

Singapore Company Guide

Jumbo Group

Version 3 | Bloomberg: JUMBO SP | Reuters: JUMB.SI

Refer to important disclosures at the end of this report

DBS Group Research . Equity

20 Jul 2016

BUY

Last Traded Price: S\$0.64 (STI : 2,919.54)
Price Target : S\$0.72 (14% upside) (Prev S\$0.69)

Potential Catalyst: Overseas/outlet expansion

Where we differ: More bullish on higher growth traction

Analyst

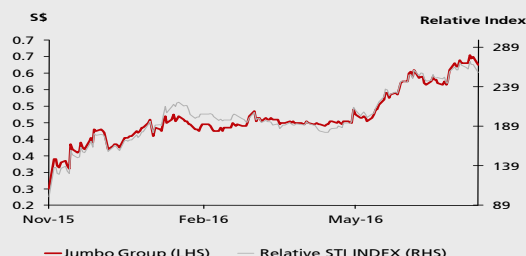
Alfie YEO +65 6682 3717 alfieyeo@db.com

Andy SIM CFA +65 6682 3718 andysim@db.com

What's New

- **JV/franchise could take shape by FY17F**
- **Factoring in a modest increase in JV income**
- **Raise FY17-18F earnings by 6%**
- **Maintain BUY with a higher S\$0.72 TP**

Price Relative



Forecasts and Valuation

FY Sep (\$ m)	2015A	2016F	2017F	2018F
Revenue	123	142	169	196
EBITDA	18.3	24.1	28.1	32.4
Pre-tax Profit	15.1	18.1	24.3	28.0
Net Profit	10.6	15.2	20.2	23.3
Net Pft (Pre Ex.)	10.3	17.8	20.2	23.3
Net Pft Gth (Pre-ex) (%)	(9.5)	72.2	13.5	15.2
EPS (S cts)	1.65	2.37	3.15	3.63
EPS Pre Ex. (S cts)	1.61	2.78	3.15	3.63
EPS Gth Pre Ex (%)	(9)	72	14	15
Diluted EPS (S cts)	1.65	2.37	3.15	3.63
Net DPS (S cts)	0.16	1.30	1.73	2.00
BV Per Share (S cts)	8.88	7.73	9.14	10.8
PE (X)	38.4	26.8	20.1	17.5
PE Pre Ex. (X)	39.4	22.9	20.1	17.5
P/Cash Flow (X)	27.2	19.4	16.0	14.0
EV/EBITDA (X)	19.5	14.9	12.7	10.8
Net Div Yield (%)	0.2	2.0	2.7	3.1
P/Book Value (X)	7.2	8.2	6.9	5.9
Net Debt/Equity (X)	CASH	CASH	CASH	CASH
ROAE (%)	20.4	28.5	37.4	36.4
Earnings Rev (%):		-	6	6
Consensus EPS (S cts):		2.60	3.00	3.40
Other Broker Recs:		B: 3	S: 0	H: 0

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

Delivering growth

Maintain BUY with a higher TP of S\$0.72. We raise our TP for Jumbo to S\$0.72 to factor in marginal impact from JV/franchise arrangement regionally. While our earnings have accounted for organic store expansion in Singapore and China, our previous numbers had not reflected impact from regional franchise arrangements. We anticipate JV and franchise development to take shape and add to earnings marginally from FY17F in at least one or more targeted areas. We therefore raise our FY16-17F earnings by a modest +6%. Our TP is hence nudged marginally higher to S\$0.72 based on 23x FY17F PE. We continue to like Jumbo Group (Jumbo) for its rapid growth in China, close to 30% ROE in FY16F, relatively higher margin than peers, cash generative business, and strong net cash balance.

Bottom-line growth focused, as opposed to chasing revenue growth.

We showcased Jumbo to our clients in Hong Kong on a non-deal roadshow (NDR) recently and appended more details and insights into the stock's outlook and earnings traction. Key areas of interest which were addressed centred on the IPO, partnership with Breadtalk in China, and growth and operations in China. In particular, there were concerns that some restaurant chains have over-expanded in China, only to scale down ultimately. Management recognises this pitfall and is committed to running each and every restaurant in China profitably as opposed to rapidly increasing outlets.

