35% discount to Property RNAV, similar to Capitaland; (2) DCF valuation for Tianjin Eco-city assuming 10% WACC, (3) Connectivity / Asset Investment / Infrastructure at 1x P/BV.

#### Where we differ:

Keppel's huge landbank of ~5m sqm is held at low cost. Half of this is under development, progressively unlocking its RNAV over the next 3-5 years. Of the remaining undeveloped landbank, 30% is earmarked for projects in Tianjin Eco-city, which is not reflected in our RNAV.

#### Key Risks to Our View:

**Lower-than-expected en-bloc sales and O&M orders pose downside risks to forecast.** En-bloc sales are lumpy by nature, accounting for more than half of property profit in 2018 but only 10% in 2019. O&M revenue is expected to fall to the ~S\$2-3bn level p.a. in FY20-21, versus S\$7-8bn in FY12-14.

#### At A Glance

Issued Capital (m shrs)	1,818
Mkt. Cap (S\$m/US\$m)	9,924 / 7,466
Major Shareholders (%)	
Temasek Holdings	21.0
Free Float (%)	79.0
3m Avg. Daily Val (US\$m)	16.1
GIC Industry : Industrials / Capital Goods	



Live more, Bank less

## WHAT'S NEW

### FY20 results below expectations

**First full year loss since AFC.** Keppel reported S\$506m net loss for FY20 (vs net profit of S\$707m in FY19) dragged by ~S\$1bn impairment at Keppel O&M (KOM). This was below our expectations of S\$170m loss due to wider losses at KOM.

Excluding impairment, Keppel would have registered net profit of S\$446m (-46% y-o-y). This is Keppel's first ever full year loss since Asian Financial Crisis (AFC) in 1998. **Urban Development and Asset Management were the main earnings contributors**, at S\$438m and S\$280m respectively.

**Businesses have been re-segmentised.** As shared during the V2030 press release in May-2020, starting from FY20, segmental breakdown has been reclassified as follows:

### Reclassification of business segments

Previous	New
<b>Offshore &amp; Marine</b> Keppel O&M	<b>Energy &amp; Environment</b> Keppel O&M Keppel Infrastructure Keppel Renewable Energy KrisEnergy
<b>Property</b> Keppel Land REITs	<b>Urban Development</b> Keppel Land Keppel Urban Solutions Tianjin Eco -City
<b>Infrastructure</b> Keppel Infrastructure Keppel Data Centres Keppel Logistics	<b>Connectivity</b> M1 Keppel Data Centres Keppel Logistics
<b>Investment</b> Keppel Capital Keppel Urban Solutions M1 Kris Energy Tianjin Eco -City	<b>Asset Management</b> Keppel Capital Eco-system of private funds and listed REITs & Trust

Source: Company, DBS Bank

**Declared 7 Scts final dividend.** Together with 3 Scts interim dividend, full year dividend totaled 10 Scts, a tad lower than our expectation of 11 Scts. This implies ~2% dividend yield.

