

Singapore Company Update

Civmec Limited

Bloomberg: CVL SP | Reuters: CIVM.SI

Refer to important disclosures at the end of this report

DBS Group Research . Equity

2 Sep 2022

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BUY

Last Traded Price (1 Sep 2022): S\$0.640 (STI : 3,224.08)
Price Target 12-mth: S\$0.92 (44% upside) (Prev S\$0.88)

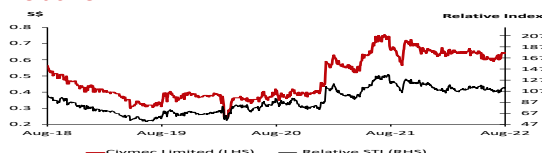
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What's New

- Record results for FY22, with revenue in line, net profit beat, and a dividend surprise
- Entering FY23 with robust orderbook of A\$1bn, improving project margins, further expansion plans
- Civmec is trading below peers and book value, with FY22 NAV per share at AUD 74 cents (71 Scts)
- Revise up FY23/24F earnings by 5%; maintain BUY with revised TP of S\$0.92

Price Relative



Forecasts and Valuation

FY Jun (A\$m)	2021A	2022A	2023F	2024F
Revenue	674	809	850	926
EBITDA	70.9	89.0	94.3	102
Pre-tax Profit	50.2	70.0	72.3	79.1
Net Profit	34.8	50.8	53.2	58.1
Net Pft (Pre Ex.)	34.8	50.8	53.2	58.1
Net Pft Gth (Pre-ex) (%)	97.7	46.0	4.7	9.3
EPS (S cts)	6.63	9.66	10.1	11.1
EPS Pre Ex. (S cts)	6.63	9.66	10.1	11.1
EPS Gth Pre Ex (%)	98	46	5	9
Diluted EPS (S cts)	6.63	9.66	10.1	11.1
Net DPS (S cts)	1.91	2.87	2.87	2.87
BV Per Share (S cts)	55.7	70.7	78.0	86.2
PE (X)	9.6	6.6	6.3	5.8
PE Pre Ex. (X)	9.6	6.6	6.3	5.8
P/Cash Flow (X)	5.8	189.5	4.4	4.3
EV/EBITDA (X)	4.9	4.1	3.4	2.7
Net Div Yield (%)	3.0	4.5	4.5	4.5
P/Book Value (X)	1.1	0.9	0.8	0.7
Net Debt/Equity (X)	0.0	0.1	CASH	CASH
ROAE (%)	12.5	15.3	13.6	13.5

Earnings Rev (%): 5 5
Consensus EPS (S cts): 9.8 10.8
Other Broker Recs: B: 3 S: 0 H: 0

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

Expansion plan a positive signal

Investment Thesis:

Maintain BUY with revised TP of S\$0.92. FY22 net profit of A\$50.8m (up 46% y-o-y) beat estimates on the back of record revenues of A\$809.3m (up 20% y-o-y). Civmec is entering FY23 with a robust orderbook of A\$1,039m, a 3% y-o-y increase, and has maintained steady gross margins in FY22 of 11.2% (FY21: 11.1%) and robust net margins of 6.3% (FY21: 5.2%), despite rising costs over the year. Despite its robust financials, Civmec is trading at a FY23F forward PE ratio of 6.4x, a steep discount relative to its peers' average of 11.5x. In our view, Civmec's relative discount is unwarranted, given its higher earnings growth and margins.

Well positioned in traditional economy sectors like energy, resources, infrastructure, and defence. By FY24F, customer capex from these sectors is estimated to have a 9% CAGR. Australia's government aims to deliver over A\$120bn in infrastructure investment over 10 years and has pledged to invest A\$183bn by 2050 in naval shipbuilding, with Civmec as one of the few approved players. We like Civmec's diversified revenue streams from both private and public sector capex. We view Civmec's upcoming expansion plan in Gladstone, Queensland as a positive signal for its outlook.

New economy sectors as additional levers of growth.

Australia is home to an increasing number of lithium and hydrogen energy projects, with Civmec as a potential beneficiary, given its established relationships with leading industry players, e.g., Rio Tinto, Chevron. Civmec recently won a major contract to build a refinery related to electric vehicle (EV) batteries, due in 2024.

Valuation:

Maintain BUY and revised TP of S\$0.92, based on FY23F EPS and a forward PE of 9.0x (unchanged).

Where we differ:

We assume higher margins but have a more modest outlook on revenue growth.

Key Risks to Our View:

Sharper-than-expected contraction in private capex.

