

# Manulife US REIT

## Stepping up leasing and portfolio rebalancing initiatives

### SINGAPORE | REAL ESTATE (REIT) | 1Q22 UPDATE

- No financials provided in this operational update.
- Softer leasing quarter with only 68k sq ft of leases signed. Reversions positive at 3.9%. Portfolio occupancy slid 0.6ppt from 92.3% to 91.7% due to downsizing and non-renewals at five of MUST's properties.
- Maintain BUY and DDM-based TP (COE 9.1%) of US\$0.86. No change in our estimates. The US office market continues to improve - projected 12-month rent growth in MUST's markets has improved to +3.8% as of Apr22 compared with +2.3% as of Jan22. Catalysts include stronger-than-expected leasing and portfolio reconstitution. Current share price implies FY22e/FY23e DPU yield of 9.4%/9.8%.

#### Leasing Highlights

	1Q21	2Q21	3Q21	4Q21	1Q22
Leases Signed (sq ft)	270,000	35,000	149,000	200,000	68,000
% of NLA signed	5.8%	0.8%	3.2%	3.7%	1.3%
Reversions YTD	2.1%	1.3%	1.3%	-0.8%	3.9%

Source: MUST, PSR

#### The Positive

**+ 68k sq ft signed with 3.9% reversions** (FY21: -0.8%). Leases signed accounted for 1.3% of portfolio NLA, 54% of which were new leases. Demand came from accounting, and finance & insurance tenants. MUST signed a couple of large 20k sq ft leases, as well as a seven-year lease with a real estate real estate company, which took 11k sq ft of space at Michelson, lifting Michelson's occupancy from 97.2% to 89.2%. 1Q22 was a softer leasing quarter due to Omicron wave in end-2021, which only receded in mid-1Q22. However, we understand that physical tours picked up towards the end of 1Q22, ending the quarter 13% higher QoQ.

#### The Negative

**- Occupancy hurt by non-renewals and downsizing.** Portfolio occupancy slid 0.6ppt from 92.3% to 91.7%, due to lower occupancy at Exchange (-2.1ppts), Peachtree (-1.7ppts), Figueroa (1.2ppts), Centerspointe (-1.0ppts) and Capitol (-0.9ppts). Notable occupancy losses were the result of a non-renewal and downsizing by a legal tenant at Peachtree and a tenant in the information sector at Exchange, both occupying 20k sq ft of space. Passing rents on both leases are below market and present positive reversionary potential. We understand from the management that over the last 12 months, out of 371 sq ft of leases expiring, 272k sq ft of space was renewed and 99k sq ft of space was returned due to downsizing, implying a c.27% reduction in space requirement.

#### Outlook

The US office market continues to improve - projected 12-month rent growth in MUST's markets has improved to +3.8% as of Apr22 compared with +2.3% as of Jan22. Increasing occupancy remains a key focus for MUST. The management is evaluating several strategies including building spec suites, leasing to co-working operators, offering more flexible/shorter leases, increasing touring and offering higher commissions to leasing agents.

Two of MUST's top 10 tenants, TCW Group and Quinn Emanuel Trial, have lease expires in Dec23 and Aug23 respectively. These two tenants are located in Michelson and occupy 26.1% and 19.3% of NLA in the building. TCW group has decided to reduce its space requirements and indicated that it will be relocating instead of undertaking renovations to



StocksBnB.com

11 May 2022

#### BUY (Maintained)

LAST CLOSE PRICE	USD 0.600
FORECAST DIV	USD 0.057
TARGET PRICE	USD 0.860
TOTAL RETURN	52.8%

#### COMPANY DATA

BLOOMBERG CODE:	MUST SP
O/S SHARES (MN) :	1,600
MARKET CAP (USD mn / SGD mn) :	1149 / 1149
52 - WK HI/LO (SGD) :	0.82 / 0.63
3M Average Daily T/O (mn) :	2.20

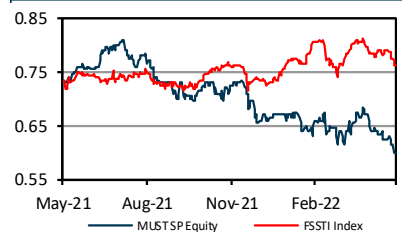
#### MAJOR SHAREHOLDERS (%)

