

# Henderson Land

Bloomberg: 12 HK EQUITY | Reuters: 0012.HK

Refer to important disclosures at the end of this report

DBS Group Research . Equity

6 Feb 2024

## BUY

Last Traded Price (5 Feb 2024): HK\$20.40 (HSI : 15,510)  
Price Target 12-mth: HK\$24.70 (21% upside) (Prev HK\$26.70)

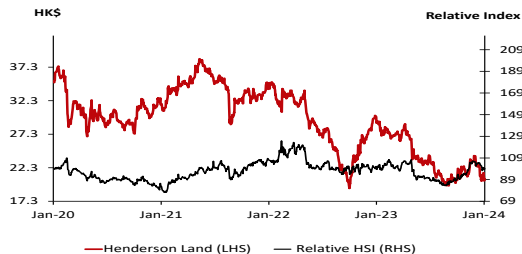
### Analyst

Jeff Yau, CFA +852 36684180 jeff\_yau@dbs.com  
Percy Leung +852 36684165 percyleung@dbs.com  
Cherie Wong cheriesumwai@dbs.com

### What's New

- Decent disposal gains from divestment of Harbour East
- Three agricultural land plots in Fanling North to be resumed by the government
- Monetising its farmland reserve in Northern Metropolis
- Trading at inexpensive valuations, BUY despite lower TP of HK\$24.7

### Price Relative



### Forecasts and Valuation

FY Dec (HK\$ m)	2022A	2023F	2024F	2025F
Turnover	25,551	23,956	28,747	26,634
EBITDA	7,691	7,210	7,299	6,969
Pre-tax Profit	11,118	11,675	10,257	8,799
Underlying Profit	9,629	10,628	9,402	7,939
Underlying Profit Gth (%)	(29.3)	10.4	(11.5)	(15.6)
EPS (HK\$)	1.99	2.20	1.94	1.64
EPS Gth (%)	(29.3)	10.4	(11.5)	(15.6)
PE (X)	10.3	9.3	10.5	12.4
P/Cash Flow (X)	7.5	13.0	5.7	6.3
EV/EBITDA (X)	25.2	26.9	26.6	27.8
DPS (HK\$)	1.80	1.80	1.80	1.80
Div Yield (%)	8.8	8.8	8.8	8.8
Net Gearing (%)	24	24	22	21
ROE (%)	2.9	3.2	2.8	2.4
Est. NAV (HK\$):			58.0	61.8
Disc. to NAV (%)			(65)	(67)
Earnings Rev (%):		(5)	(2)	New
Consensus EPS (HK\$):		2.26	2.38	2.57
Other Broker Recs:		B:8	S:3	H:5

Source of all data on this page: Company, DBS Bank (Hong Kong) Limited ("DBS HK"), Thomson Reuters

## Monetising farmland reserves

### Investment Thesis

**Largest farmland owner in Hong Kong.** Henderson Land boasts the largest agricultural land reserve in Hong Kong. The bulk is in Northern Metropolis which is attracting market attention after the government unveiled plans to develop the area in late 2021. By converting the agricultural land into residential or other usage, the company is able to obtain the land for development at favourable costs. Elsewhere, the government's resumption of land for public use in the Northern Metropolis also enables the company to monetise its farmland landbank.

**Unlocking agricultural land value.** Henderson Land sold Harbour East in North Point to Li Ning for HK\$2.21bn or HK\$15,333psf in Dec-23. We see this divestment as positive to the company as it not only gives a boost to its bottom-line earnings but also improves its financial strength. Elsewhere, the remaining three land lots in Fanling North NDAs will be resumed by the government with cash compensation. This also brings in decent profits to the company. The government is expediting land resumption in the Northern Metropolis, which should allow Henderson Land to unlock the hidden value of its land reserves there.

### News flow on Northern Metropolis could improve stock sentiment.

Any positive news flow on ongoing Northern Metropolis development including land resumption and farmland conversion should offer upside on the stock given its strong property exposure there. Improving recurrent income base led by rental portfolio expansion should lead to better earnings quality, which should warrant higher stock valuation over the long term.

**BUY with HK\$24.7 TP** The stock is trading 65% below our appraised current NAV, against its 10-year average of 51%. Our TP is premised on a wider target discount of 60% to our Dec-24 NAV estimate.

### Key Risks to Our View:

Any deterioration in property demand could drag its earnings and share price performance.

