

# China / Hong Kong Company Update

## Sino Land

Bloomberg: 83 HK EQUITY | Reuters: 0083.HK

Refer to important disclosures at the end of this report

DBS Group Research . Equity

18 Feb 2022

### BUY

Last Traded Price (17 Feb 2022): HK\$10.42 (HSI : 24,793)  
Price Target 12-mth: HK\$12.00 (15% upside)

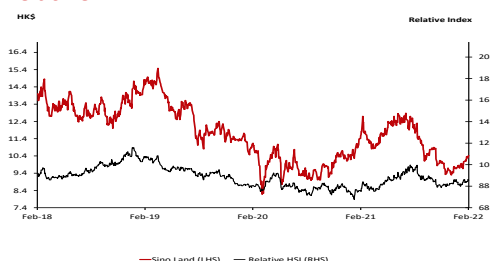
#### Analyst

Jeff Yau +852 36684180 jeff\_yau@dbs.com

#### What's New

- 1HFY22 underlying profit more than doubled to HK\$4.37bn, higher than our forecast due to stronger-than-expected development earnings growth
- Interim DPS rose 7% to HK\$0.15
- Financially sound to grow dividend and pursue land acquisitions
- BUY with HK\$12.0 TP

#### Price Relative



#### Forecasts and Valuation

FY Jun (HK\$ m)	2020A	2021A	2022F	2023F
Turnover	5,887	24,545	15,092	12,596
EBITDA	2,975	12,830	7,138	5,129
Pre-tax Profit	5,062	13,654	7,651	5,687
Underlying Profit	4,557	10,316	6,135	4,724
Underlying Profit Gth (%)	(2.4)	126.4	(40.5)	(23.0)
EPS (HK\$)	0.66	1.43	0.81	0.62
EPS Gth (%)	(5.4)	116.9	(43.6)	(23.0)
PE (X)	15.8	7.3	12.9	16.8
P/Cash Flow (X)	11.1	25.9	12.5	42.2
EV/EBITDA (X)	14.2	3.3	5.9	8.3
DPS (HK\$)	0.55	0.83	0.57	0.58
Div Yield (%)	5.3	8.0	5.5	5.6
Net Gearing (%)	CASH	CASH	CASH	CASH
ROE (%)	3.1	6.9	3.9	3.0
Est. NAV (HK\$):			23.2	23.9
Disc. to NAV (%)			(55)	(56)
Earnings Rev (%)			12	6
Consensus EPS (HK\$):			0.93	0.96
Other Broker Recs:		B: 6	S: 3	H: 4

Source of all data on this page: Company, DBS Bank (Hong Kong) Limited ("DBS HK"), Thomson Reuters

### Dividend growth a positive surprise

#### Investment Thesis

**BUY with HK\$12.0 TP.** The stock trades at 55% below our appraised current NAV and offers dividend yield of 5.5% for FY22. Its valuation is attractive in view of its impeccable balance sheet. Dividend hike adds to its investment appeal.

**Rich project launch pipeline.** Sino Land has received presale consent for the 121-unit One Central Place in Central. Pre-sale of Kam Sheung Road Station Package One, Lohas Park Package 11 and Wong Chuk Hang Station Package 4 are awaiting government approval. These projects are well-located, either adjacent to subway stations or close to the CBD.

**Impeccable balance sheet for growing dividends and replenishing land bank.** Despite the acquisition of a stake in a residential/commercial site in Singapore, Sino Land still has net cash holding of HK\$38.8bn. Thus, the company is well positioned to grow its dividends and pursue land banking with a focus in Hong Kong and the Greater Bay Area.

#### Valuation:

Our target price for Sino Land is based on a discount of 50% to our Dec-2022 NAV estimate.

#### Where we differ:

We believe the company will become more proactive in exploring acquisition opportunities in the year ahead.

#### Key Risks to Our View:

Any deterioration in property demand could drag its earnings and share price performance.

#### At A Glance

Issued Capital (m shrs)	7,396
Mkt Cap (HK\$/US\$m)	77,066 / 9,881
Major Shareholders (%)	
Tsim Sha Tsui Properties Ltd	54.6
Free Float (%)	45.4
3m Avg. Daily Val. (US\$m)	4.52
GICS Industry: Real Estate / Real Estate Management & Development	



Watchlist the stock on Insights Direct to receive prompt updates



Live more, Bank less

**Sino Land****WHAT'S NEW****Lifted by substantially higher development earnings**

Sino Land's 1HFY22 underlying profit more than doubled to HK\$4.37bn on higher development earnings. Despite increased earnings, interim DPS rose 7% to HK\$0.15, which came as a pleasant surprise.

