

# Regional Company Update

## Grab Holdings Ltd

Bloomberg: GRAB US | Reuters: GRAB.O

Refer to important disclosures at the end of this report

DBS Group Research . Equity

21 Jul 2023

### FULLY VALUED (Downgrade from HOLD)

Last Traded Price (20 Jul 2023): US\$3.64 (Dow Jones : 35,225.18)

Price Target 12-mth: US\$3.16 (13% downside) (Prev US\$3.07)

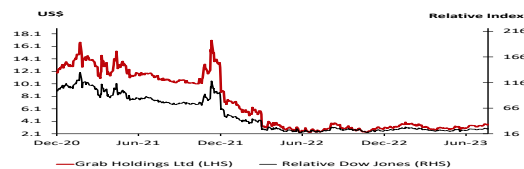
#### Analyst

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#### What's New

- GRAB faces two structural challenges compared to UBER, which might affect its future profitability
- We lower FY27F normalised EBITDA by 8% to US\$837m, due to reduction in Delivery and Mobility adjusted EBITDAs, keeping in line with the steady-state targets of GRAB
- Downgrade to FULLY VALUED with a revised TP of US\$3.16, stemming from higher terminal EV/EBITDA multiple amidst lower FY27F EBITDA

#### Price Relative



#### Forecasts and Valuation

FY Dec (US\$m)	2022A	2023F	2024F	2025F
Revenue	1,433	2,245	2,991	3,589
EBITDA	(1,223)	(188)	183	465
Pre-tax Profit	(1,734)	(353)	10.4	283
Net Profit	(1,797)	(364)	11.1	293
Net Pft (Pre Ex.)	(1,789)	(364)	11.1	293
Net Pft Gth (Pre-ex) (%)	46.0	79.6	nm	2,532.6
EPS (US cts.)	(46.8)	(9.5)	0.29	7.63
EPS Pre Ex. (US cts.)	(46.6)	(9.5)	0.29	7.63
EPS Gth Pre Ex (%)	44	80	nm	2,533
Diluted EPS (US cts.)	(43.9)	(8.6)	0.58	7.45
Net DPS (US cts.)	0.0	0.0	0.0	0.0
BV Per Share (US cts.)	172	163	164	171
PE (X)	nm	nm	1256.0	47.7
PE Pre Ex. (X)	nm	nm	1256.0	47.7
P/Cash Flow (X)	nm	nm	112.7	46.0
EV/EBITDA (X)	nm	nm	59.5	23.4
Net Div Yield (%)	0.0	0.0	0.0	0.0
P/Book Value (X)	2.1	2.2	2.2	2.1
Net Debt/Equity (X)	CASH	CASH	CASH	CASH
ROAE (%)	(25.1)	(5.7)	0.2	4.5
Earnings Rev (%):		0	0	0
Consensus EPS (US		(17.9)	(8.9)	12.4
Other Broker Recs:		B: 22	S: 1	H: 5

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

### Growth vs. profitability dilemma remains the same

#### Investment Thesis:

**A dominant on-demand services player.** Grab Holdings (GRAB) is the market leader in Southeast Asia in delivery and mobility services. It also offers digital financial services (fintech) and has partnered with Singtel for its digital banking operations. On an adjusted (adj) EBITDA basis, GRAB's mobility business is adj EBITDA positive already, while its delivery business achieved breakeven in 3Q22, excluding regional corporate costs of over US\$800m. However, its fintech business might continue to incur EBITDA losses over the next few years.

**GRAB aims to achieve adj EBITDA breakeven in 4Q23F.** We project a GMV CAGR of 15% over FY22-25F and that group adj EBITDA to breakeven in 4Q23F on the sharp reduction in delivery incentives. However, its on-demand business's normalised EBITDA margins in the long term might be ~12% due to the instant nature of deliveries where one driver/partner can serve only one customer.

**GRAB trades at a significant 12-month forward enterprise value (EV)-to-gross profit (GP) premium to Sea Ltd (SE).** In terms of EV/GP, GRAB is trading at a 12m/24m forward EV/GP of 8.0x/5.8x at an 81%/72% premium to SE, which is difficult to sustain, in our view. Market prefers profit-based multiples over revenue multiples.