Valuation:

Pegged to peers' average of 23x FY17F PE. Jumbo is trading at 20.1x FY17F PE, below peers' 23x FY17F PE. We peg our valuation of Jumbo at 23x FY17F PE, in line with the peers' average to derive at our target price of S\$0.72.

Key Risks to Our View:

Apart from operational risks, we see failure to deliver growth in China as a key risk to our earnings growth projection. We primarily view Singapore's business as stable while the bulk of the growth is driven by the China business.

At A Glance

Issued Capital (m shrs)	641
Mkt. Cap (S\$m/US\$m)	407 / 302
Major Shareholders (%)	
JBO Holdings Pte Ltd	57.9
Tan Gee Jian	6.6
Orchid 1 Investments Pte Ltd	6.3
Free Float (%)	24.2
3m Avg. Daily Val (US\$m)	2.8

ICB Industry : Consumer Services / Food & Drug Retailers

WHAT'S NEW

Notes from Hong Kong Non-deal Roadshow

Top questions from Hong Kong investors clarified

Met with >30 clients over two full days of meetings. We hosted Jumbo's management to a non-deal roadshow (NDR) for our Hong Kong clients recently, where it met with more than 30 of our institutional investors who had the privilege to clarify with them certain areas of operations and its overall corporate strategy. The following are key points to the more popular questions where most of the content has never been covered in our previous notes.

Key background questions

Aims to ultimately become an MNC in the F&B industry.

Jumbo's growth strategy is well thought out in our view and operational values are in place to uphold minimum standards and execute its growth strategy. An occasional question from clients was where management wants to evolve Jumbo into ultimately. Management expressed its desire to eventually turn Jumbo into an MNC in the F&B industry. We have emphasized the initiatives that management is currently undertaking to drive growth. Investors can take comfort that work is continually being done to grow the businesses in Singapore and especially China. Singapore's strategy is to open a few more outlets and to expand its catering business. In Shanghai China, it will continue to run its three restaurants optimally before opening new ones. It markets itself as a crab specialist, promoting ten different styles of cooking (vs four styles in Singapore), which include dungeness crabs. Incidentally, dungeness crabs are called 珍宝, which is the Chinese name for Jumbo. Outside of Shanghai, it will seek partners to grow the business in a franchise arrangement in both China and regionally.

Why IPO? Jumbo's listing has been a key area of interest for most of the Hong Kong-based investors. The business is profitable and generates sufficient cashflow to comfortably support the promoters. Therefore, investors were keen to understand why the promoters wanted to list the business. In response to the investors, management clarified that the earlier generation of people who initially invested and grew the business remained largely vested in Jumbo. The IPO was a way for

them to realise the returns for their years of investment in Jumbo as some are getting on in years. By the same token, being in the capital markets will provide more opportunities for new funding should it require additional financial resources to grow. Its plans to grow in China, especially in Shanghai, have been widely explained in detail to investors including in our previous reports. Prior to the IPO, the promoters paid out S\$51m in dividends as a form of exit, while the IPO raised about S\$39m (net of listing expenses).

What is Breadtalk's role in China? Clients asked about Breadtalk's involvement in Jumbo's operations in China. Breadtalk has been in China for some time and Jumbo sought Breadtalk's familiarity with China and the landlords, while receiving help to break into China. In return, Breadtalk became a 30% shareholder in the JV. However, the arrangement is not nationwide. The JV only covers the developments and operations of Jumbo Seafood brand in the Huadong (east) region of China (Shanghai, Shandong, Jiangsu, Anhui, Zhejiang, Fujian and Jiangxi).

Key growth questions

Restaurants tend to over-expand in China. How is growth in China managed?

