

# Singapore Company Update

## Silverlake Axis

Bloomberg: SILV SP | Reuters: SLVX.SI

Refer to important disclosures at the end of this report

DBS Group Research . Equity

15 Feb 2022

### BUY

Last Traded Price (14 Feb 2022): S\$0.270 (STI : 3,421.20)  
Price Target 12-mth: S\$0.39 (45% upside) (Prev S\$0.38)

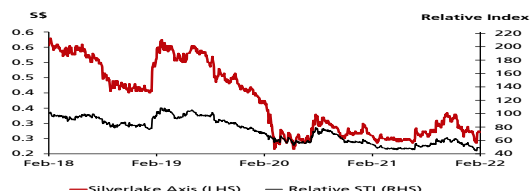
#### Analyst

Lee Keng LING +65 6682 3703 leekeng@dbs.com

#### What's New

- 2Q22 results above expectations; strongest quarterly revenue recorded on higher project revenue
- Continued growth in total recurring revenue; strong gross margin
- Improving outlook with healthy deal pipeline; secured revenue backlog of c.80% for FY22
- Revised up FY22F/23F earnings by 9%/8%; maintain BUY with S\$0.39 TP

#### Price Relative



#### Forecasts and Valuation

FY Jun (RMm)	2020A	2021A	2022F	2023F
Revenue	664	626	700	734
EBITDA	278	235	287	299
Pre-tax Profit	213	187	248	260
Net Profit	185	143	169	177
Net Pft (Pre Ex.)	185	143	169	177
Net Pft Gth (Pre-ex) (%)	(2.8)	(22.5)	18.0	4.8
EPS (S cts)	2.20	1.78	2.10	2.20
EPS Pre Ex. (S cts)	2.20	1.78	2.10	2.20
EPS Gth Pre Ex (%)	(3)	(19)	18	5
Diluted EPS (S cts)	2.20	1.78	2.10	2.20
Net DPS (S cts)	0.90	0.50	0.63	0.66
BV Per Share (S cts)	8.90	13.1	14.6	16.1
PE (X)	12.3	15.2	12.9	12.3
PE Pre Ex. (X)	12.3	15.2	12.9	12.3
P/Cash Flow (X)	10.8	11.0	14.5	10.4
EV/EBITDA (X)	5.7	6.2	4.8	4.1
Net Div Yield (%)	3.3	1.9	2.3	2.4
P/Book Value (X)	3.0	2.1	1.9	1.7
Net Debt/Equity (X)	CASH	CASH	CASH	CASH
ROAE (%)	27.6	15.9	15.1	14.3
Earnings Rev (%):			9	8
Consensus EPS (S cts):			2.10	2.30
Other Broker Recs:		B: 2	S: 0	H: 1

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

### Improving outlook

#### Investment Thesis:

**Project-related revenue growing on improving outlook.** License and project revenues, which have been challenging over the last two years, have exhibited a strong recovery, as evidenced from the 1H22 results. The banking business continues to be the key contributor. With the rising interest rate environment, which is beneficial to banks, coupled with the gradual recovery of the global economy, we can expect more contract wins going forward. MOBIUS, the new open banking platform, could be a gamechanger and is expected to see a higher adoption rate, while the existing core banking system remains the key contributor currently, due to the stability of the system.

**Continued growth in recurring revenue with impressive margin.** We like Silverlake for its high recurring revenue contribution of at least 60% of the total, and impressive gross margin of c.60%. In 1H22, recurring revenue formed 75% of total revenue while gross margin came in at 60.4%.

#### Valuation:

**Maintain BUY with a slightly higher TP of S\$0.39,** pegged to the four-year average PE of 18x (previously 19x). Global peers are trading at average forward PE multiples of 24x and 21x over the next two years.

#### Where we differ:

**More optimistic – expect recurring income to expand further.** We remain optimistic on Silverlake's business given its market leader position in the core banking solutions segment. Digitalisation has now become a necessity instead of something good to have.

#### Key Risks to Our View:

**1) Slowdown in IT spending** on the back of the weak global economy could lead to a lower orderbook and **2) concerns on corporate governance issues.** Related party transactions with Mr. Goh's private companies over the past few years have raised concerns on corporate governance.