**Net gearing lower 0.91x as of end 2020,** vs 0.96x in 3Q20.

**Earnings revisions.** We have lowered our FY21F earnings by 14% to S\$716m, factoring losses for KOM.

## Keppel Corporation

### Segmental performance:

Segmental performance				FY19		FY20		Review and Outlook	
Segmental Breakdown									
Energy & Environment								<b>KOM</b> is the main contributor, reported net loss of S\$1.19bn, dragged by massive c.S\$1bn impairment in FY20. Operations were also affected by COVID.  Outlook remains very challenging. KOM secured ~S\$1bn new orders in FY20, of which ~65% is for renewable and LNG solutions. Orderbook stood at S\$3.3bn as at end 2020.  KOM has embarked on a transformation programme to adopt an asset light strategy that focuses on engineering, procurement and integration works, outsourcing lower value-adding repair and fabrication work. It also continues to pursue inorganic options for KOM.  <b>Keppel Infrastructure</b> contributed ~S\$144m (+12% y-o-y) in FY20, Keppel sold 3,340 homes in FY20, down from 5,150 in FY19. This excludes 8,200 en-bloc sale units. Sales of 9,590 overseas units worth S\$4.7bn to be recognised from 2021-2024.  <b>SSTEC</b> sold two plots of land in Tianjin and contributed S\$67m profit for FY20.  <b>Singapore home sales picked up</b> , mainly at the The Garden Residences; home sales were slower in China due to economic headwinds and lower sales in Vietnam due to slower approval for new launches, <b>M1 made S\$65m profit</b> in FY20, 11% lower than S\$73m in FY19.  This was partially offset by <b>Keppel Data Centres' loss of S\$12m</b> in FY20 (vs profit of S\$11m for FY19) due to absence of divestment gains; and <b>Keppel Logistics' loss of S\$22m</b> (narrower loss vs S\$26m in FY19) and <b>other losses of S\$18m</b> .  Keppel Data Centres continue to grow, <b>added two development projects in Singapore and China</b> .  <b>M1's</b> transformation is progressing well, continues to roll out 5G network. Net profit grew 31% y-o-y to S\$280m in FY20, of which <b>REITs and Trusts contributed S\$193m</b> , higher y-o-y due to reclassification gain of KIT; <b>Keppel Capital contributed S\$85m</b> (+6% y-o-y) and Private funds S\$2m.  Contribution of S\$74m came from Keppel DC REIT and private funds is now housed under Asset Management.  Keppel Capital's AUM grew by 12% to reach S\$37bn as at end 2020. Launched and achieved first close for several funds for real estate assets, data centres, infrastructure, education, logistics and a mezzanine debt platform; Completed over S\$7b of acquisitions and divestments in 2020	
Revenue	2,818	2,024	1,919	4,969	3,943				
Net Profit	-31	-958	-223	-101	-1,181				
Net margin	-1%	-47%	-12%	-2%	-30%				
Urban Development									
Revenue	708	511	764	1,336	1,275				
Net Profit	275	215	223	483	438				
Net margin	39%	42%	29%	36%	34%				
Connectivity									
Revenue	665	587	633	1,128	1,220				
Net Profit	18	0	13	136	13				
Net margin	3%	0%	2%	12%	1%				
Asset Management									
Revenue	73	60	75	145	135				
Net Profit	109	258	22	214	280				

Source: Company, DBS Bank

## Keppel Corporation

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**Executing Vision 2030; first wave - 100 Day plan completed; more waves ahead.** Keppel has announced >\$1.2bn of divestments since Oct-2020, in line with its 3-year target of \$3-5bn. It has pursued new growth opportunities, including renewable projects and launching new funds. It is now embarking on the second wave of initiatives.

**Strategic review of O&M – organic transformation including exit of rigbuilding business; continues to explore inorganic options.** KOM will be transformed into a nimble, asset-light and people-light **Operating Company (Op Co)**. Op Co will focus on seizing opportunities in the energy transition, such as floating infrastructure and infrastructure-like projects including renewables, gas solutions, new energy solutions and production assets. It will also collaborate with other Keppel business units to provide other urbanisation solutions such as offshore and nearshore infrastructure, and floating data centre parks.

The streamlined KOM operations could save ~\$90m operating cost per annum. Though we are wary of potential restructuring expenses and / or risk of fixed asset write downs.

**Exit rigbuilding business.** KOM will exit the offshore rigbuilding business, and progressively the low value-added repairs and other activities. It plans to move up the value chain by focusing on design, engineering and procurement with fabrication work subcontracted to third parties.

**Rig Co and Development Co.** Addressing the \$2.9bn of legacy completed and uncompleted rigs on its balance sheet by ring-fencing and putting them under Rig Co and Development Co (Dev Co) respectively.