**Downgrade to FULLY VALUED with a revised TP of US\$3.16 (prev US\$3.07).** We assume 12% (prev 13%) normalised EBITDA in FY27F on structural challenges in Southeast Asia, leading to an adj EBITDA estimate of US\$837m (prev US\$907m). We apply 15.3x (prev 13.5x) EV/EBITDA (based on UBER's 24-month forward multiple), discounted back by 15% annually. We have also added US\$4.8bn (unchanged) in net cash to the discounted FY23F EV, assuming a cash burn of ~US\$200m out of its ~US\$5.0bn net cash position currently.

#### Key Risks

**Potential decline in GMV due to regional competition and inflationary environment.** GRAB faces competition from Gojek in the largest market (Indonesia), which could affect its GMV, and inflation can lead to a reduction in the usage of on-demand services.

**Higher incentives in delivery and mobility might lead to a bear-case TP of US\$2.50.** This assumes an EBITDA margin of 10% in FY27F (vs. a 12% margin under the base case) and 12x EV/EBITDA multiple (vs. 15.3x under the base case).

#### At A Glance

Issued Capital (m shrs)	3,840
Mkt. Cap (US\$m/US\$m)	13,599 / 13,599
Major Shareholders (%)	
SoftBank Group Corp	18.8
Uber Technologies In	14.4
Mitsubishi UFJ Finan	7.7
Free Float (%)	46.0
3m Avg. Daily Val (US\$m)	57.9
GIC Industry : Industrials / Transportation	

## WHAT'S NEW

### Expensive at current valuation

Compared to UBER in North America, GRAB faces two key structural challenges, leaving less room to cut incentives offered to drivers. The US exhibits the highest percentage of households that own a car globally (at 92%) since owning and driving a car is a common phenomenon there. Some car owners are driving an UBER for an additional income while others are doing it full-time. An UBER driver can earn an average of US\$20-30 per hour in the US, according to multiple sources. Assuming the driver works for 10 hours, his total earnings for a day would be US\$200-300 per day, and the driver could rake in US\$120-200 after expenses. As a result, it is possible for UBER to charge higher commissions.

However, in a country like Singapore, where GRAB has a strong presence, most of the GRAB drivers do not own a car. Compared to the US, where car ownership is over 92%, in Singapore the percentage is 11% (SE Asia is less than 15%). Hence, GRAB drivers tend to rely on daily rented cars, for which they end up paying an additional S\$70-100 per day, in addition to the 22%-24% commission fee and fuel expenses. This requires them to work full-time to make a decent living. The GRAB driver may be left with little income after paying the daily car rental charges and other expenses, hence limiting GRAB's ability to cut the commissions offered to drivers.

### Owning a car in the US is more affordable compared to SE Asian countries

Country	Car ownership rate
US	92%
Singapore	11%
Indonesia	9%

Source: VOI, Motley Fool, Budget Direct, DBS Bank

US\$	USA	Singapore	Indonesia
Average car price	46,000	125,000	27,200
Personal income per capita	70,900	63,000	4,170
Car price to income ratio	0.66	1.98	6.50

Source: The Zebra, World Data, Kee Yong Auto, Statista, DBS Bank

For the delivery segment, in the US, it is customary to tip the UBER driver, which impacts the total income of the delivery person, thus functioning as an additional source of income for the drivers, on top of their base pay. However, in Singapore, the tipping culture may not be as prevalent. As a result, the effective income of GRAB delivery drivers may be solely dependent on their base pay and

any additional incentives provided by GRAB. This also implies that UBER can afford to raise commission rates in its other major segments compared to GRAB. Hence, GRAB will not have any room to reduce the incentives offered to drivers and delivery people, which will thus adversely affect its future profitability.

### Tips given to US restaurants and delivery riders are higher than in SE Asian countries

Tipping rates	USA	Singapore	Indonesia
At restaurants	15%	10% service charge	10%-15%
Online food delivery	20%	10%	10%

Source: Table Agent, Grubhub, The Best Singapore, Expat Choice, Trip Advisor, DBS Bank

GRAB is witnessing competition from GoTo in the on-demand services segment, especially in Indonesia, the largest market for both the platform companies. Furthermore, GRAB's third segment, fintech, is expected to continue to make losses. GRAB expects fintech to experience peak losses in 2023 due to the launch of digibanks in Malaysia and Indonesia. This is a segment which is

absent in UBER. Meanwhile, UBER's freight segment continues to narrow its losses, thus benefitting its adj EBITDA growth.