MANULIFE FINANCIAL CORP	5.3%
PRUDENTIAL PLC	4.5%
DRACHS INV 3 LTD	4.4%
VANGUARD GROUP INC	3.3%

#### PRICE PERFORMANCE (%)

	1MTH	3MTH	YTD
COMPANY	0.0	(4.8)	0.3
STI RETURN	4.4	6.0	9.7

#### PRICE VS. STI



Source: Bloomberg, PSR

#### KEY FINANCIALS

Y/E Dec, USD mn	FY20	FY21	FY22e	FY23e
Gross Rev. (USD m)	194	185	214	224
NPI (USD mn)	116	110	127	132
Dist. Inc. (USD mn)	89	86	100	105
P/NAV (x)	0.82	0.90	0.90	0.91
DPU (US cents)	5.64	5.33	5.66	5.86
Distribution Yield	9.40	8.88	9.43	9.77

Source: Company, PSR

#### VALUATION METHOD

DDM (COE: 9.1%; Terminal Growth: 2%)

Natalie Ong

(+65 6212 1850)

Research Analyst

natalieongpf@phillip.com.sg

accommodate a smaller footprint. Passing rents for TCW Group's lease are c.9% below market, providing positive reversionary potential. MUST has started marketing the space and is considering building some pre-fitted office space, also known as spec suites, to enable tenants to move in more quickly and reduce vacancy period. We may see gearing creep up as MUST funds tenant incentives and spec suites. MUST's gearing as at end-1Q stands at 42.8%, implying a US\$89mn headroom to its internal gearing limit of 45%.

Future acquisition is still focused on markets with high representation of tech, healthcare and life science tenants. MUST is eyeing assets with cap rates ranging between 6.5% and 7.5% in sunbelt and magnet cities -- Seattle, Portland, Austin, Nashville and Raleigh. Due to the volatility in the capital markets, MUST is reassessing its portfolio for divestment candidates as a possible alternative to fund acquisitions.

**Maintain BUY and DDM TP of US\$0.86**

No change in our estimates. Catalysts include stronger-than-expected leasing and portfolio reconstitution. Current share price implies FY22e/FY23e DPU yield of 9.4%/9.8%.

## Financials

### Statement of Total Return and Distribution Statement

Y/E Dec, USD mn	FY19	FY20	FY21	FY22e	FY23e
<b>Gross revenue</b>	<b>177.9</b>	<b>194.3</b>	<b>185.1</b>	<b>213.9</b>	<b>223.5</b>
Property operating expenses	(67.1)	(78.5)	(75.6)	(87.3)	(91.2)
<b>Net property income</b>	<b>110.8</b>	<b>115.8</b>	<b>109.5</b>	<b>126.6</b>	<b>132.3</b>
Net Finance (Expense)/Inc.	(25.7)	(29.6)	(29.1)	(30.1)	(31.0)
Manager's base fee	(9.7)	(8.9)	(8.6)	(9.7)	(10.2)
Other items	(2.7)	(2.9)	(2.8)	(3.0)	(3.2)
<b>Net income</b>	<b>72.6</b>	<b>74.4</b>	<b>69.1</b>	<b>83.8</b>	<b>88.0</b>
FV change, derivatives & pptides	(13.5)	(128.5)	(42.4)	-	-
<b>Total Return Before Tax</b>	<b>58.0</b>	<b>(66.0)</b>	<b>40.6</b>	<b>83.8</b>	<b>88.0</b>
Taxation	(10.5)	22.7	(1.1)	(2.4)	(2.5)
<b>Total Return After Tax</b>	<b>47.6</b>	<b>(43.3)</b>	<b>39.4</b>	<b>81.4</b>	<b>85.5</b>
Distribution adjustments	35.8	132.3	46.2	18.6	19.2
<b>Income available for distribution</b>	<b>83.3</b>	<b>89.0</b>	<b>85.6</b>	<b>100.0</b>	<b>104.7</b>