Any prolonged interest rate upcycle would lead to higher interest expense and lower earnings.

### At A Glance

Issued Capital (m shrs)	4,841
Mkt Cap (HKm/US\$m)	98,756 / 12,626
Major Shareholders (%)	
Lee (Shau Kee)	72.8
Free Float (%)	27.2
3m Avg. Daily Val. (US\$m)	8.3
GICS Industry: Real Estate / Real Estate Management & Development	

**Henderson Land**

---

**WHAT'S NEW****Decent gains on divestment of Harbour East**

Henderson Land agreed to sell Harbour East in North Point to Li Ning for HK\$2.21bn or HK\$15,333psf in Dec-23. Completed in 2019, Harbour East was redeveloped from Newton Hotel Hong Kong. With GFA of 144,000sf, this 22-storey office building is a three-minute walk from Fortress Hill MTR Station. In 2022, Harbour East generated total income of HK\$49.5m with average occupancy of c.60%. Based on the disposal price and assuming the property is fully leased, we estimate gross exit yield to be 3.7% which sounds attractive taking into account the prevailing high interest rate. Our analysis suggests this divestment would produce handsome gains of c.HK\$1.4bn to Henderson Land.

After Henderson Land failed to agree on the land premium for the three remaining plots in Fanling North NDA, the government decided to resume these plots of agricultural land with cash compensation. These three plots have combined site area 0.73msf, of which 0.61msf is attributable to Henderson Land. Moreover, the company has another 0.77msf of land in Fanling North/Kwu Tung North which is anticipated to be resumed by the government. Based on the latest ex-gratia compensation rate, Henderson Land should receive >HK\$1.7bn cash compensation from the government upon the resumption of this 1.38msf agricultural land with HK\$1.4bn pre-tax profit. The government is expediting land resumption in the Northern Metropolis. It plans to resume >700 ha of private land between FY23/24 and FY27/28, up from 140ha in the past five financial years. This should enable Henderson Land to unlock the hidden value of its sizeable agricultural land reserve. The company boasts 6.57msf in Hung Shui Kiu/Ha Tsuen NDA. Assuming 50% is resumed by the government, Henderson Land should receive good cash flow with strong sales earnings expected to boost its bottom-line.

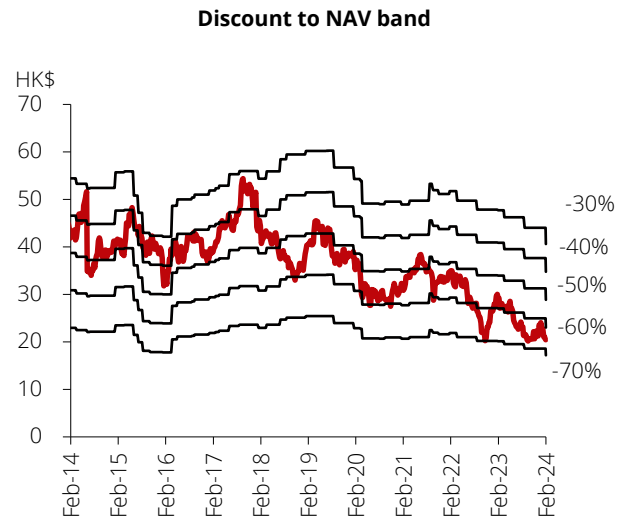
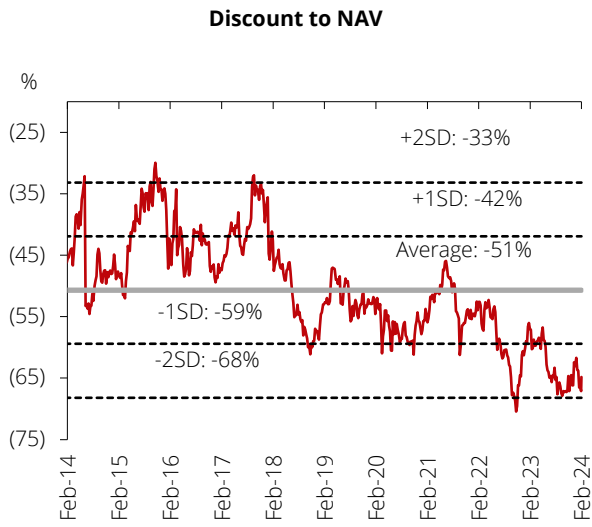
The stock is trading at 65% discount to our appraised current NAV. Valuation is inexpensive from the historical perspective. Non-core asset disposals and the government's resumption of farmland not only brings in solid cash flow to improve its financial strength but also gives a boost to its bottom-line earnings. Based on target discount of 60% to our Dec-24 NAV estimate, we derive our TP at HK\$24.7 and maintain our BUY call.