Several investors expressed concerns on over-expansion as they have seen Hong Kong-listed companies over expanded in China at the expense of earnings and profitability (Café de coral, etc.). Jumbo's core principle is to efficiently manage each store as opposed to chasing outlet growth. It cited that the dampener to opening more new outlets is the lack of good human resources. So far, it has opened three outlets in three years, which it believes is a fairly good pace. The outlets are generally well managed. iAPM store turned profitable within a year of operations while IFC becomes profitable in its first month of operations. For Raffles City outlet in Shanghai, it has raked changes (including menu and pricing recalibration to improve its performance). The store is now showing an improvement. In the immediate term, it will concentrate on improving the performance of its three outlets in Shanghai before opening new outlets. Outlet growth will therefore not be very exceptional as there is priority for each restaurant to be well managed yet profitability does not suffer at the expense of outlet growth. Our forecast for outlet

expansion for China is not aggressive, estimating at +1 outlet in FY17F and +2 outlets in FY18F.

What is the growth strategy outside of Shanghai? Outside of Shanghai, Jumbo is looking to work with an established player as a franchise partner to grow. It believes that the local partners' experience is necessary to understand the market, map out growth, and more importantly capture the local taste and preferences. Its commitment is demonstrated by its intention is to jointly share risks and rewards by taking a minority stake in a JV. As a brand owner, it wants to maintain control and close supervision over quality of its food and service to protect brand reputation. For now, it is seeking out more reputable F&B operators who are keen to take on another brand in their operating portfolio as its partner. Places to target for partnerships include Beijing, Shenzhen, Hong Kong, Taipei, Korea, Bangkok, and Indonesia.

Key operational questions

How is the central kitchen developing in Shanghai? The establishment of a central kitchen was a key question among investors, possibly for most to gather a sense of how long it may take for the business in Shanghai to gather scale. Jumbo's proprietary sauce and paste are currently exported out of the central kitchen in Singapore to Shanghai along with crabs. The rest of the ingredients are procured locally. The key reason for exporting sauce and paste is to exercise control in their consistency and formula. Kitchens in Shanghai will marinate and process raw materials, cut meat and seafood. There will be no full-blown central kitchen in Shanghai, but the intention is to create a bigger kitchen out of one future outlet to double up as central kitchen. This will effectively increase the return per unit or resource or asset.

What is the price trend of crabs? Crab pricing and trends and procurement was one of the more popular questions in this NDR. Cost of crabs was S\$20/kg close to 30 years ago. It was S\$49/kg during Chinese New Year and has currently stabilised at S\$40/kg. Typically, prices of crabs increase by S\$1-2 each year. Prices of crab are seasonal

and typically increase during Muslim holidays when the harvest is low. For Dungeness crabs, it is cheaper in the summer and pricier in the winter months due to reduced supply. Jumbo will try not to pass on crab price increases to its customers unless necessary and will adjust prices of other dishes to compensate. Price adjustment is at most 1-2 times a year and for specific items.

Where are crabs sourced from? Jumbo works with crab suppliers who are middlemen importers and distributors. Going through these parties offers the benefit of credit terms, the ability to reject crabs, 1-2 deliveries a day and the flexibility to deal with the supplier that offers the lowest price at any one time. Management shared that it used to import its own crabs, but the low mortality rate of mud crabs at 2-3 days and their quality presents other operational issues. Mud crabs are mostly sourced throughout Asia including crabs originating from Sri Lanka, Philippines, Indonesia, Vietnam, and Thailand. Other locations include South Africa, and Australia. Dungeness crabs originate from Canada.

What are the key cost components? Approximately 40% of revenue is cost of sales (food costs), 30% of revenue is labour and 10% of sales are rents. In terms of margins, crabs yield lower margins due to their high costs. Crab margin is only 50% (below its 60% average) at the cost of S\$40/kg and selling price of S\$80/kg. In fact, the more profitable dishes are the non-crab dishes sold at restaurant prices such as fruit, fried rice, noodles, etc. Crabs contribute 45% of Jumbo Seafood's sales. Gross margins are kept stable by buying crabs from various countries and suppliers.

What is the proportion of customers who are tourists? The question on number of tourists proved to be the most-asked across all Singapore and Hong Kong investors. While we already know that the company cannot tell the proportion of tourists from the receipts themselves, it observes that more than 50% of its crowd comprises foreigners, based solely on observation.

