

Delayed but not derailed

What's New

- Double digit growth in revenue (+35.8% y/y) and adjusted net profit (+59.0% y/y) in 9M24 mainly driven by strong semiconductor performance, in line
- Better 2H24 on the cards with growing confidence of recovery in 2025
- GVT well positioned to capitalise on AI in both the semiconductor front-end and back-end with its suite of offerings

Investment Overview

High-growth company with a strong blue-chip customer base. Over the past five years, GVT has delivered strong revenue and earnings growth with CAGRs of 29% and 16%, respectively. GVT also serves a blue-chip customer base – in the semiconductor back-end space, it serves four of the top six; in the analytical life sciences segment, it serves three of the top 10. The products that GVT supplies are made to certain product specifications, and thus its customer base tends to be sticky in nature.

Significant contributions from the front-end semiconductor space remain a crucial catalyst. Within the semiconductor segment, GVT's exposure to the back end is about 90-95%, implying 5-10% exposure to the front end. Contributions in FY24 from new front-end customers will remain small, while FY25 contributions are expected to be more significant.

A promising grand venture nonetheless, as long-term semiconductor uptrend remains intact. Notwithstanding near-term volatility, the semiconductor industry is well poised for growth, owing to the push towards digitalisation. McKinsey projects that the semiconductor industry will become a trillion-dollar industry by 2030. Long-term semiconductor outlook looks bright, which should benefit GVT, as more than half of its revenue comes from the semiconductor segment. The other segments GVT has diversified into should remain resilient, which should help cushion semiconductor weaknesses in the near term.

Maintain BUY with higher TP SGD0.70 (vs SGD 0.58 previously). Our target price is based on 21x FY24/FY25 earnings, pegged close to historical mean compared to our previous PE peg at 18x / -0.25 SD. We believe that FY24 is a turning point for the group with momentum to continue through FY25 as the semiconductor equipment market recovers and new front-end contributions come in more meaningfully. We are increasing our FY24/FY25F estimates by 14%/11% to account for semiconductor recovery and ACP contributions. We have also raised our FY24/FY25 earnings estimates by 8%/4%, albeit to a lesser degree due to higher gearing of 0.55 (vs 0.41 in FY23).

Company Overview

Grand Venture Technology Limited (GVT) was established in 2012 and it is a manufacturing solutions and services provider for the semiconductor, life sciences, electronics, medical, and industrial automation industries. Its manufacturing plants are located in Singapore, Malaysia, and China with a total of 540k sqft of factory floor area. They customer base includes established blue-chip companies in the semiconductor back-end and analytical life sciences. GVT's three main segment includes the semiconductor, life sciences, and electronics, medical and others segment. As at FY21, the semiconductor segment remains the largest contributor to revenue at 55% of total sales.

Analysts:

Amanda Tan | amandatankh@dbs.com

Lee Keng Ling | leekeng@dbs.com

Key Financial Data (FY Dec)

Bloomberg Ticker	GVTL SP
Sector	Capital Goods
Share Price(SGD)	0.56
DBS Rating	BUY
12-mth Target Price (SGD)	0.70
Market Cap (USDb)	0.14
3m Avg. Daily Val (USDb)	0.05
Dividend yield (%)	0.67
Net Debt/Equity (x)	0.11
Fwd. P/E (x)	12.56
P/Book (x)	1.53
ROE (%)	5.21

Closing Price as of 27/11/2024

Source: Twelve Data, DBS

Grand Venture Technology Ltd Share Price



Source: twelvedata

Major Shareholders	(%)
NT SPV 12	26.7
Tiam Nam Lee	15.4
SUNSHINE VENTURES PT	8.8
Free Float (%)	49.1