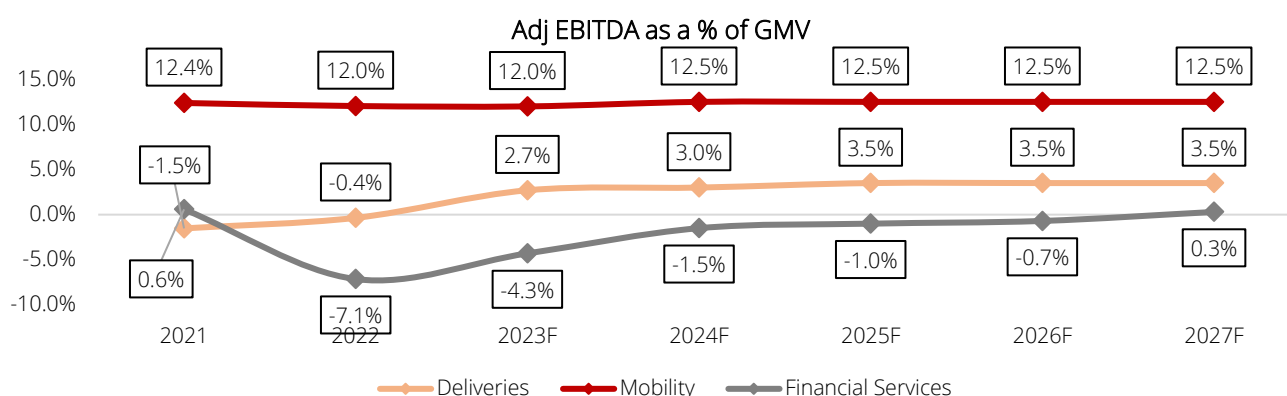
**GRAB's growth vs. profitability dilemma.** Like other internet platforms, GRAB too faces competitive pressures coupled with the need to achieve group-wise adj EBITDA breakeven. To narrow its adj EBITDA losses, GRAB has been reducing its incentives since

## Grab Holdings Ltd

1Q22, eventually achieving adj EBITDA breakeven in its delivery segment in 3Q22. However, cutting incentives to drivers and delivery people hurt the driver supply resulting in higher prices for consumers, leading to a slowdown in GMV growth. Alternatively, to ensure smooth driver supply and affordable pricing for consumers, GRAB will have to consider not lowering incentives. However, this will eat into profitability, and thus delay the

company from achieving adj EBITDA breakeven. Hence, we have reduced adj EBITDA as a percentage of GMV from 2025, as GRAB will attempt to defend its market share, while experiencing reduced adj EBITDA. Our forecasted adj EBITDA as a percentage of GMV is also in line with GRAB's steady-state target, for both Deliveries and Mobility.

### Adj EBITDA as a % of GMV has been lowered for both Mobility and Deliveries to maintain it in line with GRAB's steady-state target



Source: Company, DBS Bank

### GRAB's Deliveries and Mobility adj EBITDAs from FY25F have been adjusted to reflect GRAB's steady-state target

Segment adj EBITDA	2019	2020	2021	2022	2023F	2024F	2025F	2026F	2027F
Deliveries	(809)	(211)	(130)	(35)	281	359	461	498	523
y-o-y %		-74%	-38%	-73%	-904%	28%	28%	8%	5%
Mobility	(194)	307	345	494	615	769	885	973	1,051
y-o-y %		-258%	12%	43%	25%	25%	15%	10%	8%
Financial services	(548)	(331)	(349)	(415)	(287)	(125)	(96)	(74)	33
y-o-y %		-40%	5%	19%	-31%	-56%	-23%	-23%	-145%
Enterprise	(3)	9	9	21	60	79	151	289	223
y-o-y %		-400%	0%	133%	186%	32%	90%	91%	-23%
<b>Segment adjusted EBITDA</b>	<b>(1,554)</b>	<b>(226)</b>	<b>(125)</b>	<b>65</b>	<b>670</b>	<b>1,083</b>	<b>1,401</b>	<b>1,686</b>	<b>1,831</b>
y-o-y %		-85%	-45%	-152%	930%	62%	29%	20%	9%
<b>Adjusted EBITDA</b>	<b>(2,237)</b>	<b>(780)</b>	<b>(842)</b>	<b>(793)</b>	<b>(188)</b>	<b>183</b>	<b>465</b>	<b>722</b>	<b>837</b>
y-o-y %		-65%	8%	-6%	-76%	-197%	154%	55%	16%