Jumbo Group

CRITICAL DATA POINTS TO WATCH

Earnings Drivers:

Jumbo Seafood a key revenue contributor. The Jumbo Seafood brand, which comprises five outlets in Singapore and three in Shanghai, contributed close to three quarters of revenue in FY15. With Jumbo Seafood in China accounting for 9% of revenue, its five Jumbo Seafood outlets in Singapore contributed 65% of the group’s total revenue. This works out to an average annual revenue of S\$16m per Jumbo Seafood outlet in Singapore. Jumbo serves more than 6,800 diners (across all restaurant brands) and more than 1.6 tonnes of crabs each day.

Revenue driven by customer traffic. The bulk of Jumbo’s sales are through dine-ins. Revenue is therefore driven by footfall and customer traffic. Jumbo Seafood Singapore tends to enjoy higher traffic during seasonal and festive periods including Chinese New Year, and occasions such as Mother’s Day and Father’s Day. It also enjoys higher traffic in July and August from higher tourist arrivals. The crowd for dinner in Singapore typically runs close to full capacity while there is still room for the lunch crowd to grow. Reservations must be made for specific periods during dinner and are conditional upon customers occupying the tables for only a limited time. This allows Jumbo to turn over its tables to accommodate a new cycle of customers.

Food, staff and rental costs make up 73.5% of sales. Operating margin for FY15 was 11%, with COGS comprising 37% of sales, staff costs 28%, rental 8.5%, utilities 3%, and other opex 11%. As at January 2016, Jumbo employed approximately 800 staff and leased approximately 124,000 sqft of restaurant space. Key items for COGS are mainly food ingredients including seafood, meat, poultry, vegetables and fruits.

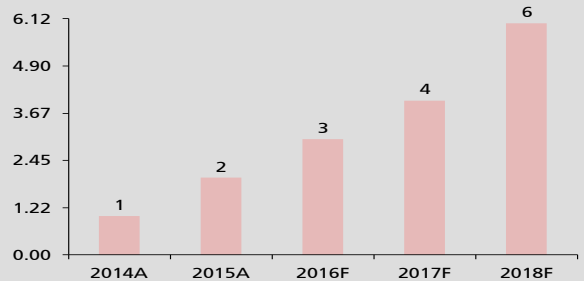
Table turns expected to be stable. Jumbo currently does an average of 1-2 table turns per night in Shanghai and 1-3 turns per night in Singapore. Turns are largely stable and not expected to increase significantly. Table turns for lunch are currently below 1x, private rooms at a maximum of 2x and tables located at open spaces are turning at 3-4x.

Average ticket size. The average bill is S\$50-80 per head in Shanghai while Singapore’s average spend is S\$63-70. We believe this should trend higher because its latest IFC mall outlet is catered to higher-end customers. The pricing premium compared to Singapore is the higher cost of importing crabs and ingredients (herbs, etc.) into China. The average spend per head for Jumbo Seafood Singapore is between S\$65-70, JPOT at S\$30-33, Ng Ah Sio Bak Kut Teh at S\$18-23, and JCafe at S\$10-11.