#### At A Glance

Issued Capital (m shrs)	2,570
Mkt. Cap (S\$m/US\$m)	694 / 515
Major Shareholders (%)	
Goh Peng Ooi	71.4
Ntasian Discovery Master Fund	5.1
Free Float (%)	23.5
3m Avg. Daily Val (US\$m)	0.42
<b>GIC Industry:</b> Information Technology / Software & Services	



Watchlist the stock on Insights Direct to receive prompt updates



Live more, Bank less

## WHAT'S NEW

### 2Q22 results above expectations; strongest quarterly revenue recorded

#### Results Highlights

**2Q22 results above expectations; strongest quarterly revenue recorded.** 2Q22 revenue of RM206.5m was up 28% y-o-y and 35% q-o-q. This was mainly driven by project-related revenue. Software licensing revenue and software project services jumped 145% and 71% y-o-y, respectively.

For 1H22, the increase was 81% y-o-y for licencing revenue, contributed by the delivery of new software licensing contracts and banking deals secured in Indonesia and Thailand. Revenue for software project services was up 40% y-o-y, mainly due to the ongoing implementation of two new MOBIUS contracts, which accounted for 40% of total project services revenue and progressive revenue contributed from other ongoing projects.

**Continued growth in total recurring revenue.** Total recurring revenue accounts for 75% of the group's revenue for 1H122. The maintenance and enhancement services, which account for the bulk of the recurring revenue, were up 7%, after a 5% gain in 2H21.

The insurance processing segment saw a 3% drop in revenue y-o-y for 1H22, mainly due to lower claims processing activities as a result of the prolonged pandemic and varying degrees of lockdowns. This trend is expected to improve with relaxing restrictions, as vaccination rates increased.

**Strong gross margin; 2Q22 net profit above expectations.** The gross profit margin of 62.4% for 2Q22 was strong, partly due to a higher contribution from the higher margin project-related segment. 1H22 margin of 60.4% is higher than the 58.3% recorded for 2H21. 1H22 net profit of RM94.7m was up 40% y-o-y and accounts for 61% of our FY22F projection, above expectations.

**Healthy deal pipeline; secured revenue backlog of c.80% for FY22.** The deal pipeline is healthy at RM1.3bn with 2Q22 contract wins of RM176.1m and total wins for 1H22 at RM300m – which is 43% higher compared to 2Q21 and an increase of 80% over 1H21.

Out of the total deal pipeline, deals valued at RM181m have a high probability of closure. Secured FY2022 revenue/secured backlog is currently about 80%.

#### Revenue breakdown by business activities

(RMm)	1H22	1H21	Change (%)
Software licensing	40.3	22.3	81%
Software project services	41.9	29.9	40%
Maintenance and enhancement services	252.2	236.5	7%
Sales of software and hardware products	5.9	1.96	202%
Insurance processing	17.5	18.1	-3%
Retail transaction processing	0.7	0	-
<b>TOTAL</b>	<b>358.5</b>	<b>308.8</b>	<b>16%</b>

Source: Company, DBS Bank

#### Outlook

**Improving outlook.** License and project revenues, which have been challenging over the last two years, have exhibited a strong recovery, as evidenced from the 1H22 results. The banking business continues to be the key contributor. With the rising interest rate environment, which is beneficial to banks, coupled with the gradual recovery of the global economy, we can expect more contract wins going forward. Higher project revenue would also help to build on the recurring maintenance and enhancement services.

**MOBIUS, the next-generation open banking platform, to see higher adoption rate.** After onboarding a tier 1 client, Silverlake is expecting to see an accelerated adoption of its cloud-based MOBIUS going forward. The current core banking platforms that banks use can last three to five years. The group's technology (MOBIUS) is future proof, at least for the next 15-20 years.

**Existing core banking system is still the key contributor.** Though revenue contribution from cloud-based business has increased to 13% of total revenue from 6% in 1H21, the existing core banking system is still the key contributor due to the stability of the system.

**Opportunity to participate in Malaysia's digital banking.** Silverlake is also working with three other bidders for the Malaysia digital bank licence, to provide technical support for the core banking system. With a market share of over 40% in the core banking system space in Southeast Asia, we believe Silverlake stands a chance to participate in the

## Silverlake Axis

implementation of digital banks in Malaysia, though contract values may not be big. The bidding result is expected to be released in 1Q22.