**Company Background**

Henderson Land Development (Henderson Land) is one of the leading property companies in Hong Kong. It excels in replenishing its land bank in urban areas by fully consolidating ownership of old building projects. Henderson Land has a development land bank of c.14.8msf in Hong Kong (as of Jun-23). The company is also the largest agricultural landowner in Hong Kong with land reserves in New Territories of c.45.2msf (site area) as of Jun-23. Its development land bank in China stands at 20.66msf. Henderson Land boasts a completed investment portfolio of 9.7msf in Hong Kong and 12.5msf in China. The company holds a 41.53% interest in The Hong Kong & China Gas Company, a 50.08% stake in Miramar Hotel and Investment, and a 33.41% stake in Hong Kong Ferry.

**Henderson Land**

**Discount to NAV**



Source: Bloomberg Finance L.P., DBS HK

## Henderson Land

### Key Assumptions (%)

	2024F	2025F
Residential Price - HK	(8)	0
Office rental - HK	(5)	(5)
Retail Rental (Shopping Center) - HK	5	5

Source: DBS HK

### Segmental Breakdown (HK\$ m)

FY Dec	2021A	2022A	2023F	2024F	2025F
<b>Revenues (HK\$ m)</b>					
Sales of property	12,630	14,635	11,879	15,924	12,859
Rental Income	6,505	6,731	6,899	7,319	7,923
Department store operation	1,791	1,805	1,679	1,830	1,994
Others	2,601	2,380	3,499	3,674	3,857
<b>Total</b>	<b>23,527</b>	<b>25,551</b>	<b>23,956</b>	<b>28,747</b>	<b>26,634</b>

Source: DBS HK

### Income Statement (HK\$ m)

FY Dec	2021A	2022A	2023F	2024F	2025F
Turnover	23,527	25,551	23,956	28,747	26,634
EBITDA	10,444	7,691	7,210	7,299	6,969
Depr / Amort	(505)	(540)	(556)	(573)	(590)
<b>EBIT</b>	<b>9,939</b>	<b>7,151</b>	<b>6,653</b>	<b>6,726</b>	<b>6,379</b>
Associates Inc	3,965	4,791	4,801	4,710	4,619
Interest (Exp)/Inc	(491)	(1,033)	(1,380)	(2,580)	(2,200)
Exceptionals	2,361	209	1,600	1,400	0
<b>Pre-tax Profit</b>	<b>15,774</b>	<b>11,118</b>	<b>11,675</b>	<b>10,257</b>	<b>8,799</b>
Tax	(1,952)	(1,210)	(896)	(705)	(710)
Minority Interest	(198)	(279)	(150)	(150)	(149)
<b>Underlying Profit</b>	<b>13,624</b>	<b>9,629</b>	<b>10,628</b>	<b>9,402</b>	<b>7,939</b>
Sales Gth (%)	(6)	9	(6)	20	(7)
Net Profit Gth (%)	(9)	(29)	10	(12)	(16)
EBITDA Margins (%)	44	30	30	25	26
EBIT Margin (%)	42	28	28	23	24
Tax Rate (%)	12	11	8	7	8