Including those from joint ventures and associates, development profit was substantially higher at HK\$4.14bn. (1HFY21: HK\$808m) The bulk came from the selling Mayfair by the Sea 8 in Tai Po and remaining stock at Grand Central in Kwun Tong. The balance stemmed from the sales of 133 Portofino in Sai Kung, Dynasty Park Ph 3 in Zhangzhou, and car parks.

Mayfair by the Sea 8 is virtually sold out. Most of sold units have been handed over to the buyers with profit recognition in 1HFY22. On the other hand, Grand Central is 94% sold.

As of Dec-21, Sino Land had a net order book of HK\$12.4bn, of which HK\$2bn will be booked in 2HFY22 with the balance in FY23-24.

Gross rental income fell 2.4% to HK\$1.8bn in 1HFY22 as negative rental reversion was working its way through its office and retail portfolios. The overall occupancy rate was stable. While retail occupancy witnessed slight improvement, office occupancy remained under pressure.

To drive foot traffic and boost tenants' sales, promotion and marketing expenses increased. This led to a larger 4.4% y-o-y decline in net rental income.

Pre-leasing activities of One North in Yuen Long and Landmark South in Wong Chuk Hang have begun. Upon scheduled completion in FY23, these two commercial properties will provide a total attributable GFA of 0.6msf, which will augment rental earnings.

Sino Land has obtained pre-sale consent for the 121-unit One Central Place in Central. Given its close proximity to CBD, this URA redevelopment project should draw strong interest when it goes on sale after the current pandemic situation stabilises. Besides, the company is also applying for pre-sale consent of three joint venture residential projects at Kam Sheung Road Station, Lohas Park Station and Wong Chuk Hang Station. These projects are well-located which indicates strong marketability.

Hotel operations returned to profitability with modest operating profit of HK\$13m in 1HFY22 (1HFY21: operating loss was HK\$53m). This was led by improved performances from two Singapore hotels. Conrad Hong Kong also saw its average occupancy recovering to 32% in 1HFY22 from 1HFY21's 19% driven by staycation business. The Fullerton Sydney, however, was closed from late-Jul to mid-Oct 2021 because of lockdown of the city. The Fullerton Ocean Park Hotel, which offers 425 guest rooms, is scheduled to open in 2H22.

In Dec-21, Sino Land's net cash position remained strong at HK\$38.8bn, or HK\$30.3bn including net debt at the associates/joint venture level. Impeccable balance sheet strength puts the company in an advantageous position to pursue new investments for long-term growth and grow the dividend. In 2H21, the company teamed up with Far East Organisation (held by its ultimate parent Ng family) to win the tender for a residential/commercial site in Jalan Anak Bukit in Singapore for S\$1.028bn. Sino Land has a 20% stake in this joint venture. In Dec-21, Sino Land bought a 6.75% stake in Grand Victoria in Cheung Sha Wan from its project partner Shima Group, raising its stake in the project to 29.25%.

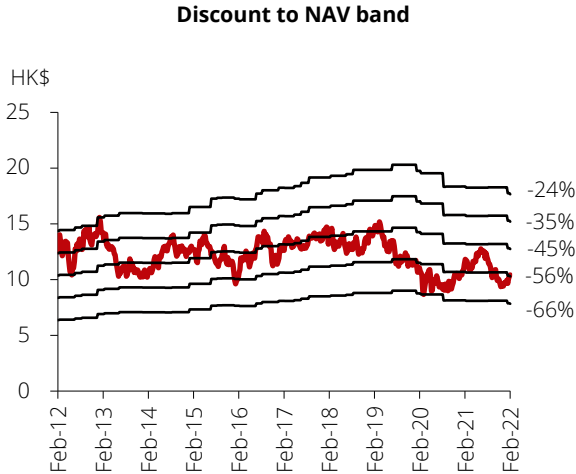
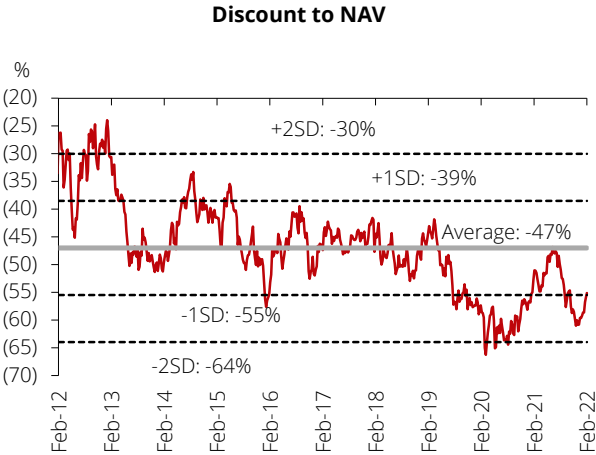
The stock is trading at a 55% discount to our assessed current NAV. Excluding its net cash holding, the remaining stub is trading at attractive 66% discount which should limit the downside risk on share price. Dividend hike could add to its investment appeal. Maintain BUY with HK\$12 TP. This is derived by assigning a 50% discount to our Dec-22 NAV estimate.