**Revised up earnings for FY22F/FY23F by 9%/8%**, as we are now expecting higher contribution from project revenue on the back of the improving outlook. Our TP is now S\$0.39 (previously S\$0.38), pegged to the four-year average PE of 18x (previously 19x). Maintain BUY.

### Company Background

Silverlake Axis (Silverlake) is the market leader in core banking software in ASEAN where it deploys its proprietary software to major organisations in the banking, insurance, payments, retail, and logistics industries. It is also an insurtech market leader in providing collaborative and information exchange platforms for the insurance industry.

### Interim Income Statement (RMm)

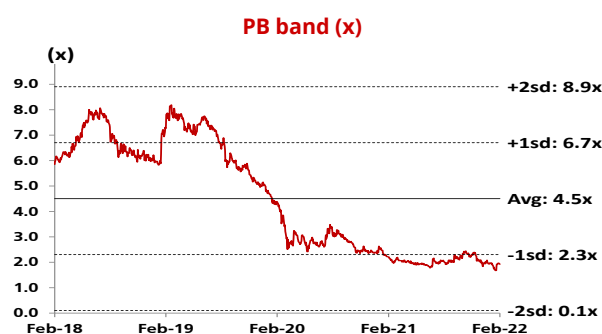
FY Jun	1H2021	2H2021	1H2022	% chg y-o-y	% chg h-o-h
Revenue	308	318	359	16.3	12.8
Cost of Goods Sold	(117)	(133)	(142)	21.9	7.1
<b>Gross Profit</b>	<b>192</b>	<b>185</b>	<b>216</b>	<b>12.9</b>	<b>16.9</b>
Other Oper. (Exp)/Inc	(75)	(104)	(85)	13.8	(18.1)
<b>Operating Profit</b>	<b>117</b>	<b>81</b>	<b>131</b>	<b>12.3</b>	<b>61.9</b>
Other Non Opg (Exp)/Inc	-	-	-	nm	nm
Associates & JV Inc	0	1	0	-	nm
Net Interest (Exp)/Inc	(12)	(1)	0	98.9	85.2
Exceptional Gain/(Loss)	-	-	-	-	-
<b>Pre-tax Profit</b>	<b>105</b>	<b>81</b>	<b>131</b>	<b>24.4</b>	<b>61.2</b>
Tax	(38)	(6)	(36)	(4.0)	529.2
Minority Interest	0	0	0	nm	(13.5)
<b>Net Profit</b>	<b>68</b>	<b>76</b>	<b>95</b>	<b>40.3</b>	<b>25.4</b>
Net profit bef Except.	68	76	95	40.3	25.4
EBITDA	136	101	150	10.2	48.5
<b>Margins (%)</b>					
Gross Margins	62.2	58.3	60.4		
Opg Profit Margins	37.9	25.5	36.6		
Net Profit Margins	21.9	23.8	26.4		

Source of all data: Company, DBS Bank

### Historical PE and PB band



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



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

## Silverlake Axis

### Key Assumptions

FY Jun	2019A	2020A	2021A	2022F	2023F
Revenue growth (%)	25.7	(2.5)	(5.7)	11.7	4.88
Gross Margins (%)	62.6	59.0	60.2	61.0	61.0

### Segmental Breakdown

FY Jun	2019A	2020A	2021A	2022F	2023F
<b>Revenues (RMm)</b>					
Software Licensing	101	56.1	40.0	56.0	61.6
Software Project Services	103	74.3	65.4	91.6	101
Maintenance &	422	460	475	504	529
Sale of Software &	11.0	26.9	10.7	11.8	2.36
Others	11.0	10.9	0.0	0.0	0.0
<b>Total</b>	<b>681</b>	<b>663</b>	<b>626</b>	<b>700</b>	<b>734</b>