Source: DBS HK

## Henderson Land

### Balance Sheet (HK\$ m)

FY Dec	2021A	2022A	2023F	2024F	2025F
Fixed Assets	265,453	265,581	266,825	265,642	269,165
Long-term Investments	9,103	7,312	7,312	7,312	7,312
Other LT Assets	769	1,215	1,215	1,215	1,215
Intangibles Assets	262	262	262	262	262
Deferred Tax Asset	698	730	730	730	730
Associates/JVs	134,842	129,924	130,662	131,310	131,866
Bank Balance/Cash & Liquid	12,535	13,492	13,080	13,765	16,228
ST Investments	0	0	0	0	0
Inventory	109,981	97,659	102,738	98,011	94,341
Debtors	16,038	12,661	12,861	13,061	13,261
Other Non Cash Current	623	954	954	954	954
<b>Total Assets</b>	<b>550,304</b>	<b>529,790</b>	<b>536,639</b>	<b>532,261</b>	<b>535,333</b>
ST Debt	31,784	30,653	23,568	20,000	20,001
Creditors	8,594	8,581	8,636	8,691	8,746
Other Current Liab	22,869	21,240	21,240	21,240	21,240
LT Debt	67,955	56,874	63,959	62,527	62,526
Deferred Tax Liabilities	9,172	9,127	9,127	9,127	9,127
Other LT Liabilities	57,751	58,163	63,163	63,163	63,163
Minority Interests	17,159	17,204	17,084	16,964	17,234
Shareholder's Equity	335,020	327,948	329,862	330,549	333,296
<b>Total Cap. &amp; Liab.</b>	<b>550,304</b>	<b>529,790</b>	<b>536,639</b>	<b>532,261</b>	<b>535,333</b>
Share Capital (m)	4,841	4,841	4,841	4,841	4,841
Net Cash/(Debt)	(91,968)	(79,086)	(79,498)	(73,813)	(71,350)
Working Capital	75,930	64,292	76,189	75,859	74,797
Net Gearing (%)	27	24	24	22	21

Source: DBS HK

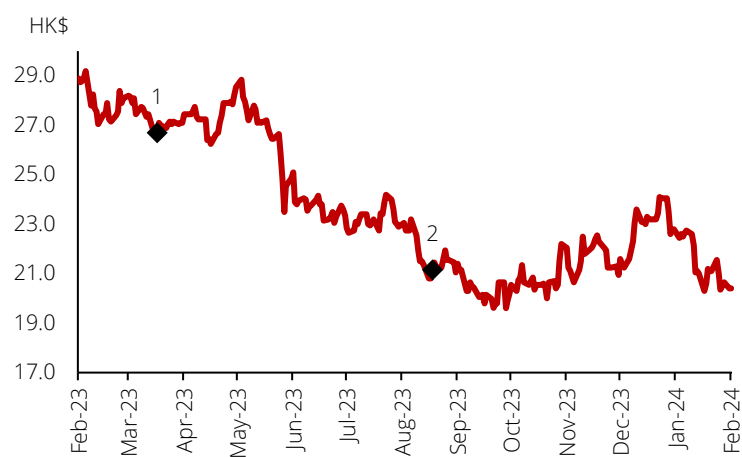
### Cash Flow Statement (HK\$ m)

FY Dec	2021A	2022A	2023F	2024F	2025F
EBIT	9,939	7,151	6,653	6,726	6,379
Tax Paid	(2,263)	(2,570)	(896)	(705)	(710)
Depr/Amort	505	540	556	573	590
Profit or loss on disposal of FAs/subsidiaries/investment	(162)	(56)	0	0	0
Chg in Wkg.Cap	(6,323)	6,494	(224)	9,382	8,025
Other Non-Cash	(1,011)	(428)	620	620	600
<b>Operating CF</b>	<b>685</b>	<b>11,131</b>	<b>6,709</b>	<b>16,596</b>	<b>14,884</b>
Net Capex	(54,169)	(2,741)	(200)	(200)	(199)
Investments	(2)	(39)	0	2,210	0
Associates & JVs	(3,297)	5,212	0	0	0
Associates' Dividends	3,829	4,063	4,063	4,063	4,063
Others	3,595	5,651	0	0	0
<b>Investing CF</b>	<b>(50,044)</b>	<b>12,146</b>	<b>3,863</b>	<b>6,073</b>	<b>3,864</b>
Net Chg in Debt	62,272	(8,509)	5,000	(5,000)	0
New Capital	0	0	0	0	0
Dividend	(8,954)	(8,931)	(8,984)	(8,984)	(8,984)
Other Financing CF	(1,267)	(3,865)	(7,000)	(8,000)	(7,300)
<b>Financing CF</b>	<b>52,051</b>	<b>(21,305)</b>	<b>(10,984)</b>	<b>(21,984)</b>	<b>(16,284)</b>
Chg in Cash	2,692	1,972	(412)	685	2,463

Source: DBS HK

**Henderson Land**

**Target Price & Ratings 12-mth History**



S.No.	Date	Closing Price	Target Price	Rating
1	22-Mar-23	HK\$26.60	HK\$32.10	BUY
2	23-Aug-23	HK\$20.80	HK\$26.70	BUY

Source: DBS HK

Analyst: Jeff Yau, CFA  
 Percy Leung  
 Cherie Wong

## Henderson Land

DBS Group Research 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: 6 Feb 2024 09:09:38 (HKT)

Dissemination Date: 6 Feb 2024 11:12:01 (HKT)

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

### GENERAL DISCLOSURE/DISCLAIMER

This report is prepared by DBS Bank (Hong Kong) Limited ("DBS HK"). This report is solely intended for the clients of DBS Bank Ltd., DBS HK, DBS Vickers (Hong Kong) Limited ("DBSV HK"), and DBS Vickers Securities (Singapore) Pte Ltd. ("DBSVS"), 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 HK.