Completed rigs in the Rig Co will be chartered out or sold depending on opportunities available. Rig Co can also be monetised or spun off when it is cash flow generating.

The Dev Co will focus on completing the uncompleted rigs, focusing on rigs that have firm contracts with customers. Completed rigs will either be delivered to customers or transferred to the Rig Co and put to work or sold.

Both the Rig Co and Dev Co are transient structures. They are projected to require net funding of about \$500m from the Group, mainly to complete the rigs.

**Keppel will continue to actively pursue inorganic options for KOM.**

**Strategic Review of Logistic business.** Keppel plans to divest, fully or partially, of Keppel Logistics in view of the low scalability under Keppel. It has received good interest from the market and first bids are expected in Feb-2021.

### Company Background

Keppel is a diversified conglomerate with its core businesses in property investments and development, offshore marine (O&M), and infrastructure-based activities in Singapore and the region. Property is the largest segment, contributing to bulk of its profits and more than half of its RNAV, followed by O&M. It possesses strong market leadership positions as a property developer in Singapore, China, Vietnam, Indonesia and India; and as a shipyard in offshore solutions particularly newbuilding rigs, FPSO conversion, FLNG conversion, renewable facilities as well as repair and construction of high-end specialised vessels.

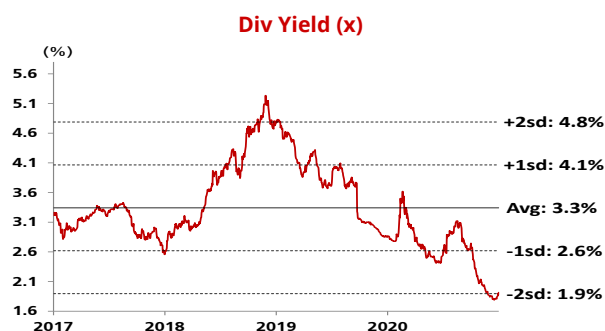
## Keppel Corporation

### Interim Income Statement (\$m)

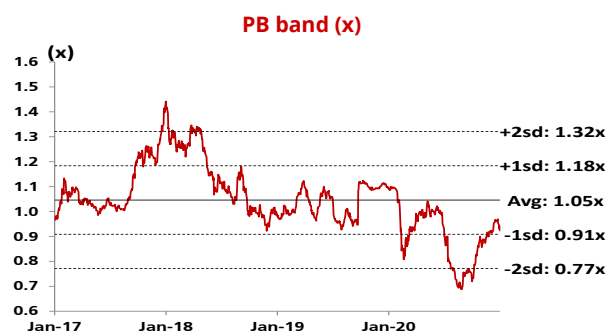
FY Dec	2H2019	1H2020	2H2020	% chg yoy	% chg hoh
Revenue	4,265	3,182	3,392	(20.5)	6.6
Cost of Goods Sold	(3,018)	(2,207)	(2,384)	(21.0)	8.0
<b>Gross Profit</b>	<b>1,246</b>	<b>976</b>	<b>1,007</b>	<b>(19.2)</b>	<b>3.3</b>
Other Oper. (Exp)/Inc	(851)	(1,125)	(850)	(0.2)	(24.5)
<b>Operating Profit</b>	<b>395</b>	<b>(149)</b>	<b>158</b>	<b>(60.0)</b>	<b>nm</b>
Other Non Opg (Exp)/Inc	24	12	17	(30.7)	37.0
Associates & JV Inc	113	(169)	6	(94.4)	nm
Net Interest (Exp)/Inc	(68)	(52)	(78)	(15.7)	(51.8)
Exceptional Gain/(Loss)	0	0	0	-	-
<b>Pre-tax Profit</b>	<b>464</b>	<b>(357)</b>	<b>103</b>	<b>(77.9)</b>	<b>nm</b>
Tax	(93)	(179)	(75)	(19.8)	(58.3)
Minority Interest	(21)	(1)	3	nm	nm
<b>Net Profit</b>	<b>351</b>	<b>(537)</b>	<b>31</b>	<b>(91.1)</b>	<b>nm</b>
Net profit bef Except.	351	(537)	31	(91.1)	nm
EBITDA	738	(105)	393	(46.7)	nm
<b>Margins (%)</b>					
Gross Margins	29.2	30.7	29.7		
Opg Profit Margins	9.3	(4.7)	4.7		
Net Profit Margins	8.2	(16.9)	0.9		