### Per unit data

Y/E Dec	FY19	FY20	FY21	FY22e	FY23e
NAV (US\$)	0.80	0.73	0.67	0.67	0.66
DPU (US cents)	5.96	5.64	5.33	5.66	5.86

### Cash Flow

Y/E Dec, USD mn	FY19	FY20	FY21	FY22e	FY23e
<b>CFO</b>					
<b>Total Return Before Tax</b>	<b>58.0</b>	<b>(66.0)</b>	<b>40.6</b>	<b>83.8</b>	<b>88.0</b>
Adjustments	50.6	186.6	71.0	43.8	45.3
WC changes	2.6	(8.8)	6.1	(35.2)	1.3
<b>Cash generated from ops</b>	<b>111.2</b>	<b>111.8</b>	<b>117.7</b>	<b>92.4</b>	<b>134.6</b>
Others	(1.2)	(1.9)	(0.1)	(0.2)	(0.2)
<b>Cashflow from ops</b>	<b>110.1</b>	<b>109.9</b>	<b>117.6</b>	<b>92.3</b>	<b>134.5</b>

### CFI

Purchase of Inv. propty., net	(311.0)	-	(201.0)	-	-
Capex, net	(45.0)	(24.2)	(30.0)	(9.5)	(9.5)
Others	(1.2)	(1.9)	(0.1)	(0.2)	(0.2)
<b>Cashflow from investments</b>	<b>(355.5)</b>	<b>(24.0)</b>	<b>(230.9)</b>	<b>(9.5)</b>	<b>(9.5)</b>

### CFF

Share issuance, net	236.7	-	100.0	-	-
Loans, net of repayments	146.1	39.6	118.5	-	-
Interest paid	(23.9)	(27.9)	(26.9)	(27.6)	(28.6)
Distributions	(99.4)	(70.7)	(84.0)	(99.9)	(104.7)
Others	(1.2)	(1.9)	(0.1)	(0.2)	(0.2)
<b>Cashflow from financing</b>	<b>252.1</b>	<b>(60.0)</b>	<b>105.3</b>	<b>(130.0)</b>	<b>(135.7)</b>
<b>Net change in cash</b>	<b>6.6</b>	<b>25.9</b>	<b>(8.1)</b>	<b>(47.2)</b>	<b>(10.8)</b>
Effects of exchange rate	0.0	0.1	(0.0)	-	-
<b>Ending cash</b>	<b>60.7</b>	<b>86.7</b>	<b>78.6</b>	<b>31.3</b>	<b>20.6</b>

Source: Company, Phillip Securities Research (Singapore) Estimates

### Balance Sheet

Y/E Dec, USD mn	FY19	FY20	FY21	FY22e	FY23e
<b>ASSETS</b>					
Investment properties	2,095.0	1,992.8	2,184.4	2,195.4	2,206.4
Others	0.5	-	5.7	5.7	5.7
<b>Total non-current assets</b>	<b>2,095.5</b>	<b>1,992.8</b>	<b>2,190.1</b>	<b>2,201.1</b>	<b>2,212.1</b>
Trade receivables	7.6	6.9	5.6	11.7	11.7
Cash	60.7	86.7	78.6	31.3	20.6
Others	0.5	-	5.7	5.7	5.7
<b>Total current assets</b>	<b>71.0</b>	<b>95.3</b>	<b>85.6</b>	<b>44.5</b>	<b>33.7</b>
<b>Total Assets</b>	<b>2,166.5</b>	<b>2,088.1</b>	<b>2,275.6</b>	<b>2,245.5</b>	<b>2,245.8</b>
<b>LIABILITIES</b>					
Current borrowings	78.9	233.6	296.6	206.9	244.9
Trade payables	26.9	18.1	58.8	30.1	31.3
Others	0.5	-	5.7	5.7	5.7
<b>Total current liabilities</b>	<b>110.9</b>	<b>258.6</b>	<b>363.7</b>	<b>245.4</b>	<b>284.6</b>
Non-current borrowings	733.1	618.7	674.7	764.4	726.4
Others	0.5	-	5.7	5.7	5.7
<b>Total non-current liabilities</b>	<b>797.3</b>	<b>671.5</b>	<b>720.5</b>	<b>811.9</b>	<b>776.3</b>
<b>Total Liabilities</b>	<b>908.2</b>	<b>930.1</b>	<b>1,084.2</b>	<b>1,057.3</b>	<b>1,060.9</b>
<b>Net assets</b>	<b>1,258.3</b>	<b>1,158.0</b>	<b>1,191.4</b>	<b>1,188.2</b>	<b>1,184.8</b>
<b>Represented by:</b>					
Unitholders' funds	1,258.2	1,157.9	1,187.7	1,184.5	1,181.1
Perp. securities holders	0.1	0.1	0.8	0.8	0.8