\*Difference between segment adjusted EBITDA and adjusted EBITDA is regional corporate cost

Source: Company, DBS Bank

We use normalised long-term EBITDA margins to derive our TP of **US\$3.16 (prev US\$3.07)** for GRAB. We project a 12% (prev 13%) EBITDA margin leading to US\$837m (prev US\$907m) adj EBITDA in FY27F. We used global peer UBER's 24m forward EV/EBITDA of 15.3x (previous: 13.5x) for FY27F EBITDA, discounted back by 15%

each year to value GRAB, assuming investors seek an annual return of 15%. This is based on projected margins of 11%-12% for mature peers such as UBER and DASH in 2024, which do not have the cross-selling benefits of GRAB. We have also added US\$4.8bn in net cash to the discounted FY23F EV, assuming a cash burn of ~US\$200m out of its current ~US\$5.0bn.

## Grab Holdings Ltd

Our bear-case fair value for GRAB is US\$2.50. This is based on a 10% EBITDA margin assumption in FY27F (vs. a 12% margin under the base case) and 12x EV/EBITDA multiple (vs. 15.3x under the base case).

### Our valuation for GRAB, resulting in a TP of US\$3.16 (previous: US\$3.07)

US\$m	EV/EBITDA (x)	FY27F EBITDA (US\$m)	Enterprise value (EV)	EV in FY23F discounted at 15%	Excess cash on top of cash to be burnt before EBITDA breakeven	Equity value in FY23F	Number of shares (m)	Target price (US\$)
GRAB	15.3	837	12,805	7,321	4,800	12,121	3,838	3.16

Source: Company, Reuters, DBS Bank

### The sensitivity of our valuation to EBITDA margins and EV/EBITDA multiple

GRAB		FY27F Group EBITDA margin		
		10%	12%	15%
EV/EBITDA (x)	12.0	2.50	2.75	3.12
	15.3	2.84	<b>3.16</b>	3.64
	18.0	3.12	3.49	4.06

Source: Company, Reuters, DBS Bank

### GRAB's valuation is not cheap with 12-month/24-month forward enterprise value (EV)-to-gross profit (GP) of 8.0x/5.9x at an 81%/72% premium to Sea Ltd

	Share price (US\$)	Market cap (US\$m)	Net debt/(cash) (US\$m)	Enterprise value (US\$m)	12m forward gross profit (US\$m)	24m forward gross profit (US\$m)	12m forward EV/GP	24m forward EV/GP
SE	61.46	34,833	(3,959)	30,874	7,013	8,978	4.4	3.4
GRAB	3.51	13,643	(4,993)	8,650	1,088	1,489	8.0	5.9
GRAB's PREMIUM							81%	72%

Source: Companies, Reuters, DBS Bank

### In terms of 12/24m EV/GP and 24m EV/EBITDA, GRAB is more expensive than UBER

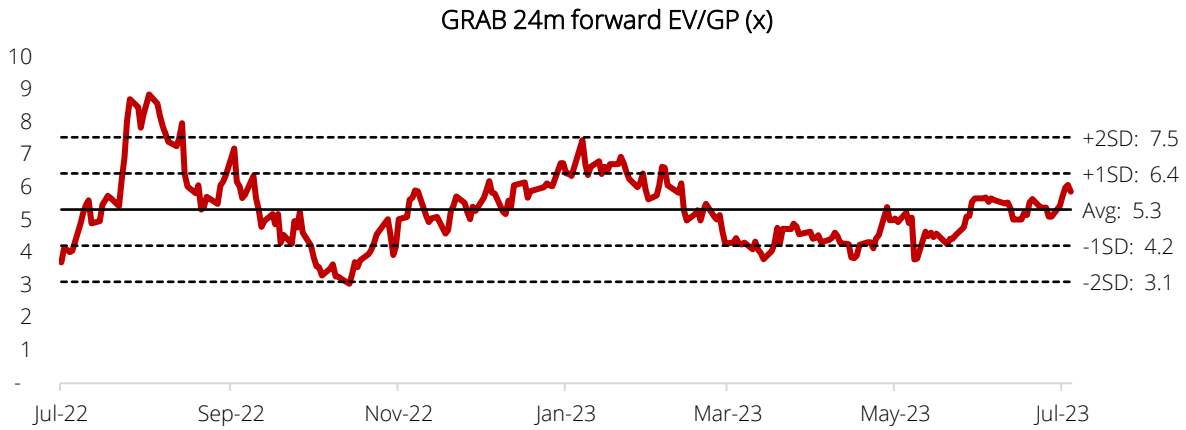
EV/GP		Trading	Avg	-1SD	-2SD	+1SD	+2SD
GRAB	12m	8.0	9.9	6.5	3.1	13.4	16.8
	24m	5.9	5.3	4.2	3.1	6.4	7.5
UBER	12m	5.4	6.1	3.9	1.6	8.4	10.7
	24m	5.0	4.9	3.5	2.1	6.4	7.8