Source of all data: Company, DBS Bank

### Historical Div Yield and PB band]



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



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

## Keppel Corporation

### Key Assumptions

FY Dec	2018A	2019A	2020A	2021F	2022F
O&M order wins (\$\$ m)	1,730	2,067	1,000	1,500	1,500

### Segmental Breakdown

FY Dec	2019A	2020A	2021F	2022F
<b>Revenues (\$\$m)</b>				
Energy & Environment	4,969	3,943	4,648	4,300
Urban Development	1,336	1,275	1,370	1,508
Connectivity	1,128	1,220	1,147	1,202
Asset Management	145	135	150	160
<b>Total</b>	<b>7,580</b>	<b>6,574</b>	<b>7,316</b>	<b>7,169</b>
<b>Net Profit (\$\$m)</b>				
Energy & Environment	(101)	(1,181)	60.2	50.5
Urban Development	483	438	500	550
Connectivity	136	13.0	15.6	30.5
Asset Management	214	280	140	200
<b>Total</b>	<b>707</b>	<b>(506)</b>	<b>716</b>	<b>831</b>
<b>Net Profit Margins (%)</b>				
Energy & Environment	(2.0)	(30.0)	1.3	1.2
Urban Development	36.2	34.4	36.5	36.5
Connectivity	12.1	1.1	1.4	2.5
Asset Management	147.6	207.4	93.3	125.0
<b>Total</b>	<b>9.3</b>	<b>(7.7)</b>	<b>9.8</b>	<b>11.6</b>

### Income Statement (\$\$m)

FY Dec	2018A	2019A	2020A	2021F	2022F
Revenue	5,965	7,580	6,574	7,316	7,169
Cost of Goods Sold	(4,188)	(5,267)	(4,591)	(5,165)	(4,919)
Gross Profit	1,777	2,313	1,983	2,150	2,251
Other Opng (Exp)/Inc	(735)	(1,437)	(1,975)	(1,353)	(1,326)
Operating Profit	1,043	877	8.40	797	924
Other Non Opg (Exp)/Inc	9.99	64.6	29.4	14.6	14.3
Associates & JV Inc	222	147	(162)	270	344
Net Interest (Exp)/Inc	(34.2)	(135)	(130)	(136)	(184)
Exceptional Gain/(Loss)	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	1,240	953	(255)	946	1,098
Tax	(284)	(192)	(253)	(208)	(242)
Minority Interest	(12.3)	(54.2)	2.23	(22.1)	(25.7)
Preference Dividend	0.0	0.0	0.0	0.0	0.0
Net Profit	944	707	(506)	716	831
Net Profit before Except.	944	707	(506)	716	831
EBITDA	1,456	1,464	289	1,448	1,641
Growth					
Revenue Gth (%)	0.0	27.1	(13.3)	11.3	(2.0)
EBITDA Gth (%)	10.0	0.5	(80.3)	401.0	13.4
Opg Profit Gth (%)	30.2	(15.9)	(99.0)	9,387.2	16.0
Net Profit Gth (Pre-ex) (%)	15.8	(25.1)	nm	nm	16.1
Margins & Ratio					
Gross Margins (%)	29.8	30.5	30.2	29.4	31.4
Opg Profit Margin (%)	17.5	11.6	0.1	10.9	12.9
Net Profit Margin (%)	15.8	9.3	(7.7)	9.8	11.6
ROAE (%)	8.4	6.3	(4.6)	6.5	7.2
ROA (%)	3.4	2.4	(1.6)	2.2	2.5
ROCE (%)	4.0	3.2	0.0	2.5	2.9
Div Payout Ratio (%)	57.8	51.4	N/A	40.7	41.6
Net Interest Cover (x)	30.5	6.5	0.1	5.9	5.0