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 HK, DBSV HK, DBSVS, 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.

DBS Vickers Securities (USA) Inc ("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.

**Henderson Land**

---

**ANALYST CERTIFICATION**

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible for the content of this research report, in part or in whole, certifies that he or his associate<sup>1</sup> does not serve as an officer of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant) and the research analyst(s) primarily responsible for the content of this research report or his associate does not have financial interests<sup>2</sup> in relation to an issuer or a new listing applicant that the analyst reviews. DBS Group has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the DBS Group and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of DBS Group's compensation to any specific investment banking function of the DBS Group.

**COMPANY-SPECIFIC / REGULATORY DISCLOSURES**

1. DBS Bank Ltd, DBS HK, DBSVS or their subsidiaries and/or other affiliates do not have a proprietary position in the securities recommended in this report as of 31 Jan 2024.
2. **Compensation for investment banking services:**  
DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have received compensation, within the past 12 months for investment banking services from Henderson Land Development Co Ltd (12 HK) and Hong Kong & China Gas Co Ltd (3 HK) as of 31 Dec 2023.
3. DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have managed or co-managed a public offering of securities for Henderson Land Development Co Ltd (12 HK) and Hong Kong & China Gas Co Ltd (3 HK) in the past 12 months, as of 31 Dec 2023.

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.

4. **Disclosure of previous investment recommendation produced:**  
DBS Bank Ltd, DBSVS, DBS HK, their subsidiaries and/or other affiliates of DBSVUSA 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 HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA in the preceding 12 months.


---

<sup>1</sup> An associate is defined as (i) the spouse, or any minor child (natural or adopted) or minor step-child, of the analyst; (ii) the trustee of a trust of which the analyst, his spouse, minor child (natural or adopted) or minor step-child, is a beneficiary or discretionary object; or (iii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

<sup>2</sup> Financial interest is defined as interests that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.



## RESTRICTIONS ON DISTRIBUTION

<b>General</b>	This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.
<b>Australia</b>	<p>This report is being distributed in Australia by DBS Bank Ltd, 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 Bank Ltd and DBSVS are regulated by the Monetary Authority of Singapore under the laws of Singapore, and DBSV HK is regulated by the Hong Kong Securities and Futures Commission under the laws of Hong Kong, which differ from Australian laws.</p> <p>Distribution of this report is intended only for "wholesale investors" within the meaning of the CA.</p>
<b>Hong Kong</b>	<p>This report is being distributed in Hong Kong by DBS Bank Ltd, DBS Bank (Hong Kong) Limited and DBS Vickers (Hong Kong) Limited, all of which are registered with or licensed by the Hong Kong Securities and Futures Commission to carry out the regulated activity of advising on securities. 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. AH 8290) at dbsvkh@dbs.com.</p>
<b>Indonesia</b>	This report is being distributed in Indonesia by PT DBS Vickers Sekuritas Indonesia.
<b>Malaysia</b>	<p>This report is distributed in Malaysia by AllianceDBS Research Sdn Bhd ("ADBSR"). Recipients of this report, received from ADBSR are to contact the undersigned at 603-2604 3333 in respect of any matters arising from or in connection with this report. In addition to the General Disclosure/Disclaimer found at the preceding page, recipients of this report are advised that ADBSR (the preparer of this report), its holding company Alliance Investment Bank Berhad, their respective connected and associated corporations, affiliates, their directors, officers, employees, agents and parties related or associated with any of them may have positions in, and may effect transactions in the securities mentioned herein and may also perform or seek to perform broking, investment banking/corporate advisory and other services for the subject companies. They may also have received compensation and/or seek to obtain compensation for broking, investment banking/corporate advisory and other services from the subject companies.</p> <p style="text-align: right;"> Wong Ming Tek, Executive Director, ADBSR</p>
<b>Singapore</b>	This report is distributed in Singapore by DBS Bank Ltd (Company Regn. No. 196800306E) or DBSVS (Company Regn No. 198600294G), both of which are Exempt Financial Advisers as defined in the Financial Advisers Act and regulated by the Monetary Authority of Singapore. DBS Bank Ltd and/or DBSVS, may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, DBS Bank Ltd accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact DBS Bank Ltd at 6878 8888 for matters arising from, or in connection with the report.
<b>Thailand</b>	<p>This report is being distributed in Thailand by DBS Vickers Securities (Thailand) Co Ltd.</p> <p>For any query regarding the materials herein, please contact [Chanpen Sirithanarattanaku] at [research@th.dbs.com]</p>
<b>United Kingdom</b>	<p>This report is produced by DBS HK which is regulated by the Hong Kong Monetary Authority</p> <p>This report is disseminated in the United Kingdom by DBS Bank Ltd, London Branch ("DBS UK"). DBS Bank Ltd is regulated by the Monetary Authority of Singapore. 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>