**Company Background**

Sino Land is engaged in property development and investment in Hong Kong and China. As of Dec-21, Sino Land has a development land bank of 7.5m sf in GFA, split into 3.5m sf in China, 3.8m sf in Hong Kong, and 0.2msf in Singapore. It also owns an investment property and hotel portfolio of 11.9m sf in GFA, mainly in Hong Kong.

Sino Land

Discount to NAV



Source: Bloomberg Finance L.P., DBS HK

## Sino Land

### Results Summary

FY Jun (HK\$m)	1HFY21	1HFY22	% Chg	Comments
Turnover	4,098	10,892	166	1HFY22: Driven by higher development income
Property sales	782	4,122	427	1HFY22: Mainly derived from Mayfair by the Sea 8 and Grand Central
Property rental	1,244	1,193	(4)	1HFY22: Dragged by negative rental reversion and higher marketing expenses
Property management and other services	230	104	(55)	
Hotel operations	(20)	27	<i>n.a.</i>	1HFY22: Increasing sales due to staycation packages, long-staying business travel, promotional programmes on F&B, as well as effective cost control measures
Investments in securities	2	8	262	
Financing	34	32	(6)	
Other income and other gains or losses	287	72	(75)	
Administrative expenses and other operating expenses	(468)	(528)	13	
Increase in fair value of investment properties	(535)	(88)	(84)	
Change in fair value of financial assets at FVTPL	0	(2)	<i>n.a.</i>	
Gain on disposal of investment properties	8	1	(87)	
Finance income, net	306	137	(55)	
Share of results of associates and joint ventures	(12)	248	<i>n.a.</i>	
- Property sales	26	14	(48)	
- Property rental	395	375	(5)	
- Property management and other services	9	9	9	
- Hotel operations	(32)	(14)	(57)	
- Investments in securities	0	0	0	
- Financing	5	4	(20)	
- Other income and other gains or losses	114	207	81	
- Administrative expenses and other operating expenses	(116)	(221)	91	
- Increase in fair value of investment properties	(301)	(35)	(89)	
- Finance costs, net	(16)	(54)	236	
- Income tax expense	(96)	(37)	(62)	
<b>Profit before taxation</b>	<b>1,858</b>	<b>5,327</b>	<b>187</b>	
Taxation	(575)	(935)	62	
Non-controlling interests	4	(167)	<i>n.a.</i>	1HFY22: Included profit attributable to minority shareholder of Grand Central
<b>Net profit</b>	<b>1,287</b>	<b>4,226</b>	<b>228</b>	
<b>Underlying profit</b>	<b>2,143</b>	<b>4,368</b>	<b>104</b>	

Source: Sino Land

## Sino Land

### Key Assumptions (%)

	2022F	2023F
Residential price - HK	0	2
Office rental - HK	0	0
Retail rental (Shopping Centre) - HK	5	5

Source: DBS HK

### Segmental Breakdown (HK\$ m)

FY Jun	2019A	2020A	2021A	2022F	2023F
<b>Revenues (HK\$ m)</b>					
Property sales	2,542	864	20,224	10,652	7,733
Property rental	3,327	3,162	2,819	2,757	2,923
Hotel operations	934	611	263	405	626
Property management and other services	1,098	1,147	1,152	1,187	1,223
Investments in securities	48	33	20	24	24
Financing	61	70	68	68	68
<b>Total</b>	<b>8,010</b>	<b>5,887</b>	<b>24,545</b>	<b>15,092</b>	<b>12,596</b>