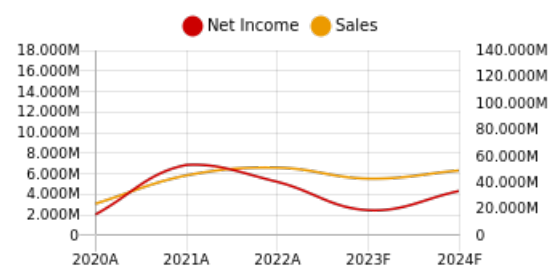
Source: Bloomberg

Financial Summary

FY Dec (SGDm)	FY2020(A)	FY2021(A)	FY2022(A)	FY2023(F)	FY2024(F)
Sales	61.40	116.3	131.1	109.9	125.9
% y/y	53.2	89.3	12.8	(16.1)	14.5
Gross Profit	18.93	37.69	35.80	27.23	34.62
% y/y	26.9	99.0	(5.0)	(23.9)	27.1
EBITDA	14.19	31.48	30.21	28.66	37.27
% y/y	44.1	121.9	(4.0)	(5.1)	30.0
Net Profit (Loss)	5.22	17.56	13.32	6.28	11.11
% y/y	68.4	236.6	nm	nm	76.9
FCF	(3.47)	(13.16)	3.69	10.54	5.84
% y/y	0	0	0	0	0
CAPEX	(7.42)	(16.26)	(9.73)	(30.00)	(20.00)
% y/y	0	0	0	0	0
EBITDA Margin %	23.1	27.1	23.0	26.1	29.6
Net Margin %	8.5	15.1	10.2	5.7	8.8
ROA (%)	6.2	12.7	6.9	3.0	5.1
ROE (%)	15.3	24.8	12.0	5.2	8.7
Tax Rate %	13.5	16.0	4.0	15.0	15.0

Source: DBS

Revenue and Profit Trend FY



Source: DBS

Valuation Metrics

FY Dec	FY2020(A)	FY2021(A)	FY2022(A)	FY2023(F)	FY2024(F)
P/E	22.2	9.3	12.6	26.7	15.1
P/B	3.1	1.6	1.4	1.4	1.3
Dividend Yield	()	2.0	1.2	0.7	1.3
EV/EBITDA (x)	10.4	5.2	6.5	6.5	4.9
FCF Yield %	(3.0)	(8.0)	2.2	6.3	3.5

Source: DBS

Credit & Cashflow Metrics

FY Dec	FY2020(A)	FY2021(A)	FY2022(A)	FY2023(F)	FY2024(F)
Debt / Equity	1.1	0.4	0.4	0.4	0.4
Net Debt / Equity	0.9	0	0.2	0.2	0.1
Debt / Assets	0.4	0.3	0.2	0.2	0.2
Net Debt / Assets	0.3	(0.0)	0.1	0.1	0.1
EBITDA / Int Exp	10.0	18.4	12.8	11.6	15.5
ST Debt / Total Debt	0.3	0.4	0.4	0.4	0.4
Debt / EBITDA	2.8	1.5	1.7	1.8	1.4
[Cash + CFO] / ST Debt	1.1	3.0	2.0	3.9	3.3
Receivables Days	91.8	75.2	86.3	102.4	92.4
Days Payable	122.1	100.2	108.3	146.9	153.0
Inventory Days	187.1	161.9	205.5	266.1	235.2

Source: DBS

Disclaimer: The information contained in this document is intended only for use by the person to whom it has been delivered and should not be disseminated or distributed to third parties without our prior written consent. DBS accepts no liability whatsoever with respect to the use of this document or its contents. Please refer to Disclaimer found at the end of this document

What's New

10 Nov 2024

9M24 operational update: Fueled by strong semiconductor performance; AI set to drive future gains

- Double digit growth in revenue (+35.8% y/y) and adjusted net profit (+59.0% y/y) in 9M24 mainly driven by strong semiconductor performance, in line
- Better 2H24 on the cards with growing confidence of recovery in 2025
- GVT well positioned to capitalise on AI in both the semiconductor front-end and back-end with its suite of offerings
- Maintain BUY with TP SGD0.70

