

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

Sachin MITTAL +65 66823699 sachinmittal@db.com

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	



Watchlist the stock on Insights Direct to receive prompt updates

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.

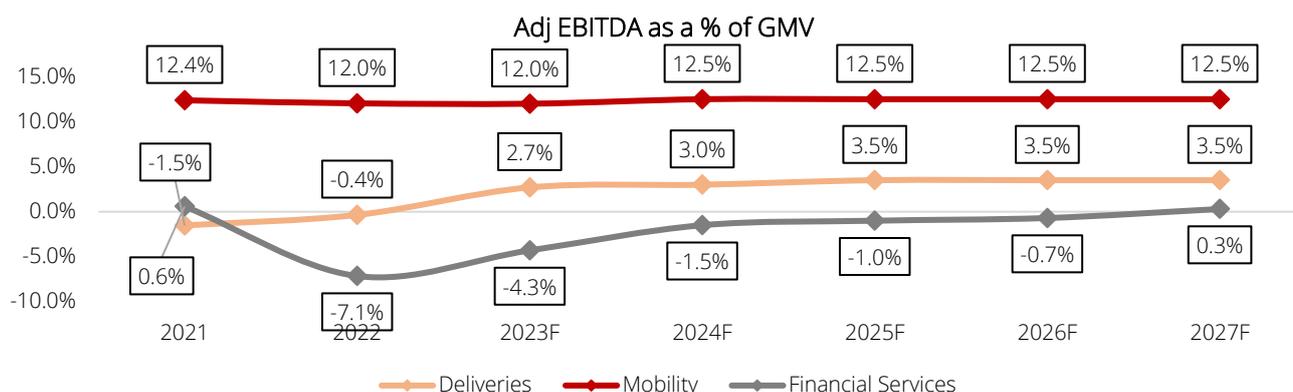
GRAB's growth vs. profitability dilemma. Like other internet platforms, GRAB too faces competitive pressures coupled with the need to achieve group-wise adj EBITDA breakeven. To narrow its adj EBITDA losses, GRAB has been reducing its incentives since

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%
Segment adjusted EBITDA	(1,554)	(226)	(125)	65	670	1,083	1,401	1,686	1,831
y-o-y %		-85%	-45%	-152%	930%	62%	29%	20%	9%
Adjusted EBITDA	(2,237)	(780)	(842)	(793)	(188)	183	465	722	837
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	3.16	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

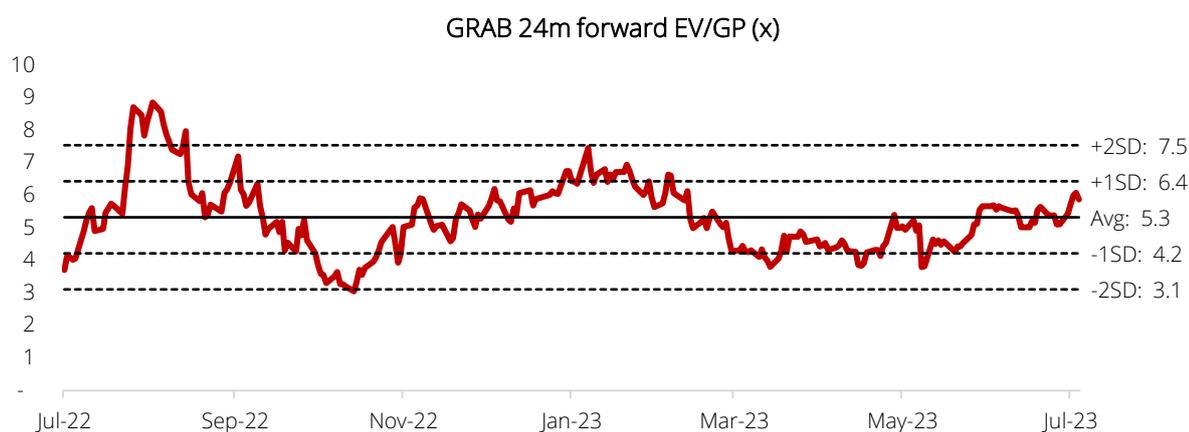
In terms of 12/24m EV/GP and 24m EV/EBITDA, GRAB is more expensive than UBER