Source: DBS HK

### Income Statement (HK\$ m)

FY Jun	2019A	2020A	2021A	2022F	2023F
Turnover	8,010	5,887	24,545	15,092	12,596
EBITDA	3,700	2,975	12,830	7,138	5,129
Depr / Amort	(122)	(186)	(186)	(194)	(201)
<b>EBIT</b>	<b>3,578</b>	<b>2,789</b>	<b>12,644</b>	<b>6,945</b>	<b>4,928</b>
Associates Inc	1,003	943	459	483	559
Interest (Exp)/Inc	581	993	525	223	200
Exceptionals	172	336	27	0	0
<b>Pre-tax Profit</b>	<b>5,334</b>	<b>5,062</b>	<b>13,654</b>	<b>7,651</b>	<b>5,687</b>
Tax	(632)	(487)	(2,504)	(1,290)	(846)
Non-controlling Interest	(31)	(17)	(834)	(225)	(117)
<b>Underlying Profit</b>	<b>4,671</b>	<b>4,557</b>	<b>10,316</b>	<b>6,135</b>	<b>4,724</b>
Sales Gth (%)	(25)	(27)	317	(39)	(17)
Net Profit Gth (%)	(58)	(2)	126	(41)	(23)
EBITDA Margins (%)	46	51	52	47	41
EBIT Margin (%)	45	47	52	46	39
Tax Rate (%)	12	10	18	17	15

Source: DBS HK

## Sino Land

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

<b>FY Jun</b>	<b>2019A</b>	<b>2020A</b>	<b>2021A</b>	<b>2022F</b>	<b>2023F</b>
Fixed Assets	67,147	64,564	64,349	64,255	65,619
Long-term Investments	861	675	893	893	893
Other LT Assets	3,350	3,367	3,478	3,478	3,478
Associates/JVs	34,847	37,727	38,188	43,675	44,666
Bank Balance/Cash & Liquid	39,074	43,664	44,134	39,940	38,158
ST Investments	12	9	10	10	10
Inventory	27,620	30,912	23,162	24,195	27,573
Debtors	1,241	1,565	1,670	1,620	1,570
Other Non Cash Current	6,598	4,242	5,833	5,833	5,833
<b>Total Assets</b>	<b>180,748</b>	<b>186,724</b>	<b>181,715</b>	<b>183,899</b>	<b>187,799</b>
ST Debt	0	832	2,845	2,845	2,845
Creditors	4,967	4,974	5,120	5,270	5,320
Other Current Liab	20,418	26,513	10,001	10,001	10,001
LT Debt	5,027	4,418	2,406	2,406	4,406
Deferred Tax Liabilities	2,445	2,488	2,647	2,647	2,647
Other LT Liabilities	1,729	1,739	1,888	1,888	1,888
Non-controlling Interests	868	843	1,649	1,649	1,649
Shareholder's Equity	145,294	144,916	155,160	157,194	159,044
<b>Total Cap. &amp; Liab.</b>	<b>180,748</b>	<b>186,724</b>	<b>181,715</b>	<b>183,899</b>	<b>187,799</b>
Share Capital (m)	6,817	7,045	7,396	7,615	7,615
Net Cash/(Debt)	34,047	38,414	38,883	34,690	30,907
Working Capital	49,159	48,072	56,843	53,483	54,978
Net Gearing (%)	CASH	CASH	CASH	CASH	CASH