Double digit growth in revenue and adjusted net profit was mainly driven by strong semiconductor performance, in line with our expectations. GVT's 9M24 revenue came in at SGD111.9mn (+35.8% y/y) with growth recorded across all business segments, accounting for c.75% of our FY24 estimates. The semiconductor segment which comprises slightly more than half of group revenue soared 50.8% y/y on improving demand from key customers as GVT won new programs and increased its wallet share. The EAMO (Electronics, Aerospace, Medical, and Others) segment was also another driver, growing 32.8% y/y on contributions from new subsidiary ACP and healthy demand in aerospace and medical despite weakness in electronics. Life science recorded slight growth (+3.4% y/y) as the group continued to increase its wallet share with customers. 9M24 gross margins expanded 2 ppts to 26.4% on improving utilisation and absence of FVA (fair value adjustments) of SGD0.5mn recorded in FY23. However adjusted EBITDA margin declined 1.7 ppts due to continued investments to develop competencies for the semiconductor front-end. Adjusted net profit, which excludes SGD1.5mn in tax allowances and SGD2.0mn in fx losses, therefore came in at SGD6.7mn (+59.0% y/y), making up 70.4% of our forecasts. This is broadly in line with our estimates given our expectations of a stronger second half. Better 2H24 on the cards with growing confidence of recovery in 2025; GVT well positioned to capitalise on AI in both the semiconductor front-end and back-end. GVT's management is optimistic about achieving the higher end of 2H24 revenue guidance of SGD80-86mn which lends some upside to our topline estimates. We now expect GVT to deliver at least c.SGD40mn (+>38% y/y) in revenue in 4Q24 (vs 3Q24 revenue of SGD43.5mn) followed by further improvements in FY25. Tailwinds in AI benefits GVT through the semiconductor value chain with GVT involved in (i) TSV (through silicon vias) deposition tools in the front-end, and (ii) packaging technologies such as thermal compression bonding and hybrid bonding for HBM as well as testers in the back end. This eventually flows through to derive demand for GVT's solutions. Beyond the semiconductor segment, aerospace momentum remains healthy while resilience in life sciences and medical segments should help offset softness in the electronics segment, which is being impacted by weak end-consumer demand. Another encouraging trend for GVT is the China+1 supply chain diversification which is expected to gain momentum under Trump's presidency as they can support supply chains that have moved to Asia. Maintain BUY with TP SGD0.70

Disclaimer: The information contained in this document is intended only for use by the person to whom it has been delivered and should not be disseminated or distributed to third parties without our prior written consent. DBS accepts no liability whatsoever with respect to the use of this document or its contents. Please refer to Disclaimer found at the end of this document

Principal Share Price Drivers

Front-end semiconductor expansion

Expansion into front-end semiconductor space remains a crucial catalyst

GVT services top tier customers in the semiconductor back-end space and is targeting to expand to front-end activities, presenting ample room for growth. GVT continues to make progress in acquiring front-end customers.

Small volume production for new front-end customers a step forward. GVT has onboarded several new front-end customers and has begun small volume production. The group is also making continued progress in first article deliveries in addition to obtaining qualifications.

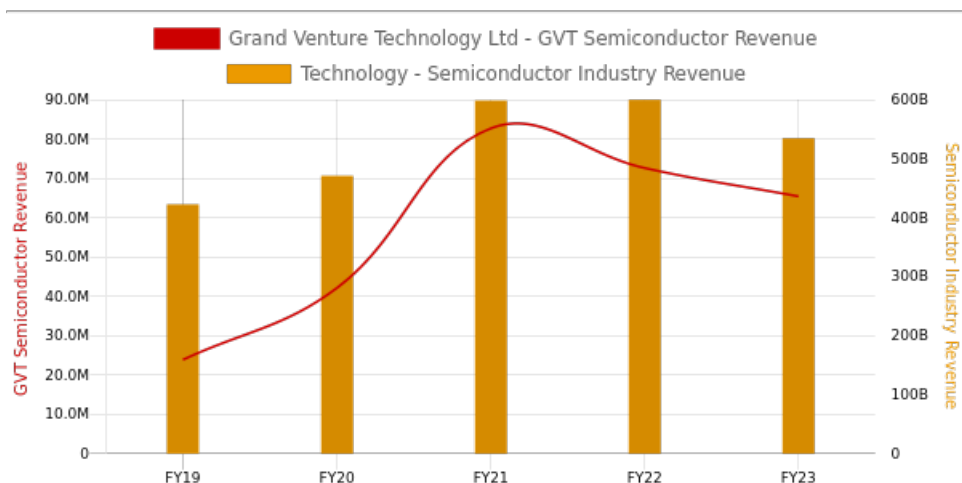
At the end of 2023, the group launched a new facility in Penang to meet front-end semiconductor requirements. Additionally, the acquisition of ACP in end 1Q24 enhanced the group's capabilities in surface treatment, a crucial process for the semiconductor front-end.