<b>Dubai International Financial Centre</b>	<p>This communication is provided to you as a Professional Client or Market Counterparty as defined in the DFSA Rulebook Conduct of Business Module (the "COB Module"), and should not be relied upon or acted on by any person which does not meet the criteria to be classified as a Professional Client or Market Counterparty under the DFSA rules.</p> <p>This communication is from the branch of DBS Bank Ltd operating in the Dubai International Financial Centre (the "DIFC") under the trading name "DBS Bank Ltd. (DIFC Branch)" ("DBS DIFC"), registered with the DIFC Registrar of Companies under number 156 and having its registered office at units 608 - 610, 6th Floor, Gate Precinct Building 5, PO Box 506538, DIFC, Dubai, United Arab Emirates.</p> <p>DBS DIFC is regulated by the Dubai Financial Services Authority (the "DFSA") with a DFSA reference number F000164. For more information on DBS DIFC and its affiliates, please see <a href="http://www.dbs.com/ae/our-network/default.page">http://www.dbs.com/ae/our-network/default.page</a>.</p> <p>Where this communication contains a research report, this research report is prepared by the entity referred to therein, which may be DBS Bank Ltd or a third party, and is provided to you by DBS DIFC. The research report has not been reviewed or authorised by the DFSA. Such research report is distributed on the express understanding that, whilst the information contained within is believed to be reliable, the information has not been independently verified by DBS DIFC.</p> <p>Unless otherwise indicated, this communication does not constitute an "Offer of Securities to the Public" as defined under Article 12 of the Markets Law (DIFC Law No.1 of 2012) or an "Offer of a Unit of a Fund" as defined under Article 19(2) of the Collective Investment Law (DIFC Law No.2 of 2010).</p> <p>The DFSA has no responsibility for reviewing or verifying this communication or any associated documents in connection with this investment and it is not subject to any form of regulation or approval by the DFSA. Accordingly, the DFSA has not approved this communication or any other associated documents in connection with this investment nor taken any steps to verify the information set out in this communication or any associated documents, and has no responsibility for them. The DFSA has not assessed the suitability of any investments to which the communication relates and, in respect of any Islamic investments (or other investments identified to be Shari'a compliant), neither we nor the DFSA has determined whether they are Shari'a compliant in any way.</p> <p>Any investments which this communication relates to may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on any investments. If you do not understand the contents of this document you should consult an authorised financial adviser.</p>
<b>United States</b>	<p>This report was prepared by DBS HK. 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.</p>
<b>Other jurisdictions</b>	<p>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.</p>

**DBS Bank (Hong Kong) Limited**

13<sup>th</sup> Floor One Island East, 18 Westlands Road, Quarry Bay, Hong Kong

Tel: (852) 3668-4181, Fax: (852) 2521-1812

## Henderson Land

---

### DBS Regional Research Offices

---

#### HONG KONG

DBS Bank (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](mailto:dbsvhk@dbs.com)

#### SINGAPORE

DBS Bank Ltd

Contact: Andy Sim

12 Marina Boulevard,  
Marina Bay Financial Centre Tower 3  
Singapore 018982

Tel: 65 6878 8888

e-mail: [groupresearch@dbs.com](mailto: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](mailto:indonesiaresearch@dbs.com)

#### THAILAND

DBS Vickers Securities (Thailand) Co Ltd

Contact: Chanpen Sirithanarattanakul

989 Siam Pivat 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](mailto:research@th.dbs.com)

Company Regn. No 0105539127012

Securities and Exchange Commission, Thailand