### Income Statement (RMm)

FY Jun	2019A	2020A	2021A	2022F	2023F
Revenue	681	664	626	700	734
Cost of Goods Sold	(255)	(272)	(249)	(273)	(286)
<b>Gross Profit</b>	<b>426</b>	<b>392</b>	<b>377</b>	<b>427</b>	<b>448</b>
Other Opng (Exp)/Inc	(171)	(150)	(179)	(177)	(186)
<b>Operating Profit</b>	<b>255</b>	<b>242</b>	<b>198</b>	<b>250</b>	<b>262</b>
Other Non Opng (Exp)/Inc	0.0	0.0	0.0	0.0	0.0
Associates & JV Inc	(1.7)	1.39	0.0	0.0	0.0
Net Interest (Exp)/Inc	(23.8)	(30.7)	(11.3)	(1.5)	(1.5)
Exceptional Gain/(Loss)	55.6	0.0	0.0	0.0	0.0
<b>Pre-tax Profit</b>	<b>285</b>	<b>213</b>	<b>187</b>	<b>248</b>	<b>260</b>
Tax	(39.2)	(28.0)	(43.7)	(79.5)	(83.3)
Minority Interest	0.01	0.0	0.01	0.0	0.0
Preference Dividend	0.0	0.0	0.0	0.0	0.0
<b>Net Profit</b>	<b>246</b>	<b>185</b>	<b>143</b>	<b>169</b>	<b>177</b>
Net Profit before Except.	190	185	143	169	177
EBITDA	277	278	235	287	299
<b>Growth</b>					
Revenue Gth (%)	25.7	(2.5)	(5.7)	11.7	4.9
EBITDA Gth (%)	65.9	0.4	(15.4)	22.0	4.2
Opg Profit Gth (%)	57.7	(5.0)	(18.2)	26.2	4.8
Net Profit Gth (Pre-ex) (%)	41.7	(2.8)	(22.5)	18.0	4.8
<b>Margins &amp; Ratio</b>					
Gross Margins (%)	62.6	59.0	60.2	61.0	61.0
Opg Profit Margin (%)	37.4	36.5	31.6	35.7	35.7
Net Profit Margin (%)	36.1	27.8	22.9	24.1	24.1
ROAE (%)	44.0	27.6	15.9	15.1	14.3
ROA (%)	22.4	13.9	10.1	11.8	11.2
ROCE (%)	24.5	21.6	14.3	14.1	13.4
Div Payout Ratio (%)	59.3	40.7	28.2	30.0	30.0
Net Interest Cover (x)	10.7	7.9	17.6	166.6	174.5

Source: Company, DBS Bank

## Silverlake Axis

### Interim Income Statement (RMm)

FY Jun	1H2020	2H2020	1H2021	2H2021	1H2022
Revenue	355	308	308	318	359
Cost of Goods Sold	(134)	(138)	(117)	(133)	(142)
<b>Gross Profit</b>	<b>221</b>	<b>170</b>	<b>192</b>	<b>185</b>	<b>216</b>
Other Oper. (Exp)/Inc	(75.2)	(85.4)	(74.9)	(104)	(85.2)
<b>Operating Profit</b>	<b>146</b>	<b>95.7</b>	<b>117</b>	<b>81.1</b>	<b>131</b>
Other Non Op (Exp)/Inc	0.0	0.0	0.0	0.0	0.0
Associates & JV Inc	1.39	0.0	0.0	1.15	0.0
Net Interest (Exp)/Inc	(14.8)	(15.8)	(11.5)	(0.9)	(0.1)
Exceptional Gain/(Loss)	0.0	0.0	0.0	0.0	0.0
<b>Pre-tax Profit</b>	<b>133</b>	<b>79.9</b>	<b>105</b>	<b>81.3</b>	<b>131</b>
Tax	(32.8)	(27.3)	(37.9)	(5.8)	(36.4)
Minority Interest	0.01	0.01	0.00	0.0	0.0
<b>Net Profit</b>	<b>100</b>	<b>52.6</b>	<b>67.5</b>	<b>75.5</b>	<b>94.7</b>
Net profit bef Except.	100	52.6	67.5	75.5	94.7
EBITDA	165	113	136	101	150

### Growth

Revenue Gth (%)	9.9	(13.3)	0.2	3.0	12.8
EBITDA Gth (%)	(0.3)	(31.4)	20.0	(25.8)	48.5
Opp Profit Gth (%)	(5.3)	(34.5)	22.2	(30.7)	61.9
Net Profit Gth (%)	(16.8)	(47.4)	28.4	11.9	25.4