Source: DBS HK

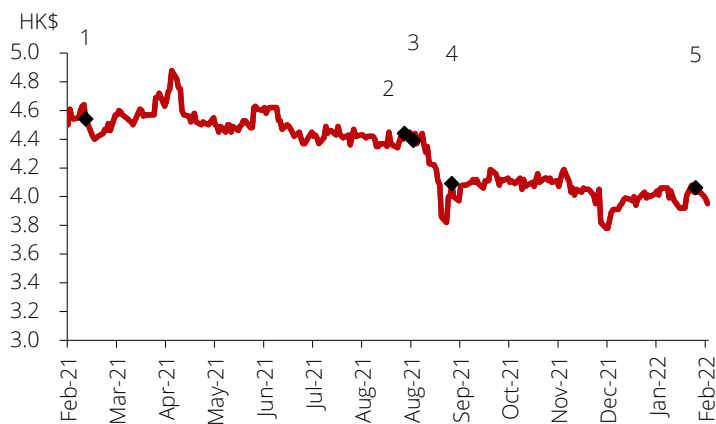
**Cash Flow Statement (HK\$ m)**

<b>FY Jun</b>	<b>2019A</b>	<b>2020A</b>	<b>2021A</b>	<b>2022F</b>	<b>2023F</b>
EBIT	3,578	2,789	12,644	6,945	4,928
Tax Paid	(1,803)	(597)	(689)	(1,290)	(846)
Depr/Amort	122	186	186	194	201
Profit or loss on disposal of FAs/subsidiaries/investment	(172)	(195)	484	0	0
Chg in Wkg.Cap	12,484	3,685	(10,423)	(815)	(3,248)
Other Non-Cash	35	25	16	0	0
<b>Operating CF</b>	<b>14,244</b>	<b>5,893</b>	<b>2,218</b>	<b>5,033</b>	<b>1,035</b>
Net Capex	(25)	(1)	(88)	(100)	(99)
Investments	0	(107)	(104)	0	0
Associates & JVs	448	753	(1,718)	(5,488)	(990)
Associates' Dividends	604	2,546	1,413	483	559
Others	(8,596)	(34)	4,742	270	270
<b>Investing CF</b>	<b>(7,569)</b>	<b>3,157</b>	<b>4,245</b>	<b>(4,835)</b>	<b>(260)</b>
Net Chg in Debt	2,647	221	0	0	2,000
Non-controlling interests	(295)	(106)	42	0	0
New Capital	0	0	0	0	0
Dividend	(905)	(1,299)	(531)	(4,327)	(4,457)
Other Financing CF	564	(1,145)	(667)	(65)	(100)
<b>Financing CF</b>	<b>2,011</b>	<b>(2,330)</b>	<b>(1,156)</b>	<b>(4,392)</b>	<b>(2,557)</b>
Chg in Cash	8,686	6,721	5,307	(4,194)	(1,783)

Source: DBS HK

**Sino Land**

**Target Price & Ratings History**



S.No.	Date	Closing Price	12-mth Target Price	Rating
1:	26-Feb-21	HK\$12.36	HK\$13.24	Buy
2:	27-Aug-21	HK\$12.30	HK\$13.60	Buy
3:	1-Sep-21	HK\$11.46	HK\$13.60	Buy
4:	23-Sep-21	HK\$10.26	HK\$12.15	Buy
5:	9-Feb-22	HK\$9.66	HK\$12.00	Buy

Source: DBS HK  
Analyst: Jeff Yau

## Sino Land

DBS HK 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: 18 Feb 2022 11:15:20 (HKT)

Dissemination Date: 18 Feb 2022 11:26:33 (HKT)

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

### GENERAL DISCLOSURE/DISCLAIMER

**This report is prepared by DBS Bank (Hong Kong) Limited ("DBS HK").** This report is solely intended for the clients of DBS Bank Ltd., DBS HK, DBS Vickers (Hong Kong) Limited ("DBSV HK"), and DBS Vickers Securities (Singapore) Pte Ltd. ("DBSVS"), its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBS HK.

The research set out in this report is based on information obtained from sources believed to be reliable, but we (which collectively refers to DBS Bank Ltd., DBS HK, DBSV HK, DBSVS, its respective connected and associated corporations, affiliates and their respective directors, officers, employees and agents (collectively, the "DBS Group") have not conducted due diligence on any of the companies, verified any information or sources or taken into account any other factors which we may consider to be relevant or appropriate in preparing the research. Accordingly, we do not make any representation or warranty as to the accuracy, completeness or correctness of the research set out in this report. Opinions expressed are subject to change without notice. This research is prepared for general circulation. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees, who should obtain separate independent legal or financial advice. The DBS Group accepts no liability whatsoever for any direct, indirect and/or consequential loss (including any claims for loss of profit) arising from any use of and/or reliance upon this document and/or further communication given in relation to this document. This document is not to be construed as an offer or a solicitation of an offer to buy or sell any securities. The DBS Group, along with its affiliates and/or persons associated with any of them may from time to time have interests in the securities mentioned in this document. The DBS Group, may have positions in, and may effect transactions in securities mentioned herein and may also perform or seek to perform broking, investment banking and other banking services for these companies.