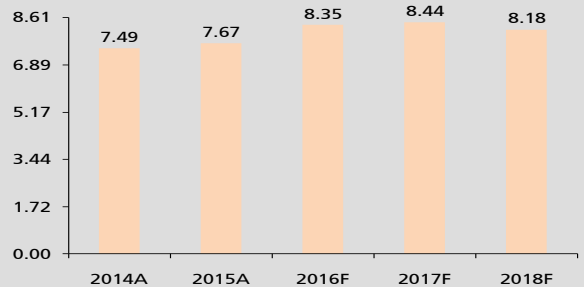
No of outlets Singapore



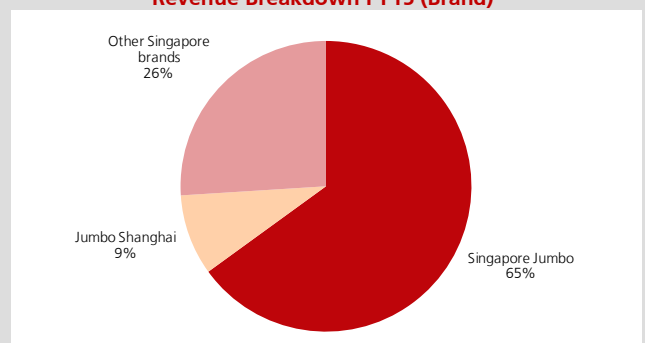
No of outlets PRC



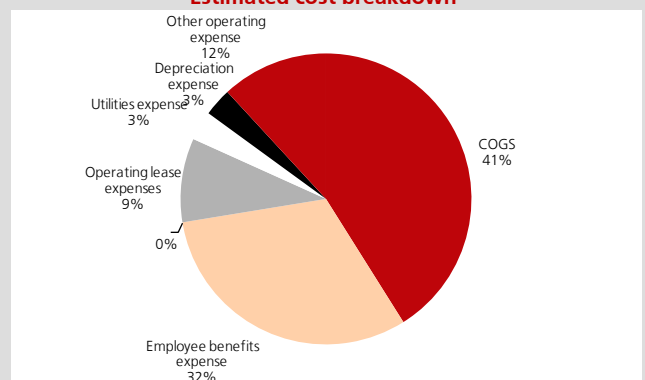
Sales per outlet S\$m



Revenue Breakdown FY15 (Brand)



Estimated cost breakdown



Source: Company, DBS Bank

Balance Sheet:

Cash business, balance sheet in net cash. Jumbo has the ability to generate positive free cashflows. Operating cashflows generated annually is strong and in excess of S\$10m, while capex per store is relatively low at S\$1-2m. Jumbo is in net cash of S\$57.3m, worth approximately S\$0.09 per share. Working capital is generally positive since payable days are close to four months, while inventory and collection days collectively range from 25-30 days.

Share Price Drivers:

Faster-than-expected earnings growth. We believe Jumbo is a growth stock led by rapid outlet growth in Singapore and Shanghai. Better-than-expected earnings traction could cause the stock to re-rate and trade at higher valuations.

Tourist arrivals. Jumbo's business volumes peak during holiday seasons and special occasions (rise in tourist arrivals, Chinese New Year, Mother's Day and Father's Day). Conversely, bad weather such as haze and decline in tourist arrivals would lead to lower sales volumes on reduced footfall and weak sentiment on the stock.

Chinese Yuan depreciation decreases margins. Depreciation of the Chinese Yuan would increase crab import costs and earnings translated into SGD would be lower. This will be more important when China contributes more to the group (from 9% of revenue in FY15) going forward.

Key Risks:

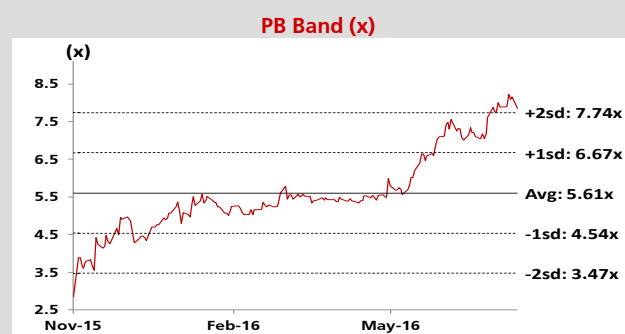
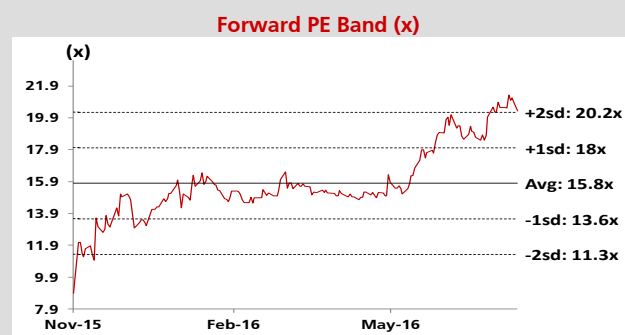
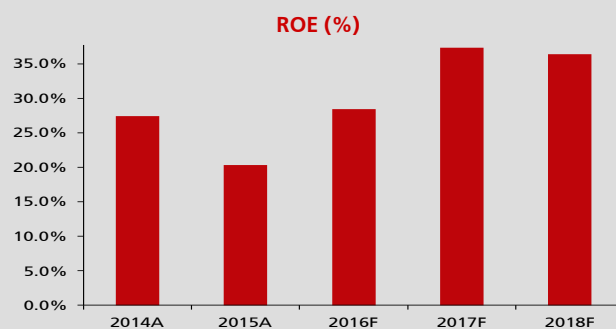
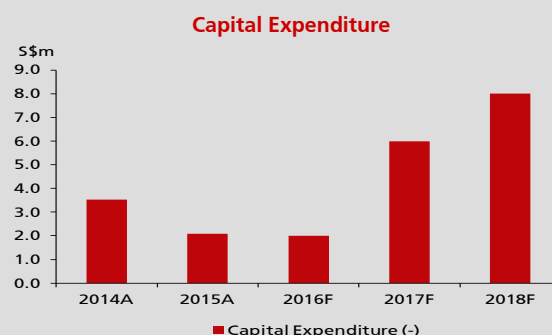
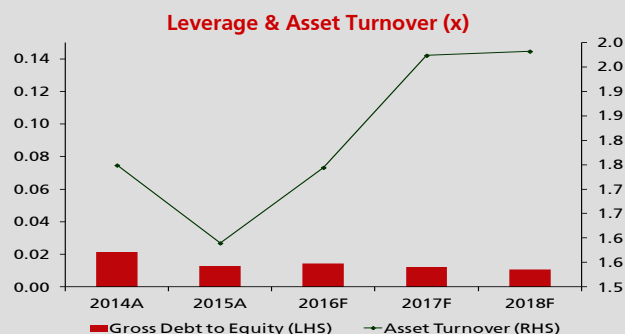
China business imperative to growth. While we view its Singapore business as stable, expansion in China will support growth over the mid to long term. Slower-than-expected pace of expansion would impede growth.

Insufficient supply of ingredients may lower margins. Shortage of ingredients may result in higher costs and lower margins. Despite this, crabs are seasonally priced and any increase can be typically passed on to consumers in Singapore

Food safety and licences. As a restaurant operator, it is important to maintain food safety. Lapses would lead to reputational risks and in extreme cases, food operation licences could be revoked.

Company Background

Jumbo is an operator of F&B outlets in Singapore and China. Its anchor brand Jumbo Seafood is widely recognised for its signature Chilli Crab dish. Other brands include JPOT, Ng Ah Sio Bak Kut Teh, Chui Huay Lim Teochew Cuisine, JCafé, and Singapore Seafood.



Source: Company, DBS Bank

Jumbo Group

Key Assumptions

FY Sep	2014A	2015A	2016F	2017F	2018F
No of outlets Singapore	14.0	14.0	14.0	16.0	18.0
No of outlets PRC	1.00	2.00	3.00	4.00	6.00
Sales per outlet S\$m	7.49	7.68	8.35	8.44	8.18

Segmental Breakdown

FY Sep	2014A	2015A	2016F	2017F	2018F
Revenues (S\$m)					
Singapore	106	112	125	145	163
PRC	6.53	11.1	16.8	23.5	33.5
Total	112	123	142	169	196

Income Statement (S\$m)