### Margins

Gross Margins (%)	62.4	55.3	62.2	58.3	60.4
Opp Profit Margins (%)	41.2	31.1	37.9	25.5	36.6
Net Profit Margins (%)	28.2	17.1	21.9	23.8	26.4

### Balance Sheet (RMm)

FY Jun	2019A	2020A	2021A	2022F	2023F
Net Fixed Assets	14.9	13.6	11.6	13.9	16.2
Invts in Associates & JVs	8.62	0.00	0.00	0.00	0.00
Other LT Assets	317	404	404	434	404
Cash & ST Invts	623	837	734	830	980
Inventory	0.97	1.08	0.0	1.00	1.00
Debtors	134	140	139	155	163
Other Current Assets	83.6	72.9	76.4	76.4	76.4
<b>Total Assets</b>	<b>1,182</b>	<b>1,468</b>	<b>1,364</b>	<b>1,510</b>	<b>1,641</b>
ST Debt	11.3	9.66	9.38	9.38	9.38
Creditor	70.7	359	76.9	38.3	40.2
Other Current Liab	140	136	145	208	212
LT Debt	63.1	141	16.8	16.8	16.8
Other LT Liabilities	305	76.5	62.1	62.1	62.1
Shareholder's Equity	592	747	1,054	1,175	1,300
Minority Interests	0.06	0.06	0.05	0.05	0.05
<b>Total Cap. &amp; Liab.</b>	<b>1,182</b>	<b>1,468</b>	<b>1,364</b>	<b>1,510</b>	<b>1,641</b>
Non-Cash Wkg. Capital	7.94	(280)	(6.2)	(14.1)	(12.2)
Net Cash/(Debt)	549	686	707	804	954
Debtors Turn (avg days)	73.3	75.4	81.3	76.7	79.1
Creditors Turn (avg days)	109.7	330.1	375.1	89.3	57.6
Inventory Turn (avg days)	0.8	1.6	0.9	0.8	1.5
Asset Turnover (x)	0.6	0.5	0.4	0.5	0.5
Current Ratio (x)	3.8	2.1	4.1	4.1	4.7
Quick Ratio (x)	3.4	1.9	3.8	3.8	4.4
Net Debt/Equity (X)	CASH	CASH	CASH	CASH	CASH
Net Debt/Equity ex MI (X)	CASH	CASH	CASH	CASH	CASH
Capex to Debt (%)	6.8	3.9	4.8	22.9	22.9
Z-Score (X)	5.1	4.1	5.8	5.8	5.8