### Valuation Ratios

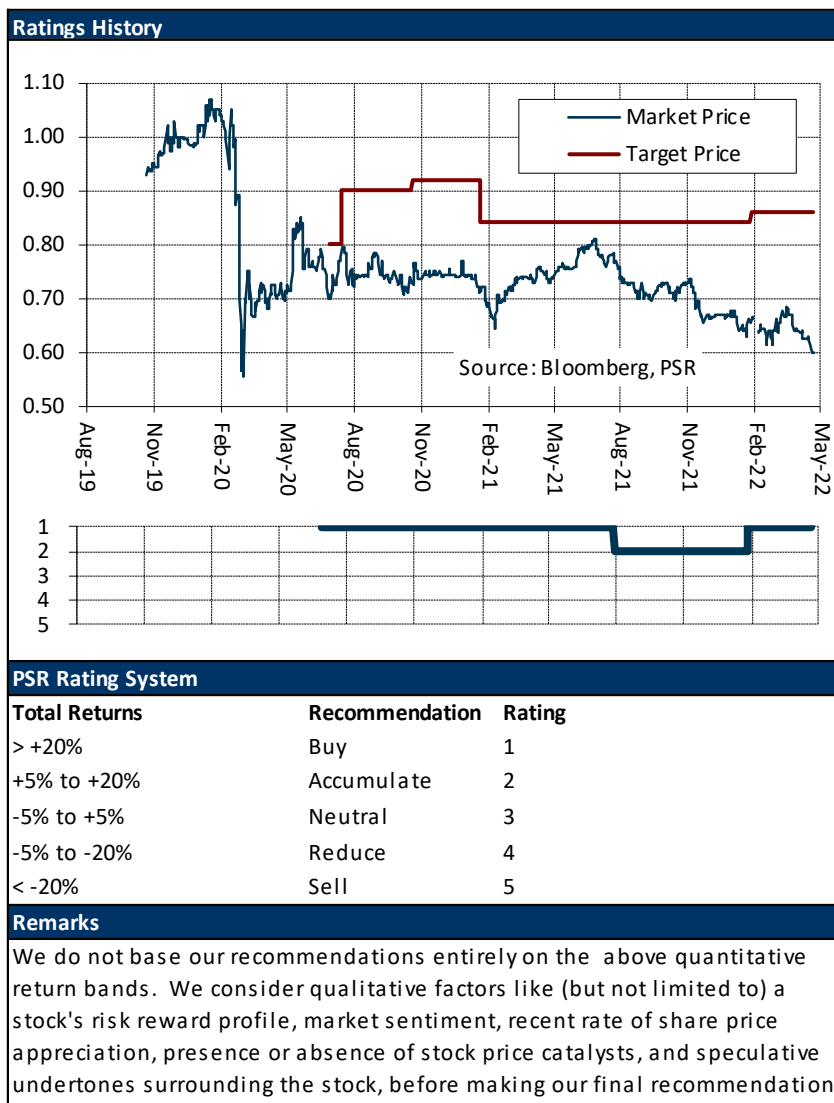
Y/E Dec	FY19	FY20	FY21	FY22e	FY23e
P/NAV (x)	0.75	0.82	0.90	0.90	0.91
Distribution Yield	9.9%	9.4%	8.9%	9.4%	9.8%
NPI yield	5.8%	5.7%	5.2%	5.8%	6.0%