Worldwide Semiconductor revenue

With more than 55% of total sales attributed to the semiconductor segment, the total worldwide semiconductor's revenue can affect GVT's revenue significantly.

Notwithstanding near-term volatility, we continue to see a secular long-term uptrend in the semiconductor segment, which made up close to half of GVT's revenue in FY23. McKinsey projects that the semiconductor industry will become a trillion-dollar industry by 2030 and Gartner estimates that semiconductor revenue by end use industry will grow a further 19% and 17% in 2024 and 2025 respectively –which points to a bright long-term semiconductor market outlook that GVT will benefit from.

Grand Venture Technology Ltd - GVT Semiconductor Revenue vs. Technology - Semiconductor Industry Revenue



Semiconductor Shipments

The semiconductor industry momentum is slowing, with the semiconductor shipment growth decelerating.

Global semiconductor shipments emerged from its trough in February 2023. As of December 2023, we saw further improvement in shipment data, marking the second month of yoy increases, forming the right side of the U-shaped recovery since May 2023. Semiconductor shipments grew 21% y/y in August 2024 marking the 10th consecutive month of positive year on year growth.

We believe that FY24 is a turning point for the group with momentum to continue through FY25 as the semiconductor market recovers and new front-end contributions come in more meaningfully.

Disclaimer: The information contained in this document is intended only for use by the person to whom it has been delivered and should not be disseminated or distributed to third parties without our prior written consent. DBS accepts no liability whatsoever with respect to the use of this document or its contents. Please refer to Disclaimer found at the end of this document

Forecasts and Valuation (SGD, M)

FY Dec	FY2020(A)	FY2021(A)	FY2022(A)	FY2023(F)	FY2024(F)
Revenue	61.40	116.3	131.1	109.9	125.9
EBITDA	14.19	31.48	30.21	28.66	37.27
Pre-tax Profit	6.03	20.90	13.88	7.39	13.08
Net Profit	5.22	17.56	13.32	6.28	11.11
Net Pft (Pre Ex.)	5.22	17.56	13.32	6.28	11.11
Net Pft Gth (Pre-ex) (%)	68.4	236.6	(24.1)	(52.8)	76.9
EPS (SGD)	2.23	5.31	3.93	1.85	3.28
EPS Pre Ex. (SGD)	2.23	5.31	3.93	1.85	3.28
EPS Gth Pre Ex (%)	68.4	138.4	(26.0)	(52.8)	76.9
Diluted EPS (SGD)	2.23	5.31	3.93	1.85	3.28
Net DPS (SGD)	()	1.00	0.600	0.370	0.655
BV Per Share (SGD)	15.74	31.62	34.80	36.28	38.91
PE (x)	22.2	9.3	12.6	26.7	15.1
PE Pre Ex. (x)	22.2	9.3	12.6	26.7	15.1
P/Cash Flow (x)	29.3	52.8	12.5	4.1	6.5
EV/EBITDA (x)	10.4	5.2	6.5	6.5	4.9
Net Div Yield (%)	()	2.0	1.2	0.7	1.3
P/Book Value (x)	3.1	1.6	1.4	1.4	1.3
Net Debt/Equity (x)	0.9	0	0.2	0.2	0.1
ROAE (%)	15.3	24.8	12.0	5.2	8.7