Any valuations, opinions, estimates, forecasts, ratings or risk assessments herein constitutes a judgment as of the date of this report, and there can be no assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments. The information in this document is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed, it may not contain all material information concerning the company (or companies) referred to in this report and the DBS Group is under no obligation to update the information in this report.

This publication has not been reviewed or authorized by any regulatory authority in Singapore, Hong Kong or elsewhere. There is no planned schedule or frequency for updating research publication relating to any issuer.

The valuations, opinions, estimates, forecasts, ratings or risk assessments described in this report were based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies. It can be expected that one or more of the estimates on which the valuations, opinions, estimates, forecasts, ratings or risk assessments were based will not materialize or will vary significantly from actual results. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings or risk assessments described herein IS NOT TO BE RELIED UPON as a representation and/or warranty by the DBS Group (and/or any persons associated with the aforesaid entities), that:

- (a) such valuations, opinions, estimates, forecasts, ratings or risk assessments or their underlying assumptions will be achieved, and
- (b) there is any assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments stated therein.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets. Any assumptions made in this report that refers to commodities, are for the purposes of making forecasts for the company (or companies) mentioned herein. They are not to be construed as recommendations to trade in the physical commodity or in the futures contract relating to the commodity referred to in this report.

DBS Vickers Securities (USA) Inc ("DBSVUSA"), a US-registered broker-dealer, does not have its own investment banking or research department, has not participated in any public offering of securities as a manager or co-manager or in any other investment banking transaction in the past twelve months and does not engage in market-making.



Neither DBS Bank Ltd nor DBS HK market makes in equity securities of the issuer(s) or company(ies) mentioned in this Research Report.

#### ANALYST CERTIFICATION

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible for the content of this research report, in part or in whole, certifies that he or his associate<sup>1</sup> does not serve as an officer of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant) and the research analyst(s) primarily responsible for the content of this research report or his associate does not have financial interests<sup>2</sup> in relation to an issuer or a new listing applicant that the analyst reviews. DBS Group has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the DBS Group and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of DBS Group's compensation to any specific investment banking function of the DBS Group.

#### COMPANY-SPECIFIC / REGULATORY DISCLOSURES

1. DBS Bank Ltd, DBS HK, DBSVS or their subsidiaries and/or other affiliates have a proprietary position in Sino Land Co Ltd (83 HK) recommended in this report as of 16 Feb 2022.
2. **Compensation for investment banking services:**  
DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have received compensation, within the past 12 months for investment banking services from Far East Consortium International Ltd (35 HK) as of 31 Jan 2022.
3. DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have managed or co-managed a public offering of securities for Far East Consortium International Ltd (35 HK) in the past 12 months, as of 31 Jan 2022.


DBSVUSA does not have its own investment banking or research department, nor has it participated in any public offering of securities as a manager or co-manager or in any other investment banking transaction in the past twelve months. Any US persons wishing to obtain further information, including any clarification on disclosures in this disclaimer, or to effect a transaction in any security discussed in this document should contact DBSVUSA exclusively.

4. **Disclosure of previous investment recommendation produced:**  
DBS Bank Ltd, DBSVS, DBS HK, their subsidiaries and/or other affiliates of DBSVUSA may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed on page 1 of this report to view previous investment recommendations published by DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA in the preceding 12 months.

<sup>1</sup> An associate is defined as (i) the spouse, or any minor child (natural or adopted) or minor step-child, of the analyst; (ii) the trustee of a trust of which the analyst, his spouse, minor child (natural or adopted) or minor step-child, is a beneficiary or discretionary object; or (iii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

<sup>2</sup> Financial interest is defined as interests that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