### Growth & Margins (%)

<b>Growth</b>					
Revenue	n.m.	9.3%	-4.7%	15.5%	4.5%
Net property income (NPI)	n.m.	4.6%	-5.4%	15.6%	4.5%
Distributable income	n.m.	6.8%	-3.8%	16.8%	4.7%
DPU	n.m.	-5.4%	-5.5%	6.2%	3.5%
<b>Margins</b>					
NPI margin	62.3%	59.6%	59.2%	59.2%	59.2%

### Key Ratios

Net Debt or (Net Cash)	751	766	893	940	951
Gearing (%)	37.5%	40.8%	42.7%	43.3%	43.2%



Contact Information (Research Team)		
<b>Head of Research</b> Paul Chew – <a href="mailto:paulchewkl@phillip.com.sg">paulchewkl@phillip.com.sg</a>	<b>Research Admin</b> Qystina Azli – <a href="mailto:qystina@phillip.com.sg">qystina@phillip.com.sg</a>	
<b>Consumer   Industrial   Conglomerates</b> Terence Chua – <a href="mailto:terencechuatl@phillip.com.sg">terencechuatl@phillip.com.sg</a>	<b>Property   REITs</b> Natalie Ong – <a href="mailto:natalieongpf@phillip.com.sg">natalieongpf@phillip.com.sg</a>	<b>Banking &amp; Finance</b> Glenn Thum – <a href="mailto:glennthumjc@phillip.com.sg">glennthumjc@phillip.com.sg</a>
<b>Small-Mid Cap</b> Vivian Ye – <a href="mailto:yegw@phillip.com.sg">yegw@phillip.com.sg</a>	<b>US Technology Analyst (Internet)</b> Jonathan Woo – <a href="mailto:jonathanwookj@phillip.com.sg">jonathanwookj@phillip.com.sg</a>	<b>US Technology Analyst (Software/Services)</b> Ambrish Shah – <a href="mailto:amshah@phillipcapiatal.in">amshah@phillipcapiatal.in</a>
<b>Credit Analyst</b> Shawn Sng – <a href="mailto:shawnsngkh@phillip.com.sg">shawnsngkh@phillip.com.sg</a>		