Source: DBS

Disclaimer: The information contained in this document is intended only for use by the person to whom it has been delivered and should not be disseminated or distributed to third parties without our prior written consent. DBS accepts no liability whatsoever with respect to the use of this document or its contents. Please refer to Disclaimer found at the end of this document

Income Statement (SGD, M)

FY Dec	FY2020(A)	FY2021(A)	FY2022(A)	FY2023(F)	FY2024(F)
Revenue	61.40	116.3	131.1	109.9	125.9
Cost of Goods Sold	(42.47)	(78.57)	(95.29)	(82.71)	(91.26)
Gross Profit	18.93	37.69	35.80	27.23	34.62
Other Opng (Exp)/Inc	(11.49)	(15.08)	(19.56)	(17.36)	(19.14)
Operating Profit	7.44	22.60	16.24	9.87	15.48
Other Non Opg (Exp)/Inc	0	0	0	0	0
Associates & JV Inc	0	0	0	0	0
Net Interest (Exp)/Inc	(1.42)	(1.71)	(2.35)	(2.48)	(2.40)
Exceptional Gain/(Loss)	0	0	0	0	0
Pre-tax Profit	6.03	20.90	13.88	7.39	13.08
Tax	(0.813)	(3.34)	(0.559)	(1.11)	(1.96)
Minority Interest	0	0	0	0	0
Preference Dividend	0	0	0	0	0
Net Profit	5.22	17.56	13.32	6.28	11.11
Net Profit before Except.	5.22	17.56	13.32	6.28	11.11
EBITDA	14.19	31.48	30.21	28.66	37.27
Growth					
Revenue Gth (%)	53.2	89.3	12.8	(16.1)	14.5
EBITDA Gth (%)	44.1	121.9	(4.0)	(5.1)	30.0
Opg Profit Gth (%)	51.5	203.7	(28.2)	(39.2)	56.8
Net Profit Gth (Pre-ex) (%)	68.4	236.6	(24.1)	(52.8)	76.9
Margins & Ratio					
Gross Margins (%)	30.8	32.4	27.3	24.8	27.5
Opg Profit Margin (%)	12.1	19.4	12.4	9.0	12.3
Net Profit Margin (%)	8.5	15.1	10.2	5.7	8.8
ROAE (%)	15.3	24.8	12.0	5.2	8.7
ROA (%)	6.2	12.7	6.9	3.0	5.1
ROCE (%)	5.3	13.4	6.6	2.1	4.6
Div Payout Ratio (%)	0	18.8	15.3	20.0	20.0
Net Interest Cover (x)	5.3	13.2	6.9	4.0	6.4

Source: DBS

Disclaimer: The information contained in this document is intended only for use by the person to whom it has been delivered and should not be disseminated or distributed to third parties without our prior written consent. DBS accepts no liability whatsoever with respect to the use of this document or its contents. Please refer to Disclaimer found at the end of this document

Balance Sheet (SGD, M)