## RESTRICTIONS ON DISTRIBUTION

<b>General</b>	This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.
<b>Australia</b>	<p>This report is being distributed in Australia by DBS Bank Ltd, DBSVS or DBSV HK. DBS Bank Ltd holds Australian Financial Services Licence no. 475946.</p> <p>DBS Bank Ltd, DBSVS and DBSV HK are exempted from the requirement to hold an Australian Financial Services Licence under the Corporation Act 2001 ("CA") in respect of financial services provided to the recipients. Both DBS Bank Ltd and DBSVS are regulated by the Monetary Authority of Singapore under the laws of Singapore, and DBSV HK is regulated by the Hong Kong Securities and Futures Commission under the laws of Hong Kong, which differ from Australian laws.</p> <p>Distribution of this report is intended only for "wholesale investors" within the meaning of the CA.</p>
<b>Hong Kong</b>	This report is being distributed in Hong Kong by DBS Bank Ltd, DBS Bank (Hong Kong) Limited and DBS Vickers (Hong Kong) Limited, all of which are registered with or licensed by the Hong Kong Securities and Futures Commission to carry out the regulated activity of advising on securities. DBS Bank Ltd., Hong Kong Branch is a limited liability company incorporated in Singapore.
<b>Indonesia</b>	This report is being distributed in Indonesia by PT DBS Vickers Sekuritas Indonesia.
<b>Malaysia</b>	<p>This report is distributed in Malaysia by AllianceDBS Research Sdn Bhd ("ADBSR"). Recipients of this report, received from ADBSR are to contact the undersigned at 603-2604 3333 in respect of any matters arising from or in connection with this report. In addition to the General Disclosure/Disclaimer found at the preceding page, recipients of this report are advised that ADBSR (the preparer of this report), its holding company Alliance Investment Bank Berhad, their respective connected and associated corporations, affiliates, their directors, officers, employees, agents and parties related or associated with any of them may have positions in, and may effect transactions in the securities mentioned herein and may also perform or seek to perform broking, investment banking/corporate advisory and other services for the subject companies. They may also have received compensation and/or seek to obtain compensation for broking, investment banking/corporate advisory and other services from the subject companies.</p> <p style="text-align: right;"> Wong Ming Tek, Executive Director, ADBSR</p>
<b>Singapore</b>	This report is distributed in Singapore by DBS Bank Ltd (Company Regn. No. 196800306E) or DBSVS (Company Regn No. 198600294G), both of which are Exempt Financial Advisers as defined in the Financial Advisers Act and regulated by the Monetary Authority of Singapore. DBS Bank Ltd and/or DBSVS, may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, DBS Bank Ltd accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact DBS Bank Ltd at 6878 8888 for matters arising from, or in connection with the report.
<b>Thailand</b>	<p>This report is being distributed in Thailand by DBS Vickers Securities (Thailand) Co Ltd.</p> <p>For any query regarding the materials herein, please contact [Chanpen Sirithanarattanaku] at [research@th.dbs.com]</p>
<b>United Kingdom</b>	<p>This report is produced by DBS HK which is regulated by the Hong Kong Monetary Authority</p> <p>This report is disseminated in the United Kingdom by DBS Vickers Securities (UK) Ltd ("DBSVUK"). DBSVUK is authorised and regulated by the Financial Conduct Authority in the United Kingdom.</p> <p>In respect of the United Kingdom, this report is solely intended for the clients of DBSVUK, its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBSVUK. This communication is directed at persons having professional experience in matters relating to investments. Any investment activity following from this communication will only be engaged in with such persons. Persons who do not have professional experience in matters relating to investments should not rely on this communication.</p>