**Contact Information (Regional Member Companies)**

<b>SINGAPORE</b> <b>Phillip Securities Pte Ltd</b> Raffles City Tower 250, North Bridge Road #06-00 Singapore 179101 Tel +65 6533 6001 Fax +65 6535 6631 Website: <a href="http://www.poems.com.sg">www.poems.com.sg</a>	<b>MALAYSIA</b> <b>Phillip Capital Management Sdn Bhd</b> B-3-6 Block B Level 3 Megan Avenue II, No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur Tel +603 2162 8841 Fax +603 2166 5099 Website: <a href="http://www.poems.com.my">www.poems.com.my</a>	<b>HONG KONG</b> <b>Phillip Securities (HK) Ltd</b> 11/F United Centre 95 Queensway Hong Kong Tel +852 2277 6600 Fax +852 2868 5307 Websites: <a href="http://www.phillip.com.hk">www.phillip.com.hk</a>
<b>JAPAN</b> <b>Phillip Securities Japan, Ltd.</b> 4-2 Nihonbashi Kabuto-cho Chuo-ku, Tokyo 103-0026 Tel +81-3 3666 2101 Fax +81-3 3666 6090 Website: <a href="http://www.phillip.co.jp">www.phillip.co.jp</a>	<b>INDONESIA</b> <b>PT Phillip Securities Indonesia</b> ANZ Tower Level 23B, Jl Jend Sudirman Kav 33A Jakarta 10220 – Indonesia Tel +62-21 5790 0800 Fax +62-21 5790 0809 Website: <a href="http://www.phillip.co.id">www.phillip.co.id</a>	<b>CHINA</b> <b>Phillip Financial Advisory (Shanghai) Co Ltd</b> No 550 Yan An East Road, Ocean Tower Unit 2318, Postal code 200001 Tel +86-21 5169 9200 Fax +86-21 6351 2940 Website: <a href="http://www.phillip.com.cn">www.phillip.com.cn</a>
<b>THAILAND</b> <b>Phillip Securities (Thailand) Public Co. Ltd</b> 15th Floor, Vorawat Building, 849 Silom Road, Silom, Bangrak, Bangkok 10500 Thailand Tel +66-2 6351700 / 22680999 Fax +66-2 22680921 Website: <a href="http://www.phillip.co.th">www.phillip.co.th</a>	<b>FRANCE</b> <b>King &amp; Shaxson Capital Limited</b> 3rd Floor, 35 Rue de la Bienfaisance 75008 Paris France Tel +33-1 45633100 Fax +33-1 45636017 Website: <a href="http://www.kingandshaxson.com">www.kingandshaxson.com</a>	<b>UNITED KINGDOM</b> <b>King &amp; Shaxson Capital Limited</b> 6th Floor, Candlewick House, 120 Cannon Street, London, EC4N 6AS Tel +44-20 7426 5950 Fax +44-20 7626 1757 Website: <a href="http://www.kingandshaxson.com">www.kingandshaxson.com</a>
<b>UNITED STATES</b> <b>Phillip Capital Inc</b> 141 W Jackson Blvd Ste 3050 The Chicago Board of Trade Building Chicago, IL 60604 USA Tel +1-312 356 9000 Fax +1-312 356 9005 Website: <a href="http://www.phillipusa.com">www.phillipusa.com</a>	<b>AUSTRALIA</b> <b>Phillip Capital Limited</b> Level 10, 330 Collins Street Melbourne, Victoria 3000, Australia Tel +61-03 8633 9803 Fax +61-03 8633 9899 Website: <a href="http://www.phillipcapiatal.com.au">www.phillipcapiatal.com.au</a>	<b>CAMBODIA</b> <b>Phillip Bank Plc</b> Ground Floor of B-Office Centre, #61-64, Norodom Blvd Corner Street 306, Sangkat Boeung Keng Kang 1, Khan Chamkamorn, Phnom Penh, Cambodia Tel: 855 (0) 7796 6151 / 855 (0) 1620 0769 Website: <a href="http://www.phillipbank.com.kh">www.phillipbank.com.kh</a>
<b>INDIA</b> <b>PhillipCapital (India) Private Limited</b> No.1, 18th Floor, Urmi Estate 95, Ganpatrao Kadam Marg Lower Parel West, Mumbai 400-013 Maharashtra, India Tel: +91-22-2300 2999 / Fax: +91-22-2300 2969 Website: <a href="http://www.phillipcapital.in">www.phillipcapital.in</a>	<b>TURKEY</b> <b>PhillipCapital Menkul Degerler</b> Dr. Cemil Bengü Cad. Hak Is Merkezi No. 2 Kat. 6A Caglayan 34403 Istanbul, Turkey Tel: 0212 296 84 84 Fax: 0212 233 69 29 Website: <a href="http://www.phillipcapital.com.tr">www.phillipcapital.com.tr</a>	<b>DUBAI</b> <b>Phillip Futures DMCC</b> Member of the Dubai Gold and Commodities Exchange (DGCX) Unit No 601, Plot No 58, White Crown Bldg, Sheikh Zayed Road, P.O.Box 212291 Dubai-UAE Tel: +971-4-3325052 / Fax: +971-4-3328895

**Important Information**

This report is prepared and/or distributed by Phillip Securities Research Pte Ltd ("Phillip Securities Research"), which is a holder of a financial adviser's license under the Financial Advisers Act, Chapter 110 in Singapore.

By receiving or reading this report, you agree to be bound by the terms and limitations set out below. Any failure to comply with these terms and limitations may constitute a violation of law. This report has been provided to you for personal use only and shall not be reproduced, distributed or published by you in whole or in part, for any purpose. If you have received this report by mistake, please delete or destroy it, and notify the sender immediately.

The information and any analysis, forecasts, projections, expectations and opinions (collectively, the "Research") contained in this report has been obtained from public sources which Phillip Securities Research believes to be reliable. However, Phillip Securities Research does not make any representation or warranty, express or implied that such information or Research is accurate, complete or appropriate or should be relied upon as such. Any such information or Research contained in this report is subject to change, and Phillip Securities Research shall not have any responsibility to maintain or update the information or Research made available or to supply any corrections, updates or releases in connection therewith.