FY Sep	2014A	2015A	2016F	2017F	2018F
Revenue	112	123	142	169	196
Cost of Goods Sold	(42.0)	(45.5)	(55.0)	(65.2)	(75.8)
Gross Profit	70.4	77.3	86.9	104	121
Other Opng (Exp)/Inc	(56.2)	(63.9)	(69.3)	(81.4)	(94.6)
Operating Profit	14.1	13.4	17.6	22.3	25.9
Other Non Opng (Exp)/Inc	1.25	1.37	3.01	1.50	1.50
Associates & JV Inc	0.09	0.06	0.03	0.56	0.60
Net Interest (Exp)/Inc	0.00	0.07	0.06	0.0	0.0
Exceptional Gain/(Loss)	0.11	0.26	(2.6)	0.0	0.0
Pre-tax Profit	15.6	15.1	18.1	24.3	28.0
Tax	(1.8)	(1.8)	(2.6)	(3.6)	(4.2)
Minority Interest	(2.3)	(2.7)	(0.3)	(0.5)	(0.5)
Preference Dividend	0.0	0.0	0.0	0.0	0.0
Net Profit	11.5	10.6	15.2	20.2	23.3
Net Profit before Except.	11.4	10.3	17.8	20.2	23.3
EBITDA	18.6	18.3	24.1	28.1	32.4
Growth					
Revenue Gth (%)	15.1	9.2	15.6	19.0	16.2
EBITDA Gth (%)	48.1	(1.9)	31.8	16.5	15.3
Opg Profit Gth (%)	52.4	(5.4)	31.7	26.4	16.4
Net Profit Gth (Pre-ex) (%)	36.8	(9.5)	72.2	13.5	15.2
Margins & Ratio					
Gross Margins (%)	62.6	62.9	61.2	61.4	61.4
Opg Profit Margin (%)	12.6	10.9	12.4	13.2	13.2
Net Profit Margin (%)	10.2	8.6	10.7	12.0	11.9
ROAE (%)	27.4	20.4	28.5	37.4	36.4
ROA (%)	17.9	13.7	18.6	23.6	23.5
ROCE (%)	24.2	17.4	28.5	31.6	31.4
Div Payout Ratio (%)	11.3	9.4	55.0	55.0	55.0
Net Interest Cover (x)	NM	NM	NM	811.6	944.6

Anticipate that some
JVs/franchise could
take shape in FY17F

Source: Company, DBS Bank

Quarterly / Interim Income Statement (S\$m)

FY Sep	1Q2015	2Q2015	2H2015	1Q2016	2Q2016
Revenue	28.7	33.4	60.6	30.9	39.6
Cost of Goods Sold	(10.7)	(12.1)	(22.8)	(11.5)	(15.7)
Gross Profit	18.1	21.4	37.8	19.4	23.9
Other Oper. (Exp)/Inc	(15.4)	(15.0)	(33.5)	(14.5)	(18.2)
Operating Profit	2.63	6.40	4.36	4.95	5.70
Other Non Opg (Exp)/Inc	0.03	(0.7)	2.01	0.14	0.96
Associates & JV Inc	0.0	0.05	0.03	0.02	0.00
Net Interest (Exp)/Inc	0.0	0.05	0.02	0.03	0.01
Exceptional Gain/(Loss)	(0.1)	(0.1)	0.48	(2.6)	0.0
Pre-tax Profit	2.56	5.68	6.90	2.51	6.67
Tax	(0.4)	(0.8)	(0.6)	(0.5)	(0.8)
Minority Interest	0.09	(1.0)	(1.9)	(0.1)	(0.1)
Net Profit	2.23	3.90	4.47	1.91	5.83
Net profit bef Except.	2.30	4.05	3.99	4.54	5.83
EBITDA	3.51	0.91	8.07	5.91	7.53

Growth

Revenue Gth (%)	N/A	16.4	81.3	(49.0)	28.2
EBITDA Gth (%)	nm	(74.0)	783.6	(26.7)	27.4
Opg Profit Gth (%)	nm	143.6	(31.8)	13.5	15.1
Net Profit Gth (Pre-ex) (%)	nm	76.1	(1.4)	13.8	28.2

Margins

Gross Margins (%)	62.9	63.9	62.4	62.9	60.4
Opg Profit Margins (%)	9.1	19.1	7.2	16.0	14.4
Net Profit Margins (%)	7.8	11.7	7.4	6.2	14.7

Balance Sheet (S\$m)