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

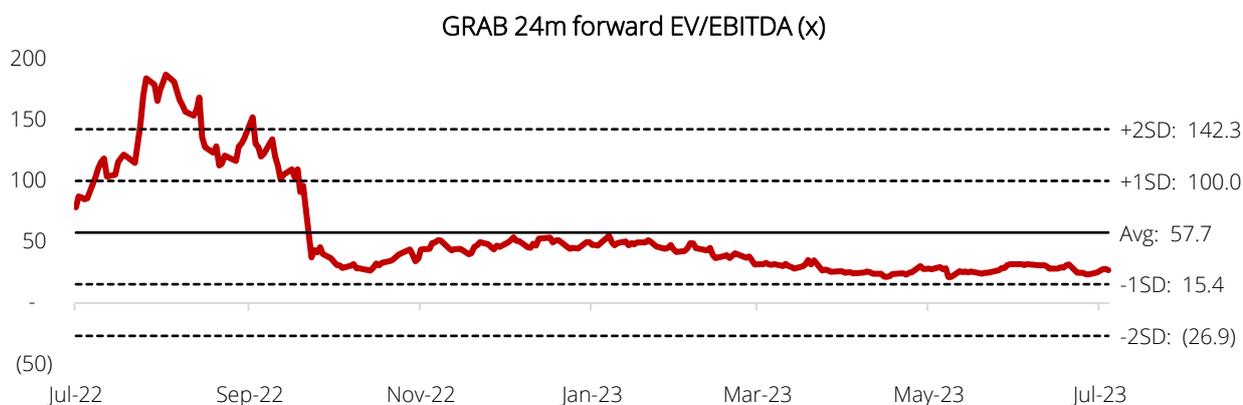
Source: Companies, Reuters, DBS Bank

GRAB 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

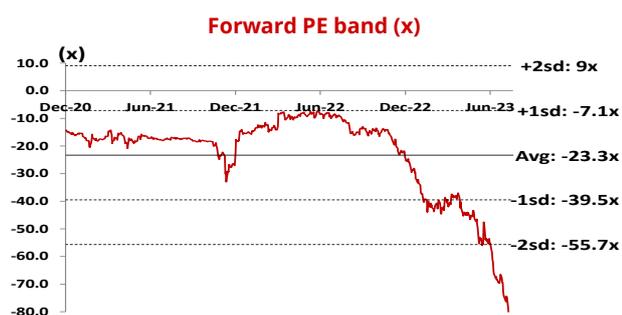
A Singaporean multinational company primarily engaging in offering ride hailing, food delivery, and digital financial services for the Southeast Asian markets.

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
Gross Profit	(284)	(98)	77	nm	nm
Other Oper. (Exp)/Inc	(651)	(730)	(1,450)	122.7	98.6
Operating Profit	(935)	(828)	(1,373)	46.8	65.8
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
Pre-tax Profit	(2,099)	(1,005)	(1,734)	17.4	(72.5)
Tax	0	0	0	-	-
Minority Interest	(2,349)	(37)	(57)	97.6	54.1
Net Profit	(4,448)	(1,042)	(1,791)	59.7	71.9
Net profit bef Except.	(4,444)	(1,039)	(1,783)	59.9	71.6
EBITDA	(760)	(756)	(1,223)	(60.9)	(61.8)
Margins (%)					
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
Revenues (US\$m)					
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
Total	675	1,433	2,245	2,991	3,589

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)
Gross Profit	(395)	77.0	822	1,353	1,624
Other Opng (Exp)/Inc	(1,160)	(1,450)	(1,154)	(1,320)	(1,318)
Operating Profit	(1,555)	(1,373)	(332)	32.9	306
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
Pre-tax Profit	(3,210)	(1,734)	(353)	10.4	283
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
Net Profit	(3,319)	(1,797)	(364)	11.1	293
Net Profit before Except.	(3,311)	(1,789)	(364)	11.1	293
EBITDA	(1,210)	(1,223)	(188)	183	465
Growth					
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
Margins & Ratio					
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)
Gross Profit	(111)	(284)	(98.0)	77.0
Other Oper. (Exp)/Inc	(509)	(651)	(730)	(1,450)
Operating Profit	(620)	(935)	(828)	(1,373)
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)
Pre-tax Profit	(1,464)	(2,099)	(1,005)	(1,734)
Tax	0.0	0.0	0.0	0.0
Minority Interest	(42.0)	(2,349)	(37.0)	(57.0)
Net Profit	(1,506)	(4,448)	(1,042)	(1,791)
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)