Source: Company, DBS Bank

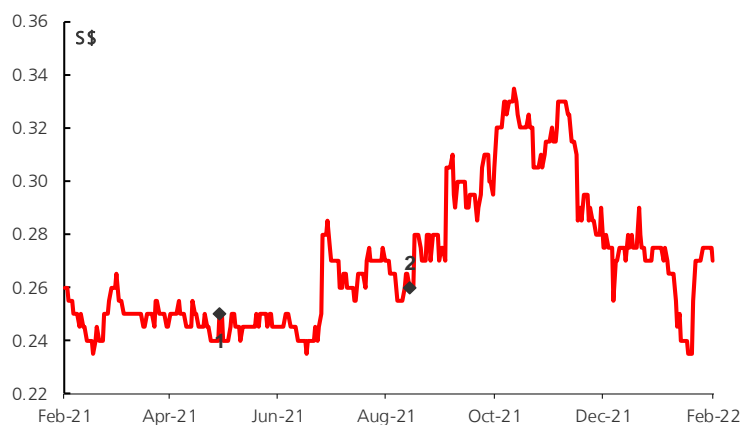
## Silverlake Axis

### Cash Flow Statement (RMm)

FY Jun	2019A	2020A	2021A	2022F	2023F
Pre-Tax Profit	285	213	187	248	260
Dep. & Amort.	24.0	34.6	37.3	37.3	37.3
Tax Paid	(40.2)	(65.8)	(47.2)	(79.5)	(83.3)
Assoc. & JV Inc/(loss)	1.72	(1.4)	0.00	0.0	0.0
Chg in Wkg. Cap.	58.5	292	(274)	(55.9)	(5.7)
Other Operating CF	(3.6)	(262)	294	0.0	0.0
<b>Net Operating CF</b>	<b>325</b>	<b>210</b>	<b>197</b>	<b>150</b>	<b>209</b>
Capital Exp. (net)	(5.1)	(5.9)	(1.3)	(6.0)	(6.0)
Other Invt. (net)	16.2	(9.0)	(54.9)	0.0	0.0
Invt. in Assoc. & JV	(52.7)	0.0	0.0	0.0	0.0
Div from Assoc & JV	0.0	0.82	0.97	0.0	0.0
Other Investing CF	(30.2)	(22.6)	(27.8)	0.0	0.0
<b>Net Investing CF</b>	<b>(71.7)</b>	<b>(36.7)</b>	<b>(83.0)</b>	<b>(6.0)</b>	<b>(6.0)</b>
Div Paid	(152)	(105)	(25.8)	(48.1)	(52.5)
Chg in Gross Debt	37.1	48.0	(132)	0.0	0.0
Capital Issues	0.0	0.0	0.0	0.0	0.0
Other Financing CF	(17.9)	(56.8)	(20.4)	0.0	0.0
<b>Net Financing CF</b>	<b>(133)</b>	<b>(114)</b>	<b>(179)</b>	<b>(48.1)</b>	<b>(52.5)</b>
Currency Adjustments	17.7	(4.7)	(15.0)	0.0	0.0
Chg in Cash	138	54.7	(79.7)	96.2	150
Opg CFPS (S cts)	3.18	(1.0)	5.85	2.56	2.66
Free CFPS (S cts)	3.82	2.43	2.43	1.79	2.52

Source: Company, DBS Bank

### Target Price & Ratings History



S.No.	Date of Report	Closing Price	12-mth Target Price	Rating
1:	12 May 21	0.25	0.33	BUY
2:	27 Aug 21	0.26	0.38	BUY

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

Source: DBS Bank

Analyst: Lee Keng LING

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: 15 Feb 2022 07:11:47 (SGT)

Dissemination Date: 15 Feb 2022 08:41:56 (SGT)

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

#### GENERAL DISCLOSURE/DISCLAIMER

**This report is prepared by DBS Bank Ltd.** This report is solely intended for the clients of DBS Bank Ltd, DBS Vickers Securities (Singapore) Pte Ltd, 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 Bank Ltd.

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, 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.

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.

#### 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, DBS Vickers Securities (Singapore) Pte Ltd ("DBSVS") or their subsidiaries and/or other affiliates do not have a proprietary position in the securities recommended in this report as of 31 Jan 2022.

#### Compensation for investment banking services:

2. 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.

#### Disclosure of previous investment recommendation produced:

3. DBS Bank Ltd, DBS Vickers Securities (Singapore) Pte Ltd ("DBSVS"), their subsidiaries and/or other affiliates 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 Vickers Securities (Singapore) Pte Ltd ("DBSVS"), their subsidiaries and/or other affiliates 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, DBS Vickers Securities (Singapore) Pte 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 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>	<p>This report has been prepared by a person(s) who is not licensed by the Hong Kong Securities and Futures Commission to carry on the regulated activity of advising on securities in Hong Kong pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). This report is being distributed in Hong Kong and is attributable to DBS Bank (Hong Kong) Limited ("DBS HK"), a registered institution registered with the Hong Kong Securities and Futures Commission to carry on the regulated activity of advising on securities pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). DBS Bank Ltd., Hong Kong Branch is a limited liability company incorporated in Singapore.</p> <p>For any query regarding the materials herein, please contact Carol Wu (Reg No. AH8283) at dbsvhk@dbs.com</p>
<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 Bank Ltd which is regulated by the Monetary Authority of Singapore.</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>
<b>Dubai International Financial Centre / United Arab Emirates</b>	<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>

## Silverlake Axis

<b>United States</b>	This report was prepared by DBS Bank Ltd. 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.
<b>Other jurisdictions</b>	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.

## DBS Regional Research Offices

### HONG KONG

#### DBS (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

### MALAYSIA

#### AllianceDBS Research Sdn Bhd

Contact: Wong Ming Tek  
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  
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  
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: indonesiaesearch@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  
Company Regn. No 0105539127012  
Securities and Exchange Commission, Thailand