Any opinions, forecasts, assumptions, estimates, valuations and prices contained in this report are as of the date indicated and are subject to change at any time without prior notice. Past performance of any product referred to in this report is not indicative of future results.

This report does not constitute, and should not be used as a substitute for, tax, legal or investment advice. This report should not be relied upon exclusively or as authoritative, without further being subject to the recipient's own independent verification and exercise of judgment. The fact that this report has been made available constitutes neither a recommendation to enter into a particular transaction, nor a representation that any product described in this report is suitable or appropriate for the recipient. Recipients should be aware that many of the products, which may be described in this report involve significant risks and may not be suitable for all investors, and that any decision to enter into transactions involving such products should not be made, unless all such risks are understood and an independent determination has been made that such transactions would be appropriate. Any discussion of the risks contained herein with respect to any product should not be considered to be a disclosure of all risks or a complete discussion of such risks.

Nothing in this report shall be construed to be an offer or solicitation for the purchase or sale of any product. Any decision to purchase any product mentioned in this report should take into account existing public information, including any registered prospectus in respect of such product.

Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, may provide an array of financial services to a large number of corporations in Singapore and worldwide, including but not limited to commercial / investment banking activities (including sponsorship, financial advisory or underwriting activities), brokerage or securities trading activities. Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, may have participated in or invested in transactions with the issuer(s) of the securities mentioned in this report, and may have performed services for or solicited business from such issuers. Additionally, Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, may have provided advice or investment services to such companies and investments or related investments, as may be mentioned in this report.

Phillip Securities Research or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report may, from time to time maintain a long or short position in securities referred to herein, or in related futures or options, purchase or sell, make a market in, or engage in any other transaction involving such securities, and earn brokerage or other compensation in respect of the foregoing. Investments will be denominated in various currencies including US dollars and Euro and thus will be subject to any fluctuation in exchange rates between US dollars and Euro or foreign currencies and the currency of your own jurisdiction. Such fluctuations may have an adverse effect on the value, price or income return of the investment.

To the extent permitted by law, Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, may at any time engage in any of the above activities as set out above or otherwise hold an interest, whether material or not, in respect of companies and investments or related investments, which may be mentioned in this report. Accordingly, information may be available to Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, which is not reflected in this report, and Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, may, to the extent permitted by law, have acted upon or used the information prior to or immediately following its publication. Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, including but not limited to its officers, directors, employees or persons involved in the issuance of this report, may have issued other material that is inconsistent with, or reach different conclusions from, the contents of this report.

The information, tools and material presented herein are not directed, intended for distribution to or use by, any person or entity in any jurisdiction or country where such distribution, publication, availability or use would be contrary to the applicable law or regulation or which would subject Phillip Securities Research to any registration or licensing or other requirement, or penalty for contravention of such requirements within such jurisdiction.

This report is intended for general circulation only and does not take into account the specific investment objectives, financial situation or particular needs of any particular person. The products mentioned in this report may not be suitable for all investors and a person receiving or reading this report should seek advice from a professional and financial adviser regarding the legal, business, financial, tax and other aspects including the suitability of such products, taking into account the specific investment objectives, financial situation or particular needs of that person, before making a commitment to invest in any of such products.

This report is not intended for distribution, publication to or use by any person in any jurisdiction outside of Singapore or any other jurisdiction as Phillip Securities Research may determine in its absolute discretion.

**IMPORTANT DISCLOSURES FOR INCLUDED RESEARCH ANALYSES OR REPORTS OF FOREIGN RESEARCH HOUSES**

Where the report contains research analyses or reports from a foreign research house, please note:

- (i) recipients of the analyses or reports are to contact Phillip Securities Research (and not the relevant foreign research house) in Singapore at 250 North Bridge Road, #06-00 Raffles City Tower, Singapore 179101, telephone number +65 6533 6001, in respect of any matters arising from, or in connection with, the analyses or reports; and
- (ii) to the extent that the analyses or reports are delivered to and intended to be received by any person in Singapore who is not an accredited investor, expert investor or institutional investor, Phillip Securities Research accepts legal responsibility for the contents of the analyses or reports.