At A Glance

Issued Capital (m shrs)	502
Mkt. Cap (S\$m/US\$m)	322 / 230
Major Shareholders (%)	
Finbarr Fitzgerald James (Chairman)	19.5
John Tallon Patrick (CEO)	19.4
Clarendon Pacific Ventures	4.7
Free Float (%)	56.4
3m Avg. Daily Val (US\$m)	0.03
GIC Industry : Industrials / Capital Goods	



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WHAT'S NEW

FY22 results: Civmec delivers record results for FY22, dividend surprise

Results

(+) FY22 revenue and net profit at record highs. FY22 revenue reached A\$809.3m, up 20% y-o-y, in line with our estimates. FY22 net profit is at A\$50.8m, up 46% y-o-y, which beat our estimates by 9%. FY22 net profit margin of 6.3% (FY21: 5.2%) was above our estimate and management's guidance of 6.0%. This was attributed to effective cost controls on administrative expenses.

(+) Healthy project and gross margins maintained, despite rising costs. FY22 gross margins were at stable levels at 11.2% (FY21: 11.1%) despite rising costs (e.g., raw materials, fuel, labour, and more), suggesting that cost pressures were well managed over the year. Additionally, 2H22 gross margin inched up to 11.6% (1H22: 10.8%, 2H21: 11.0%), which is at a four-year high. Management believes that raw material costs have reached its peak, which should bode well for future project/gross margins.

(+) Dividend surprise of AUD 3 cents, in lieu of the strong results, which translates to a dividend yield of 4.5%. The AUD 3 cents (FY21: AUD 2 cents) dividend declared is above our expectations, and above management's guidance of AUD 2 cents. This translates to a dividend payout ratio of 30% (FY21: 29%).

(+) Positive operational updates. The land purchase of Civmec's recently announced facility in Port Hedland has been settled and the company will be seeking to develop the facility over the next 12 months. Separately, Civmec has secured IRATA certification, which enables the group to provide rope access services to its clients, thereby expanding its service offerings.

(+) Expansion plans a positive signal. Civmec intends to acquire a 28,510 square metre land holding in Gladstone, Queensland to establish a permanent facility. This facility will replace the leased facility that Civmec currently occupies and will allow the group to expand its service offerings in the region, more specifically into maintenance-related projects. Notable projects and customers in the vicinity include alumina refineries, coal export terminals, cement players, and more. Thus far, Civmec has been involved in projects in the region, albeit at a smaller scale. This acquisition will solidify the group's presence and leadership in the region and enable Civmec to play a larger role in projects in the region going forward. Capex earmarked for this acquisition is guided to be A\$10m.

(+) Healthy balance sheet. Civmec's FY22 NAV per share has grown to AUD 74 cents (c.71 Scts), up 28% y-o-y from AUD 58 cents in FY21. Separately, Civmec is also able to maintain healthy balance sheet with a FY22 debt-to-equity ratio of 0.09x (FY21: 0.04x).

(+) Healthy customer capex amid a growing addressable market. Customer capex (including maintenance opportunities) from the mining, energy, infrastructure, marine, and defence sectors is estimated to grow by 9% y-o-y by FY24F, with >A\$110bn in customer capex estimated per year, suggesting there's room for an upside to orderbook growth.

(-) Labour availability as a cap for growth. Although there is a possible upside for orderbook growth, management has guided that they are maintaining a cautious approach in bidding for orderbooks due to concerns over labour shortages. Whilst labour market conditions in Australia have improved since the COVID-19 pandemic, labour supply has not returned to pre-COVID levels yet, which, in our view, could cap near-term orderbook growth.

Our view

(+) Modest revenue growth, with improved gross margins and steady net margins. We forecast modest revenue growth of 5%/9% for FY23/24F, with a modest growth of 9% in the orderbook for FY23F. We also assume project/gross margins would improve to 11.5% (FY22: 11.2%). Although, we assume marginal increases in operating expenses to 2.7% (FY22: 2.3%) as we consider higher labour and R&D costs. Overall, we assume net margins will remain stable at 6.3% for FY23/24F (FY22: 6.3%), which is in the upper limit of management's latest guidance of 5.5%-6.5% going forward.

Going forward, we anticipate management to continue paying investors a steady DPS of AUD 3 cents, which translates to a dividend payout ratio of 28%/26% for FY23/24F.