EV/EBITDA		Trading	Avg	-1SD	-2SD	+1SD	+2SD
GRAB	24m	27.0	57.7	15.4	(26.9)	100.0	142.3
UBER	24m	15.3	19.3	11.5	3.7	27.1	34.9

Source: Companies, Reuters, DBS Bank

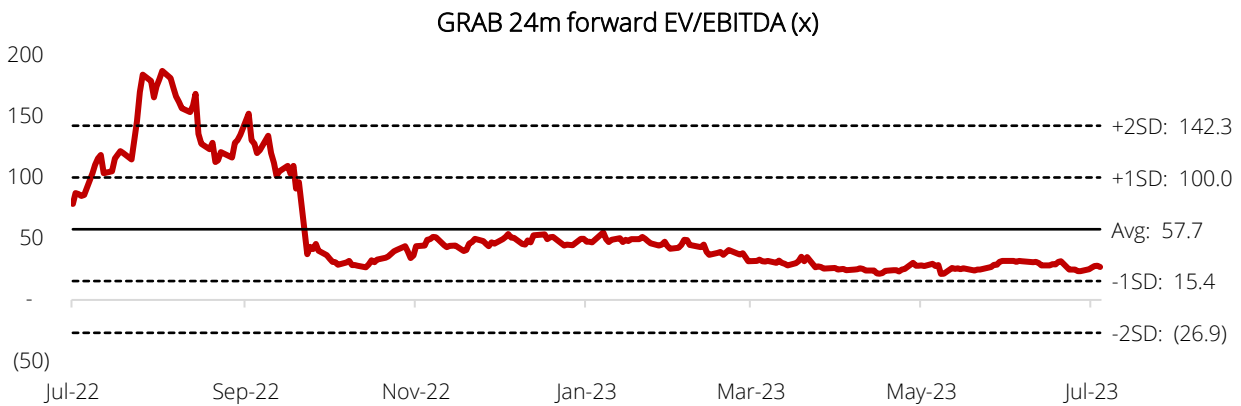
**Grab Holdings Ltd**

**GRAB is trading at a 24m forward EV/GP of 5.9x, near its +1SD of 6.4x (last 1-year average at 5.3x)**



Source: Company, Reuters, DBS Bank

**GRAB is trading at 27.0x 24m forward EV/EBITDA, near its last 1-year average of 57.7x.**



Source: Companies, Reuters, DBS Bank

**Company Background**

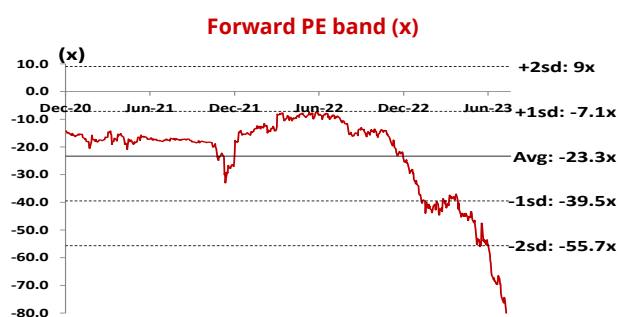
A Singaporean multinational company primarily engaging in offering ride hailing, food delivery, and digital financial services for the Southeast Asian markets.