<p><b>Dubai International Financial Centre / United Arab Emirates</b></p>	<p>This communication is provided to you as a Professional Client or Market Counterparty as defined in the DFSA Rulebook Conduct of Business Module (the "COB Module"), and should not be relied upon or acted on by any person which does not meet the criteria to be classified as a Professional Client or Market Counterparty under the DFSA rules.</p> <p>This communication is from the branch of DBS Bank Ltd operating in the Dubai International Financial Centre (the "DIFC") under the trading name "DBS Bank Ltd. (DIFC Branch)" ("DBS DIFC"), registered with the DIFC Registrar of Companies under number 156 and having its registered office at units 608 - 610, 6th Floor, Gate Precinct Building 5, PO Box 506538, DIFC, Dubai, United Arab Emirates.</p> <p>DBS DIFC is regulated by the Dubai Financial Services Authority (the "DFSA") with a DFSA reference number F000164. For more information on DBS DIFC and its affiliates, please see <a href="http://www.dbs.com/ae/our--network/default.page">http://www.dbs.com/ae/our--network/default.page</a>.</p> <p>Where this communication contains a research report, this research report is prepared by the entity referred to therein, which may be DBS Bank Ltd or a third party, and is provided to you by DBS DIFC. The research report has not been reviewed or authorised by the DFSA. Such research report is distributed on the express understanding that, whilst the information contained within is believed to be reliable, the information has not been independently verified by DBS DIFC.</p> <p>Unless otherwise indicated, this communication does not constitute an "Offer of Securities to the Public" as defined under Article 12 of the Markets Law (DIFC Law No.1 of 2012) or an "Offer of a Unit of a Fund" as defined under Article 19(2) of the Collective Investment Law (DIFC Law No.2 of 2010).</p> <p>The DFSA has no responsibility for reviewing or verifying this communication or any associated documents in connection with this investment and it is not subject to any form of regulation or approval by the DFSA. Accordingly, the DFSA has not approved this communication or any other associated documents in connection with this investment nor taken any steps to verify the information set out in this communication or any associated documents, and has no responsibility for them. The DFSA has not assessed the suitability of any investments to which the communication relates and, in respect of any Islamic investments (or other investments identified to be Shari'a compliant), neither we nor the DFSA has determined whether they are Shari'a compliant in any way.</p> <p>Any investments which this communication relates to may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on any investments. If you do not understand the contents of this document you should consult an authorised financial adviser.</p>
<p><b>United States</b></p>	<p>This report was prepared by DBS HK. DBSVUSA did not participate in its preparation. The research analyst(s) named on this report are not registered as research analysts with FINRA and are not associated persons of DBSVUSA. The research analyst(s) are not subject to FINRA Rule 2241 restrictions on analyst compensation, communications with a subject company, public appearances and trading securities held by a research analyst. This report is being distributed in the United States by DBSVUSA, which accepts responsibility for its contents. This report may only be distributed to Major U.S. Institutional Investors (as defined in SEC Rule 15a-6) and to such other institutional investors and qualified persons as DBSVUSA may authorize. Any U.S. person receiving this report who wishes to effect transactions in any securities referred to herein should contact DBSVUSA directly and not its affiliate.</p>
<p><b>Other jurisdictions</b></p>	<p>In any other jurisdictions, except if otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.</p>

**DBS Bank (Hong Kong) Limited**

13<sup>th</sup> Floor One Island East, 18 Westlands Road, Quarry Bay, Hong Kong

Tel: (852) 3668-4181, Fax: (852) 2521-1812

**Sino Land**

---

**DBS Regional Research Offices**

---

**HONG KONG**

**DBS Bank (Hong Kong) Ltd**

**Contact: Carol Wu**

13th Floor One Island East,

18 Westlands Road, Quarry Bay, Hong Kong

Tel: 852 3668 4181

Fax: 852 2521 1812

e-mail: [dbsvhk@dbs.com](mailto:dbsvhk@dbs.com)

**MALAYSIA**

**AllianceDBS Research Sdn Bhd**

**Contact: Wong Ming Tek (128540 U)**

19th Floor, Menara Multi-Purpose, Capital Square,

8 Jalan Munshi Abdullah 50100, Kuala Lumpur, Malaysia.

Tel.: 603 2604 3333

Fax: 603 2604 3921

e-mail: [general@alliancedbs.com](mailto:general@alliancedbs.com)

Co. Regn No. 198401015984 (128540-U)

**SINGAPORE**

**DBS Bank Ltd**

**Contact: Janice Chua**

12 Marina Boulevard,

Marina Bay Financial Centre Tower 3

Singapore 018982

Tel: 65 6878 8888

e-mail: [groupresearch@dbs.com](mailto:groupresearch@dbs.com)

Company Regn. No. 196800306E

**INDONESIA**

**PT DBS Vickers Sekuritas (Indonesia)**

**Contact: Maynard Priajaya Arif**

DBS Bank Tower

Ciputra World 1, 32/F

Jl. Prof. Dr. Satrio Kav. 3-5

Jakarta 12940, Indonesia

Tel: 62 21 3003 4900

Fax: 6221 3003 4943

e-mail: [indonesiaresearch@dbs.com](mailto:indonesiaresearch@dbs.com)

**THAILAND**

**DBS Vickers Securities (Thailand) Co Ltd**

**Contact: Chanpen Sirithanarattanakul**

989 Siam Piwat Tower Building,

9th, 14th-15th Floor

Rama 1 Road, Pathumwan,

Bangkok Thailand 10330

Tel. 66 2 857 7831

Fax: 66 2 658 1269

e-mail: [research@th.dbs.com](mailto:research@th.dbs.com)

Company Regn. No 0105539127012

Securities and Exchange Commission, Thailand