Source: Company, DBS Bank

**Interim Income Statement (\$\$m)**

FY Dec	2H2018	1H2019	2H2019	1H2020	2H2020
Revenue	2,972	3,315	4,265	3,182	3,392
Cost of Goods Sold	(2,062)	(2,248)	(3,018)	(2,207)	(2,384)
<b>Gross Profit</b>	<b>910</b>	<b>1,067</b>	<b>1,246</b>	<b>976</b>	<b>1,007</b>
Other Oper. (Exp)/Inc	(611)	(585)	(851)	(1,125)	(850)
<b>Operating Profit</b>	<b>299</b>	<b>482</b>	<b>395</b>	<b>(149)</b>	<b>158</b>
Other Non Op (Exp)/Inc	6.64	40.1	24.5	12.4	17.0
Associates & JV Inc	213	34.4	113	(169)	6.34
Net Interest (Exp)/Inc	(7.7)	(67.2)	(67.9)	(51.7)	(78.5)
Exceptional Gain/(Loss)	0.0	0.0	0.0	0.0	0.0
<b>Pre-tax Profit</b>	<b>510</b>	<b>489</b>	<b>465</b>	<b>(357)</b>	<b>103</b>
Tax	(137)	(99.3)	(93.0)	(179)	(74.6)
Minority Interest	(12.7)	(33.4)	(20.8)	(1.0)	3.23
<b>Net Profit</b>	<b>360</b>	<b>356</b>	<b>351</b>	<b>(537)</b>	<b>31.3</b>
Net profit bef Except.	360	356	351	(537)	31.3
EBITDA	610	726	738	(105)	393

**Growth**

Revenue Gth (%)	(0.7)	11.5	28.6	(25.4)	6.6
EBITDA Gth (%)	(27.9)	19.0	1.6	nm	nm
Op (Exp) Profit Gth (%)	(59.8)	61.2	(18.0)	(137.8)	(205.6)
Net Profit Gth (%)	(38.3)	(1.1)	(1.6)	(253.2)	(105.8)

**Margins**

Gross Margins (%)	30.6	32.2	29.2	30.7	29.7
Op (Exp) Profit Margins (%)	10.1	14.5	9.3	(4.7)	4.7
Net Profit Margins (%)	12.1	10.7	8.2	(16.9)	0.9

**Balance Sheet (\$\$m)**

FY Dec	2018A	2019A	2020A	2021F	2022F
Net Fixed Assets	2,373	3,166	2,716	2,650	2,592
Invts in Associates & JVs	6,239	6,351	5,991	6,311	6,705
Other LT Assets	###	7,506	9,011	9,011	9,011
Cash & ST Invts	2,108	1,899	2,614	2,401	2,741
Inventory	8,709	9,040	7,617	8,202	8,038
Debtors	2,702	2,748	2,531	2,816	2,760
Other Current Assets	347	611	1,627	1,627	1,627
<b>Total Assets</b>	<b>26,588</b>	<b>31,322</b>	<b>32,106</b>	<b>33,018</b>	<b>33,473</b>
ST Debt	1,481	4,555	4,433	4,433	4,433
Creditor	4,391	4,605	4,604	4,877	4,779
Other Current Liab	2,521	2,787	3,050	3,133	3,121
LT Debt	6,068	6,504	7,607	7,607	7,607
Other LT Liabilities	550	1,224	1,257	1,257	1,257
Shareholder's Equity	11,268	11,211	10,728	11,262	11,802
Minority Interests	309	435	427	450	475
<b>Total Cap. &amp; Liab.</b>	<b>26,588</b>	<b>31,322</b>	<b>32,106</b>	<b>33,018</b>	<b>33,473</b>
Non-Cash Wkg. Capital	4,846	5,008	4,120	4,635	4,525
Net Cash/(Debt)	(5,440)	(9,161)	(9,425)	(9,638)	(9,298)
Debtors Turn (avg days)	176.4	131.2	146.6	133.4	142.0
Creditors Turn (avg days)	460.7	335.6	402.3	360.5	386.5
Inventory Turn (avg days)	823.7	662.2	727.6	601.5	650.0
Asset Turnover (x)	0.2	0.3	0.2	0.2	0.2
Current Ratio (x)	1.7	1.2	1.2	1.2	1.2
Quick Ratio (x)	0.6	0.4	0.4	0.4	0.4
Net Debt/Equity (X)	0.5	0.8	0.8	0.8	0.8
Net Debt/Equity ex MI (X)	0.5	0.8	0.9	0.9	0.8
Capex to Debt (%)	3.3	4.5	4.0	2.5	2.5
Z-Score (X)	1.5	1.2	1.1	1.2	1.2