## Interim Income Statement (US\$m)

FY Dec	2H2021	1H2022	2H2022	% chg yoy	% chg hoh
Revenue	279	549	1,433	413.6	161.0
Cost of Goods Sold	(563)	(647)	(1,356)	140.9	109.6
<b>Gross Profit</b>	<b>(284)</b>	<b>(98)</b>	<b>77</b>	<b>nm</b>	<b>nm</b>
Other Oper. (Exp)/Inc	(651)	(730)	(1,450)	122.7	98.6
<b>Operating Profit</b>	<b>(935)</b>	<b>(828)</b>	<b>(1,373)</b>	<b>46.8</b>	<b>65.8</b>
Other Non Opg (Exp)/Inc	(11)	(1)	0	nm	nm
Associates & JV Inc	0	0	0	-	-
Net Interest (Exp)/Inc	(1,149)	(173)	(353)	69.3	(104.0)
Exceptional Gain/(Loss)	(4)	(3)	(8)	nm	166.7
<b>Pre-tax Profit</b>	<b>(2,099)</b>	<b>(1,005)</b>	<b>(1,734)</b>	<b>17.4</b>	<b>(72.5)</b>
Tax	0	0	0	-	-
Minority Interest	(2,349)	(37)	(57)	97.6	54.1
<b>Net Profit</b>	<b>(4,448)</b>	<b>(1,042)</b>	<b>(1,791)</b>	<b>59.7</b>	<b>71.9</b>
Net profit bef Except.	(4,444)	(1,039)	(1,783)	59.9	71.6
EBITDA	(760)	(756)	(1,223)	(60.9)	(61.8)
<b>Margins (%)</b>					
Gross Margins	(101.8)	(17.9)	5.4		
Opg Profit Margins	(335.1)	(150.8)	(95.8)		
Net Profit Margins	(1,594.4)	(189.8)	(125.0)		

Source of all data: Company, DBS Bank

## Historical PE Band



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

**Key Assumptions**

FY Dec	2021A	2022A	2023F	2024F	2025F
Total GMV (US\$m)	16,061	19,937	22,513	26,872	30,381
Overall take rate (%)	0.15	0.17	0.18	0.18	0.19
Monthly Transacting	28.1	32.7	36.0	38.9	41.6

**Segmental Breakdown**

FY Dec	2021A	2022A	2023F	2024F	2025F
<b>Revenues (US\$m)</b>					
Delivery	148	663	1,167	1,449	1,673
Mobility	456	639	795	1,028	1,196
Digital Financial Services	27.0	71.0	140	242	327
Enterprise	44.0	60.0	144	271	392
<b>Total</b>	<b>675</b>	<b>1,433</b>	<b>2,245</b>	<b>2,991</b>	<b>3,589</b>

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

FY Dec	2021A	2022A	2023F	2024F	2025F
Revenue	675	1,433	2,245	2,991	3,589
Cost of Goods Sold	(1,070)	(1,356)	(1,424)	(1,637)	(1,965)
<b>Gross Profit</b>	<b>(395)</b>	<b>77.0</b>	<b>822</b>	<b>1,353</b>	<b>1,624</b>
Other Opng (Exp)/Inc	(1,160)	(1,450)	(1,154)	(1,320)	(1,318)
<b>Operating Profit</b>	<b>(1,555)</b>	<b>(1,373)</b>	<b>(332)</b>	<b>32.9</b>	<b>306</b>
Other Non Opg (Exp)/Inc	(11.0)	0.0	(10.9)	(12.5)	(12.5)
Associates & JV Inc	0.0	0.0	0.0	0.0	0.0
Net Interest (Exp)/Inc	(1,636)	(353)	(10.0)	(10.0)	(10.0)
Exceptional Gain/(Loss)	(8.0)	(8.0)	0.0	0.0	0.0
<b>Pre-tax Profit</b>	<b>(3,210)</b>	<b>(1,734)</b>	<b>(353)</b>	<b>10.4</b>	<b>283</b>
Tax	(3.0)	(6.0)	0.0	0.0	0.0
Minority Interest	(106)	(57.0)	(11.2)	0.75	9.68
Preference Dividend	0.0	0.0	0.0	0.0	0.0
<b>Net Profit</b>	<b>(3,319)</b>	<b>(1,797)</b>	<b>(364)</b>	<b>11.1</b>	<b>293</b>
Net Profit before Except.	(3,311)	(1,789)	(364)	11.1	293
EBITDA	(1,210)	(1,223)	(188)	183	465
<b>Growth</b>					
Revenue Gth (%)	43.9	112.3	56.7	33.2	20.0
EBITDA Gth (%)	(32.8)	(1.1)	84.6	nm	154.4
Opg Profit Gth (%)	19.8	(11.7)	(75.8)	(109.9)	829.1
Net Profit Gth (Pre-ex) (%)	(13.6)	46.0	79.6	nm	2,532.6
<b>Margins &amp; Ratio</b>					
Gross Margins (%)	(58.5)	5.4	36.6	45.3	45.2
Opg Profit Margin (%)	(230.4)	(95.8)	(14.8)	1.1	8.5
Net Profit Margin (%)	(491.7)	(125.4)	(16.2)	0.4	8.2
ROAE (%)	(497.6)	(25.1)	(5.7)	0.2	4.5
ROA (%)	(39.9)	(17.7)	(4.0)	0.1	3.2
ROCE (%)	(20.7)	(14.9)	(4.2)	0.4	4.0
Div Payout Ratio (%)	N/A	N/A	N/A	0.0	0.0
Net Interest Cover (x)	(1.0)	(3.9)	(33.2)	3.3	30.6