Maintain BUY with revised TP of S\$0.92, based on our FY23F EPS and forward PE of 9.0x (unchanged). Civmec is currently trading below its book value (FY22 NAV per share of AUD 74 cents i.e., 71 Scts) and below its peers' average of 11.5x. In our view, higher-than-expected orderbook growth as labour markets in Australia improve, can catalyse an upwards re-rating of Civmec's share price.

Civmec Limited

Company Background

Civmec Limited ("Civmec" or the "group") is a construction and engineering services provider to the energy, resources, infrastructure, marine, and defence sectors.

Key financial summary (A\$m)

	1H21	2H21	1H22	2H22	FY21	FY22	YoY%
Revenue	305.7	368.5	389.4	419.9	674.2	809.3	20%
Gross margin	34.5	40.5	42.2	48.6	75.0	90.8	21%
Net Profit	15.0	19.7	22.6	28.2	34.8	50.8	46%
Gross Margin (%)	11.3%	11.0%	10.8%	11.6%	11.1%	11.2%	
Net Profit (%)	4.9%	5.4%	5.8%	6.7%	5.2%	6.3%	
Dividend Per Share (AUD cents)					2.0	3.0	

Source of all data: Company, DBS Bank

Critical factors

Critical Factors	1H21	2H21	1H22	2H22	FY21	FY22	YoY%
Orderbook (A\$m)	1,006	1,006	1,150	1,039	1,006	1,039	3%
Gross Margin (%)	11.3%	11.0%	10.8%	11.6%	11.1%	11.2%	Up 0.1ppt
Net Profit (%)	4.9%	5.4%	5.8%	6.7%	5.2%	6.3%	Up 1.1ppt

Source of all data: Company, DBS Bank

Interim Income Statement (A\$m)

FY Jun	2H2021	1H2022	2H2022	% chg yoy	% chg hoh
Revenue	368	389	420	14.0	7.9
Cost of Goods Sold	(328)	(347)	(371)	13.2	7.0
Gross Profit	41	42	49	20.0	15.2
Other Oper. (Exp)/Inc	(9)	(8)	(8)	(16.6)	(7.3)
Operating Profit	31	34	41	30.8	20.7
Other Non Opg (Exp)/Inc	0	0	0	-	-
Associates & JV Inc	0	0	0	-	-
Net Interest (Exp)/Inc	(3)	(3)	(2)	49.8	54.9
Exceptional Gain/(Loss)	0	0	0	-	-
Pre-tax Profit	28	31	39	39.4	29.0
Tax	(9)	(8)	(11)	30.0	41.7
Minority Interest	0	0	0	-	-
Net Profit	20	23	28	42.8	24.7
Net profit bef Except.	20	23	28	42.8	24.7
EBITDA	38	34	41	7.8	20.7
Margins (%)					
Gross Margins	11.0	10.8	11.6		
Opg Profit Margins	8.5	8.7	9.7		
Net Profit Margins	5.4	5.8	6.7		