Source: Company, DBS Bank

## Keppel Corporation

### Cash Flow Statement (\$m)

FY Dec	2018A	2019A	2020A	2021F	2022F
Pre-Tax Profit	1,240	953	(255)	946	1,098
Dep. & Amort.	182	375	414	366	358
Tax Paid	(196)	(264)	(177)	(359)	(208)
Assoc. & JV Inc/(loss)	(222)	(147)	162	(270)	(344)
Chg in Wkg.Cap.	(196)	(1,437)	595	(364)	76.8
Other Operating CF	(684)	(306)	(536)	0.0	0.0
<b>Net Operating CF</b>	<b>125</b>	<b>(825)</b>	<b>202</b>	<b>319</b>	<b>981</b>
Capital Exp.(net)	(249)	(501)	(484)	(300)	(300)
Other Invt.(net)	1,048	(1,116)	332	0.0	0.0
Invt. in Assoc. & JV	(403)	(450)	(367)	(250)	(250)
Div from Assoc & JV	281	378	245	200	200
Other Investing CF	0.0	0.0	0.0	0.0	0.0
<b>Net Investing CF</b>	<b>677</b>	<b>(1,688)</b>	<b>(274)</b>	<b>(350)</b>	<b>(350)</b>
Div Paid	(546)	(430)	(297)	(182)	(291)
Chg in Gross Debt	(390)	3,050	1,081	0.0	0.0
Capital Issues	5.74	0.14	0.0	0.0	0.0
Other Financing CF	(117)	(274)	0.22	0.0	0.0
<b>Net Financing CF</b>	<b>(1,048)</b>	<b>2,346</b>	<b>784</b>	<b>(182)</b>	<b>(291)</b>
Currency Adjustments	(46.4)	(27.3)	(9.8)	0.0	0.0
Chg in Cash	(292)	(195)	702	(214)	340
Opg CFPS (S cts)	17.6	33.6	(21.5)	37.5	49.7
Free CFPS (S cts)	(6.8)	(72.9)	(15.5)	1.02	37.4

Source: Company, DBS Bank

### Target Price & Ratings History



S.No.	Date of Report	Closing Price	12-mth Target Price	Rating
1:	30 Apr 20	5.98	6.80	BUY
2:	29 May 20	5.91	6.80	BUY
3:	03 Aug 20	5.18	6.40	BUY
4:	11 Aug 20	4.80	5.50	HOLD
5:	30 Sep 20	4.45	5.50	BUY
6:	30 Oct 20	4.39	5.50	BUY

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

Source: DBS Bank

Analyst: Pei Hwa HO



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: 29 Jan 2021 10:48:17 (SGT)

Dissemination Date: 29 Jan 2021 11:13:57 (SGT)

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

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