Source: Company, DBS Bank

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

FY Dec	1H2021	2H2021	1H2022	2H2022
Revenue	396	279	549	1,433
Cost of Goods Sold	(507)	(563)	(647)	(1,356)
<b>Gross Profit</b>	<b>(111)</b>	<b>(284)</b>	<b>(98.0)</b>	<b>77.0</b>
Other Oper. (Exp)/Inc	(509)	(651)	(730)	(1,450)
<b>Operating Profit</b>	<b>(620)</b>	<b>(935)</b>	<b>(828)</b>	<b>(1,373)</b>
Other Non Opg (Exp)/Inc	0.0	(11.0)	(1.0)	0.0
Associates & JV Inc	0.0	0.0	0.0	0.0
Net Interest (Exp)/Inc	(840)	(1,149)	(173)	(353)
Exceptional Gain/(Loss)	(4.0)	(4.0)	(3.0)	(8.0)
<b>Pre-tax Profit</b>	<b>(1,464)</b>	<b>(2,099)</b>	<b>(1,005)</b>	<b>(1,734)</b>
Tax	0.0	0.0	0.0	0.0
Minority Interest	(42.0)	(2,349)	(37.0)	(57.0)
<b>Net Profit</b>	<b>(1,506)</b>	<b>(4,448)</b>	<b>(1,042)</b>	<b>(1,791)</b>
Net profit bef Except.	(1,502)	(4,444)	(1,039)	(1,783)
EBITDA	(450)	(760)	(756)	(1,223)

**Growth**

Revenue Gth (%)	nm	(29.5)	96.8	161.0
EBITDA Gth (%)	nm	(68.9)	0.5	(61.8)
Opg Profit Gth (%)	nm	50.8	(11.4)	65.8
Net Profit Gth (%)	nm	195.4	(76.6)	71.9

**Margins**

Gross Margins (%)	(28.0)	(101.8)	(17.9)	5.4
Opg Profit Margins (%)	(156.6)	(335.1)	(150.8)	(95.8)
Net Profit Margins (%)	(380.3)	(1,594.4)	(189.8)	(125.0)

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

FY Dec	2021A	2022A	2023F	2024F	2025F
Net Fixed Assets	441	492	517	591	701
Invt in Associates & JVs	14.0	107	107	107	107
Other LT Assets	2,048	2,883	2,883	2,883	2,883
Cash & ST Invt	8,231	5,086	4,435	4,150	3,999
Inventory	4.00	48.0	22.5	29.9	35.9
Debtors	440	554	868	1,156	1,387
Other Current Assets	0.0	0.0	0.0	1.00	1.00
<b>Total Assets</b>	<b>11,178</b>	<b>9,170</b>	<b>8,833</b>	<b>8,918</b>	<b>9,114</b>
ST Debt	144	117	117	117	117
Creditor	847	942	1,123	1,359	1,435
Other Current Liab	35.0	38.0	38.0	38.0	38.0
LT Debt	2,031	1,248	1,072	896	720
Other LT Liabilities	102	168	168	168	168
Shareholder's Equity	7,733	6,603	6,272	6,295	6,581
Minority Interests	286	54.0	42.8	43.6	53.2
<b>Total Cap. &amp; Liab.</b>	<b>11,178</b>	<b>9,170</b>	<b>8,833</b>	<b>8,917</b>	<b>9,113</b>
Non-Cash Wkg. Capital	(438)	(378)	(270)	(210)	(49.2)
Net Cash/(Debt)	6,056	3,721	3,246	3,137	3,162
Debtors Turn (avg days)	194.9	126.6	115.6	123.5	129.4
Creditors Turn (avg days)	379.6	270.7	294.3	304.6	282.5
Inventory Turn (avg days)	1.8	7.9	10.0	6.4	6.7
Asset Turnover (x)	0.1	0.1	0.2	0.3	0.4
Current Ratio (x)	8.5	5.2	4.2	3.5	3.4
Quick Ratio (x)	8.5	5.1	4.2	3.5	3.4
Net Debt/Equity (X)	CASH	CASH	CASH	CASH	CASH
Net Debt/Equity ex MI (X)	CASH	CASH	CASH	CASH	CASH
Capex to Debt (%)	2.2	3.4	14.2	22.1	32.2