Source of all data: Company, DBS Bank

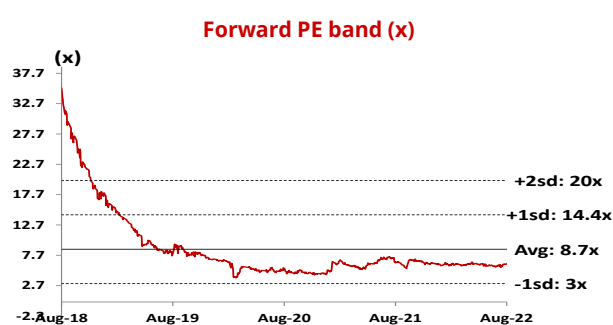
Civmec Limited

Peer comparison table

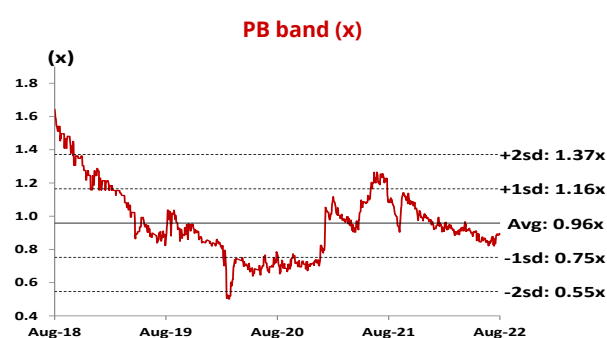
Company	Last Price (\$)	Market Cap (\$m)	Price-to-Earnings (x)			Price-to-Book (x)			Dividend Yield (%)		EPS Growth (%)		Profit Margin (%)
			CY22F	CY23F	TTM	CY22F	CY23F	TTM	CY22F	CY23F	TTM	3 Yr Avg	
Singapore													
Civmec Ltd	0.65	324	6.6x	6.0x	6.7x	0.9x	0.8x	0.9x	4.0	4.4	45.7	111.2	6.3
AusGroup Ltd	0.02	46	-	-	-	-	-	7.7x	-	-	-	-	-12.9
Boustead Projects Ltd	0.88	276	-	-	24.4x	-	-	0.7x	-	-	-91.5	122.9	3.3
Australia													
Construction/Maintenance/Shipbuilding Companies													
Downer EDI Ltd	4.82	3,255	13.9x	12.4x	23.6x	1.2x	1.1x	1.3x	5.2	5.7	-16.1	-	1.4
Monadelphous Group Ltd	12.31	1,173	20.7x	17.4x	23.3x	2.9x	2.8x	3.0x	4.2	4.9	10.5	3.7	2.9
Austal Ltd	2.46	889	13.5x	14.3x	11.6x	1.0x	1.0x	1.0x	3.0	3.1	-2.7	9.9	5.6
Mader Group Ltd	2.85	570	17.9x	14.9x	21.3x	5.6x	4.3x	7.0x	1.7	2.3	44.5	18.3	7.0
SRG Global Ltd	0.66	295	10.3x	9.2x	15.2x	-	-	1.3x	5.8	6.4	66.7	-	3.1
Saunders International Ltd	1.04	113	13.2x	11.8x	17.4x	-	-	3.6x	3.1	3.3	16.4	-	5.0
Duratec Ltd	0.41	99	7.5x	6.6x	13.2x	2.6x	2.1x	3.3x	5.3	6.0	0.3	-18.7	2.5
Bulk Earthworks/Mining Companies													
NRW Holdings Ltd	2.32	1,060	9.9x	9.5x	11.2x	1.7x	1.5x	0.7x	5.2	7.5	73.6	51.3	4.1
MACA Ltd	1.02	350	8.0x	6.3x	8.2x	0.9x	-	0.9x	5.1	5.9	69.9	-	2.6
Macmahon Holdings Ltd	0.16	341	5.3x	4.9x	12.9x	0.6x	0.5x	0.6x	4.2	4.8	-64.7	-1.5	1.6
EPC Companies													
Worley Ltd	13.66	7,165	20.4x	17.3x	43.3x	1.3x	1.3x	1.3x	3.6	4.0	108.9	15.6	1.8
GR Engineering Services Ltd	2.11	341	12.9x	14.1x	10.3x	550.0x	-	5.7x	6.3	5.8	44.4	-	5.3
Lycopodium Ltd	6.36	253	10.4x	11.2x	9.7x	2.4x	2.2x	2.6x	6.4	5.3	91.6	27.8	11.9
Average (ex Civmec)			12.6x	11.5x	17.5x	51.8x	1.9x	2.7x	4.5	5.0	25.1	25.5	3.0
Median (ex Civmec)			12.9x	11.8x	14.2x	1.7x	1.5x	1.3x	5.1	5.3	30.4	15.6	3.1

Source of all data: Bloomberg Finance L.P., DBS Bank

Historical PE and PB band



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



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

Civmec Limited

Key Assumptions

FY Jun	2020A	2021A	2022A	2023F	2024F
Order book (A\$m)	900	1,006	1,039	1,151	1,255
Gross Margin %	11.4	11.1	11.2	11.5	11.5
Operating Margins (%)	6.41	8.42	9.25	9.14	9.12

We assume revenue recognised 80% of orderbook value in the prior year, with a steady growth of 9% in the orderbook going forward

Assume higher gross margins of 11.5% going forward as inflationary pressures ease

Segmental Breakdown

FY Jun	2020A	2021A	2022A	2023F	2024F
Revenues (A\$m)					
Energy	14.1	38.3	30.2	31.7	34.6
Resources	339	560	631	662	722
Infrastructure & Defence	39.1	76.1	148	156	170
Elimination	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0
Total	392	674	809	850	926

Operating profit (A\$m)

Energy	1.41	4.29	3.41	3.58	3.91
Resources	39.8	65.5	71.3	74.9	81.6
Infrastructure & Defence	3.48	5.26	16.1	16.9	18.4
Elimination	(19.5)	(18.3)	(16.0)	(17.7)	(19.5)
Others	0.0	0.0	0.0	0.0	0.0
Total	25.1	56.8	74.9	77.7	84.4

Operating profit Margins (%)