FY Sep	2014A	2015A	2016F	2017F	2018F
Net Fixed Assets	12.0	14.0	12.6	14.9	18.5
Invt in Associates & JVs	0.36	0.42	0.44	6.00	6.60
Other LT Assets	1.10	1.10	1.10	1.10	1.10
Cash & ST Invt	50.8	60.4	56.9	60.1	68.5
Inventory	1.22	1.03	1.36	1.61	1.87
Debtors	5.35	6.60	6.90	8.21	9.55
Other Current Assets	0.20	0.0	0.0	0.0	0.0
Total Assets	71.0	83.5	79.2	91.9	106
ST Debt	0.23	0.18	0.18	0.18	0.18
Creditor	13.8	14.2	16.9	20.0	23.3
Other Current Liab	3.96	3.23	3.23	3.23	3.23
LT Debt	0.88	0.65	0.65	0.65	0.65
Other LT Liabilities	0.09	0.09	0.09	0.09	0.09
Shareholder's Equity	47.1	56.9	49.5	58.6	69.1
Minority Interests	4.91	8.27	8.61	9.07	9.59
Total Cap. & Liab.	71.0	83.5	79.2	91.9	106
Non-Cash Wkg. Capital	(11.0)	(9.8)	(11.9)	(13.4)	(15.1)
Net Cash/(Debt)	49.7	59.6	56.0	59.3	67.7
Debtors Turn (avg days)	16.2	17.8	17.4	16.3	16.5
Creditors Turn (avg days)	128.9	121.5	110.0	109.7	110.7
Inventory Turn (avg days)	8.2	9.8	8.5	8.8	8.9
Asset Turnover (x)	1.7	1.6	1.7	2.0	2.0
Current Ratio (x)	3.2	3.9	3.2	3.0	3.0
Quick Ratio (x)	3.1	3.8	3.1	2.9	2.9
Net Debt/Equity (X)	CASH	CASH	CASH	CASH	CASH
Net Debt/Equity ex MI (X)	CASH	CASH	CASH	CASH	CASH
Capex to Debt (%)	318.9	252.0	240.7	722.0	962.7
Z-Score (X)	15.3	15.6	13.8	12.6	11.5

Source: Company, DBS Bank

Cash Flow Statement (\$m)

FY Sep	2014A	2015A	2016F	2017F	2018F
Pre-Tax Profit	15.6	15.1	18.1	24.3	28.0
Dep. & Amort.	3.13	3.46	3.41	3.72	4.32
Tax Paid	(0.8)	(2.5)	(2.6)	(3.6)	(4.2)
Assoc. & JV Inc/(loss)	(0.1)	(0.1)	0.0	(0.6)	(0.6)
Chg in Wkg.Cap.	(1.2)	(0.7)	2.12	1.57	1.66
Other Operating CF	(0.3)	(0.4)	0.0	0.0	0.0
Net Operating CF	16.3	15.0	21.0	25.4	29.2
Capital Exp.(net)	(3.5)	(2.1)	(2.0)	(6.0)	(8.0)
Other Invt.(net)	0.12	0.0	0.0	0.0	0.0
Invt in Assoc. & JV	(0.1)	0.0	0.0	(5.0)	0.0
Div from Assoc & JV	0.08	0.0	0.0	0.0	0.0
Other Investing CF	(1.2)	0.10	0.0	0.0	0.0
Net Investing CF	(4.7)	(2.0)	(2.0)	(11.0)	(8.0)
Div Paid	(1.3)	(1.0)	(60.0)	(11.1)	(12.8)
Chg in Gross Debt	(1.0)	(0.9)	0.0	0.0	0.0
Capital Issues	0.0	0.0	37.5	0.0	0.0
Other Financing CF	0.66	1.43	0.0	0.0	0.0
Net Financing CF	(1.7)	(0.5)	(22.5)	(11.1)	(12.8)
Currency Adjustments	0.02	0.14	0.0	0.0	0.0
Chg in Cash	10.0	12.6	(3.5)	3.28	8.38
Opg CFPS (\$ cts)	2.74	2.45	2.95	3.71	4.29
Free CFPS (\$ cts)	2.00	2.01	2.96	3.02	3.30

Source: Company, DBS Bank

Target Price & Ratings History



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

S.No.	Date	Closing Price	Target Price	Rating
1:	28 Jan 16	0.45	0.53	NOT RATED
2:	01 Jun 16	0.56	0.68	BUY
3:	01 Jul 16	0.61	0.69	BUY

Source: DBS Bank

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 catalysts within this time frame)

Share price appreciation + dividends

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DBS Bank Ltd
 12 Marina Boulevard, Marina Bay Financial Centre Tower 3
 Singapore 018982
 Tel. 65-6878 8888
 e-mail: equityresearch@dbs.com
 Company Regn. No. 196800306E