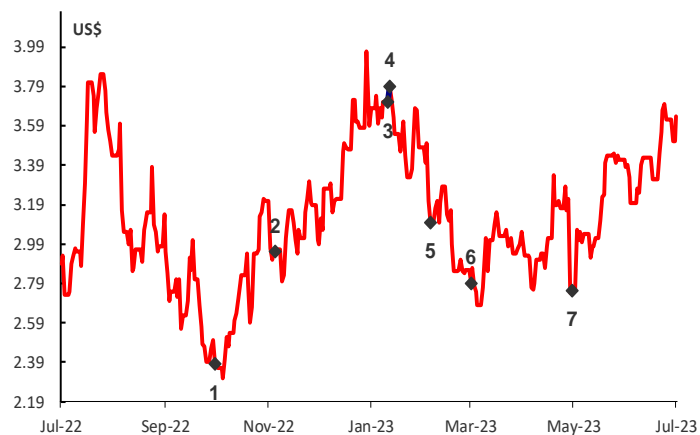
Source: Company, DBS Bank



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

FY Dec	2021A	2022A	2023F	2024F	2025F
Pre-Tax Profit	(3,552)	(1,734)	(342)	22.9	296
Dep. & Amort.	345	150	144	150	159
Tax Paid	(3.0)	(26.0)	0.0	0.0	0.0
Assoc. & JV Inc/(loss)	8.00	8.00	0.0	0.0	0.0
Chg in Wkg.Cap.	(128)	(44.0)	(108)	(58.9)	(161)
Other Operating CF	2,393	830	10.0	10.0	10.0
<b>Net Operating CF</b>	<b>(938)</b>	<b>(819)</b>	<b>(296)</b>	<b>124</b>	<b>304</b>
Capital Exp.(net)	(48.0)	(46.0)	(168)	(224)	(269)
Other Invt.(net)	(2,717)	(949)	0.0	0.0	0.0
Invt in Assoc. & JV	(8.0)	(106)	0.0	0.0	0.0
Div from Assoc & JV	0.0	0.0	0.0	0.0	0.0
Other Investing CF	16.0	39.0	0.0	0.0	0.0
<b>Net Investing CF</b>	<b>(2,757)</b>	<b>(1,062)</b>	<b>(168)</b>	<b>(224)</b>	<b>(269)</b>
Div Paid	0.0	0.0	0.0	0.0	0.0
Chg in Gross Debt	1,780	(945)	(176)	(176)	(176)
Capital Issues	463	0.0	0.0	0.0	0.0
Other Financing CF	4,323	(177)	(10.0)	(10.0)	(10.0)
<b>Net Financing CF</b>	<b>6,566</b>	<b>(1,122)</b>	<b>(186)</b>	<b>(186)</b>	<b>(186)</b>
Currency Adjustments	0.0	0.0	0.0	0.0	0.0
Chg in Cash	2,871	(3,003)	(651)	(286)	(151)
Opg CFPS (US cts.)	(20.5)	(20.2)	(4.9)	4.76	12.1
Free CFPS (US cts.)	(25.0)	(22.5)	(12.1)	(2.6)	0.91

Source: Company, DBS Bank

**Target Price & Ratings 12-mth 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:	19 Oct 22	2.38	2.58	HOLD
2:	24 Nov 22	2.95	2.93	HOLD
3:	30 Jan 23	3.71	2.93	FULLY VALUED
4:	31 Jan 23	3.79	2.93	FULLY VALUED
5:	24 Feb 23	3.10	3.22	HOLD
6:	20 Mar 23	2.79	3.02	HOLD
7:	19 May 23	2.76	3.07	HOLD

Source: DBS Bank

Analyst: Sachin MITTAL

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: 21 Jul 2023 17:22:23 (SGT)

Dissemination Date: 21 Jul 2023 17:28:21 (SGT)

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