Energy	10.0	11.2	11.3	11.3	11.3
Resources	11.7	11.7	11.3	11.3	11.3
Infrastructure & Defence	8.9	6.9	10.9	10.9	10.9
Elimination	N/A	N/A	N/A	N/A	N/A
Others	N/A	N/A	N/A	N/A	N/A
Total	6.4	8.4	9.2	9.1	9.1

Source: Company, DBS Bank

Income Statement (A\$m)

FY Jun	2020A	2021A	2022A	2023F	2024F
Revenue	392	674	809	850	926
Cost of Goods Sold	(347)	(599)	(718)	(752)	(820)
Gross Profit	44.7	75.0	90.8	97.7	107
Other Opng (Exp)/Inc	(19.5)	(18.3)	(16.0)	(20.0)	(22.1)
Operating Profit	25.1	56.8	74.9	77.7	84.4
Other Non Opg (Exp)/Inc	0.0	0.0	0.0	0.0	0.0
Associates & JV Inc	0.20	(0.1)	0.0	0.0	0.0
Net Interest (Exp)/Inc	(2.6)	(6.5)	(4.9)	(5.4)	(5.4)
Exceptional Gain/(Loss)	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	22.8	50.2	70.0	72.3	79.1
Tax	(5.2)	(15.6)	(19.2)	(19.9)	(21.7)
Minority Interest	0.04	0.14	0.02	0.72	0.79
Preference Dividend	0.0	0.0	0.0	0.0	0.0
Net Profit	17.6	34.8	50.8	53.2	58.1
Net Profit before Except.	17.6	34.8	50.8	53.2	58.1
EBITDA	35.8	70.9	89.0	94.3	102
Growth					
Revenue Gth (%)	(19.8)	72.0	20.0	5.0	9.0
EBITDA Gth (%)	49.0	98.0	25.6	5.9	8.2
Opg Profit Gth (%)	79.9	126.0	31.8	3.8	8.7
Net Profit Gth (Pre-ex) (%)	189.5	97.7	46.0	4.7	9.3
Margins & Ratio					
Gross Margins (%)	11.4	11.1	11.2	11.5	11.5
Opg Profit Margin (%)	6.4	8.4	9.2	9.1	9.1
Net Profit Margin (%)	4.5	5.2	6.3	6.3	6.3
ROAE (%)	8.0	12.5	15.3	13.6	13.5
ROA (%)	3.4	5.6	7.5	7.1	7.3
ROCE (%)	4.3	6.7	9.4	8.5	8.7
Div Payout Ratio (%)	21.2	28.8	29.7	28.3	25.9
Net Interest Cover (x)	9.8	8.8	15.4	14.5	15.7

Source: Company, DBS Bank

Interim Income Statement (A\$m)

FY Jun	2H2020	1H2021	2H2021	1H2022	2H2022
Revenue	226	306	368	389	420
Cost of Goods Sold	(200)	(271)	(328)	(347)	(371)
Gross Profit	26.0	34.5	40.5	42.2	48.6
Other Oper. (Exp)/Inc	(11.8)	(9.1)	(9.2)	(8.3)	(7.7)
Operating Profit	14.3	25.4	31.3	33.9	40.9
Other Non Opg (Exp)/Inc	0.0	0.0	0.0	0.0	0.0
Associates & JV Inc	0.0	0.0	0.0	0.0	0.0
Net Interest (Exp)/Inc	(1.0)	(3.5)	(3.0)	(3.4)	(1.5)
Exceptional Gain/(Loss)	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	13.3	21.9	28.3	30.6	39.4
Tax	(3.7)	(6.9)	(8.7)	(8.0)	(11.3)
Minority Interest	(0.1)	0.03	0.12	0.0	0.02
Net Profit	9.52	15.1	19.7	22.6	28.2
Net profit bef Except.	9.52	15.1	19.7	22.6	28.2
EBITDA	19.4	32.9	38.0	33.9	40.9

Growth

Revenue Gth (%)	35.8	35.4	20.5	5.7	7.9
EBITDA Gth (%)	17.9	69.9	15.4	(10.7)	20.7
Opg Profit Gth (%)	29.4	77.7	23.3	8.4	20.7
Net Profit Gth (%)	18.0	58.1	31.1	14.6	24.7

Margins

Gross Margins (%)	11.5	11.3	11.0	10.8	11.6
Opg Profit Margins (%)	6.3	8.3	8.5	8.7	9.7
Net Profit Margins (%)	4.2	4.9	5.4	5.8	6.7