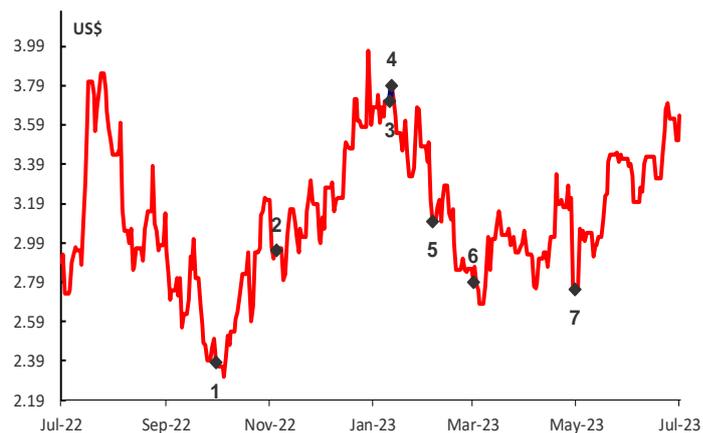
FY Dec	2021A	2022A	2023F	2024F	2025F
Net Fixed Assets	441	492	517	591	701
Invt in Associates & JVs	14.0	107	107	107	107
Other LT Assets	2,048	2,883	2,883	2,883	2,883
Cash & ST Invt	8,231	5,086	4,435	4,150	3,999
Inventory	4.00	48.0	22.5	29.9	35.9
Debtors	440	554	868	1,156	1,387
Other Current Assets	0.0	0.0	0.0	1.00	1.00
Total Assets	11,178	9,170	8,833	8,918	9,114
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
Total Cap. & Liab.	11,178	9,170	8,833	8,917	9,113
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
Net Operating CF	(938)	(819)	(296)	124	304
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
Net Investing CF	(2,757)	(1,062)	(168)	(224)	(269)
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)
Net Financing CF	6,566	(1,122)	(186)	(186)	(186)
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)

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, DBS Vickers Securities (Singapore) Pte 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 associate¹ 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 interests² 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"), DBSVUSA, or their subsidiaries and/or other affiliates do not have a proprietary position in Uber Technologies Inc, SEA Limited recommended in this report as of 30 Jun 2023.

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 HK, DBSVS, DBSVUSA, 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.

¹ 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.

² 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

General	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.
Australia	<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>
Hong Kong	<p>This report has been prepared by a personnel of DBS Bank Ltd, 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 Dennis Lam (Reg No. AH8290) at dbsvhk@dbs.com</p>
Indonesia	This report is being distributed in Indonesia by PT DBS Vickers Sekuritas Indonesia.
Malaysia	<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>
Singapore	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.
Thailand	<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 Sirithanarattanukul at research@th.dbs.com</p>

<p>United Kingdom</p>	<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 Bank Ltd, London Branch ("DBS UK"). DBS UK is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request.</p> <p>In respect of the United Kingdom, this report is solely intended for the clients of DBS UK, 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 UK, This communication is directed at persons having professional experience in matters relating to investments. Any investment activity following from this communication will only be engaged in with such persons. Persons who do not have professional experience in matters relating to investments should not rely on this communication.</p>
<p>Dubai International Financial Centre</p>	<p>This communication is provided to you as a Professional Client or Market Counterparty as defined in the DFSA Rulebook Conduct of Business Module (the "COB Module"), and should not be relied upon or acted on by any person which does not meet the criteria to be classified as a Professional Client or Market Counterparty under the DFSA rules.</p> <p>This communication is from the branch of DBS Bank Ltd operating in the Dubai International Financial Centre (the "DIFC") under the trading name "DBS Bank Ltd. (DIFC Branch)" ("DBS DIFC"), registered with the DIFC Registrar of Companies under number 156 and having its registered office at units 608 - 610, 6th Floor, Gate Precinct Building 5, PO Box 506538, DIFC, Dubai, United Arab Emirates.</p> <p>DBS DIFC is regulated by the Dubai Financial Services Authority (the "DFSA") with a DFSA reference number F000164. For more information on DBS DIFC and its affiliates, please see http://www.dbs.com/ae/our-network/default.page.</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>

United States	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.
Other jurisdictions	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: Dennis Lam
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

SINGAPORE

DBS Bank Ltd

Contact: Paul Yong
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: indonesiaresearch@dbs.com

THAILAND

DBS Vickers Securities (Thailand) Co Ltd

Contact: Chanpen Sirithanarattanakul
989 Siam Piwat Tower Building,
9th, 14th-15th Floor
Rama 1 Road, Pathumwan,
Bangkok Thailand 10330
Tel. 66 2 857 7831
Fax: 66 2 658 1269
e-mail: research@th.dbs.com
Company Regn. No 0105539127012
Securities and Exchange Commission, Thailand