Balance Sheet (A\$m)

FY Jun	2020A	2021A	2022A	2023F	2024F
Net Fixed Assets	398	412	448	446	444
Invts in Associates & JVs	0.24	0.06	0.0	0.0	0.0
Other LT Assets	2.91	4.65	18.2	18.2	18.2
Cash & ST Invts	27.7	48.2	40.8	87.7	135
Inventory	0.0	0.0	0.0	0.0	0.0
Debtors	74.5	87.5	95.0	95.8	104
Other Current Assets	97.2	84.6	123	123	123
Total Assets	600	637	726	772	825
ST Debt	2.39	0.0	28.0	28.0	28.0
Creditor	91.1	87.4	112	104	114
Other Current Liab	103	114	69.0	85.1	87.0
LT Debt	60.0	60.0	46.0	46.0	46.0
Other LT Liabilities	80.9	83.2	99.9	99.9	99.9
Shareholder's Equity	263	292	371	409	453
Minority Interests	(0.1)	(0.3)	(0.3)	(1.0)	(1.8)
Total Cap. & Liab.	600	637	726	772	825
Non-Cash Wkg. Capital	(22.3)	(29.8)	37.8	30.0	27.4
Net Cash/(Debt)	(34.7)	(11.8)	(33.2)	13.7	61.1
Debtors Turn (avg days)	64.3	43.9	41.2	41.0	39.5
Creditors Turn (avg days)	80.5	55.7	51.6	53.6	49.5
Inventory Turn (avg days)	N/A	N/A	N/A	N/A	N/A
Asset Turnover (x)	0.8	1.1	1.2	1.1	1.2
Current Ratio (x)	1.0	1.1	1.2	1.4	1.6
Quick Ratio (x)	0.5	0.7	0.7	0.8	1.0
Net Debt/Equity (X)	0.1	0.0	0.1	CASH	CASH
Net Debt/Equity ex MI (X)	0.1	0.0	0.1	CASH	CASH
Capex to Debt (%)	112.1	35.0	8.9	20.3	20.3

Source: Company, DBS Bank

Civmec Limited

Cash Flow Statement (A\$m)

FY Jun	2020A	2021A	2022A	2023F	2024F
Pre-Tax Profit	22.8	50.2	70.0	72.3	79.1
Dep. & Amort.	10.5	14.2	16.6	16.6	17.6
Tax Paid	(3.4)	(6.2)	(27.8)	(3.8)	(19.9)
Assoc. & JV Inc/(loss)	(0.2)	0.10	0.01	0.0	0.0
Chg in Wkg.Cap.	78.7	(4.6)	(56.5)	(8.3)	0.75
Other Operating CF	(13.1)	4.66	(0.6)	0.0	0.0
Net Operating CF	95.2	58.3	1.77	76.9	77.5
Capital Exp.(net)	(70.0)	(21.0)	(6.6)	(15.0)	(15.0)
Other Invt.(net)	0.0	0.0	0.0	0.0	0.0
Invt in Assoc. & JV	(0.5)	0.49	0.0	0.0	0.0
Div from Assoc & JV	0.07	0.09	0.0	0.0	0.0
Other Investing CF	0.09	0.0	0.05	0.0	0.0
Net Investing CF	(70.3)	(20.4)	(6.5)	(15.0)	(15.0)
Div Paid	(3.7)	(10.0)	(10.0)	(15.1)	(15.1)
Chg in Gross Debt	(28.1)	(0.3)	15.0	0.0	0.0
Capital Issues	0.0	0.0	0.0	0.0	0.0
Other Financing CF	(6.0)	(7.1)	(7.5)	0.0	0.0
Net Financing CF	(37.9)	(17.4)	(2.6)	(15.1)	(15.1)
Currency Adjustments	0.0	0.0	0.0	0.0	0.0
Chg in Cash	(13.0)	20.5	(7.3)	46.8	47.5
Opg CFPS (S cts)	3.15	12.0	11.1	16.2	14.6
Free CFPS (S cts)	4.82	7.11	(0.9)	11.8	11.9

FY23F capex earmarked for Gladstone acquisition amounts to A\$10m. We assume an additional A\$5m in other capex

Source: Company, DBS Bank

Target Price & Ratings History



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

S.No.	Date of Report	Closing Price	12-mth Target Price	Rating
1:	23 May 22	0.66	0.88	BUY

Source: DBS Bank

Analyst: Singapore Research Team

Paul YONG

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: 2 Sep 2022 06:46:14 (SGT)

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