FY Dec	FY2020(A)	FY2021(A)	FY2022(A)	FY2023(F)	FY2024(F)
Net Fixed Assets	43.35	56.36	84.41	96.02	94.64
Invts in Associates & JVs	0	0	0	0	0
Other LT Assets	3.06	5.40	10.94	10.54	10.14
Cash & ST Invts	7.49	46.34	23.15	32.43	36.05
Inventory	20.93	40.91	50.64	42.56	46.96
Debtors	17.89	30.02	32.00	29.72	34.02
Other Current Assets	1.68	3.84	3.04	3.04	3.04
Total Assets	94.40	182.9	204.2	214.3	224.8
ST Debt	10.58	16.25	18.68	18.68	18.68
Creditor	13.20	25.05	23.18	28.29	29.93
Other Current Liab	1.02	1.85	2.72	2.72	2.72
LT Debt	29.14	29.55	32.28	32.28	32.28
Other LT Liabilities	3.62	5.57	9.22	9.22	9.22
Shareholder's Equity	36.86	104.6	118.1	123.1	132.0
Minority Interests	0	0	0	0	0
Total Cap. & Liab.	94.40	182.9	204.2	214.3	224.8
Non-Cash Wkg. Capital	26.29	47.87	59.77	44.31	51.37
Net Cash/(Debt)	(32.22)	0.538	(27.82)	(18.54)	(14.92)
Debtors Turn (avg days)	91.8	75.2	86.3	102.4	92.4
Creditors Turn (avg days)	122.1	100.2	108.3	146.9	153.0
Inventory Turn (avg days)	187.1	161.9	205.5	266.1	235.2
Asset Turnover (x)	0.7	0.8	0.7	0.5	0.6
Current Ratio (x)	1.9	2.8	2.4	2.2	2.3
Quick Ratio (x)	1.0	1.8	1.2	1.3	1.4
Net Debt/Equity (x)	0.9	0	0.2	0.2	0.1
Net Debt/Equity ex MI (x)	0.9	cash	0.2	0.2	0.1
Capex to Debt (%)	18.7	35.5	19.1	58.9	39.2

Source: DBS

Cash Flow Statement (SGD, M)

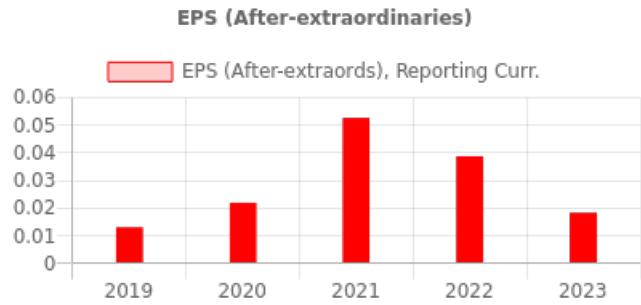
FY Dec	FY2020(A)	FY2021(A)	FY2022(A)	FY2023(F)	FY2024(F)
Pre-Tax Profit	6.03	20.90	13.88	7.39	13.08
Dep. & Amort.	6.74	8.88	13.97	18.79	21.79
Tax Paid	(0.705)	(1.62)	(1.30)	(1.11)	(1.96)
Assoc. & JV Inc/(loss)	0	0	0	0	0
Chg in Wkg.Cap.	(8.69)	(21.76)	(11.49)	15.47	(7.06)
Other Operating CF	0.580	(3.29)	(1.64)	0	0
Net Operating CF	3.96	3.10	13.43	40.54	25.84
Capital Exp.(net)	(7.42)	(16.26)	(9.73)	(30.00)	(20.00)
Other Invts.(net)	0	0	0	0	0
Invts in Assoc. & JV	0	0	(6.88)	0	0
Div from Assoc & JV	0	0	0	0	0
Other Investing CF	0.085	0.304	0.816	0	0
Net Investing CF	(7.34)	(15.96)	(15.80)	(30.00)	(20.00)
Div Paid	0	(1.53)	(2.71)	(1.26)	(2.22)
Chg in Gross Debt	9.64	5.33	(7.48)	0	0
Capital Issues	0	51.08	0	0	0
Other Financing CF	(4.63)	(3.11)	(9.74)	0	0
Net Financing CF	5.02	51.78	(19.93)	(1.26)	(2.22)
Currency Adjustments	0.083	0.065	(0.732)	0	0
Chg in Cash	1.72	38.98	(23.04)	9.28	3.62
Opg CFPS (SGD)	5.40	7.52	7.34	7.39	9.70
Free CFPS (SGD)	(1.48)	(3.98)	1.09	3.11	1.72

Source: DBS

Disclaimer: The information contained in this document is intended only for use by the person to whom it has been delivered and should not be disseminated or distributed to third parties without our prior written consent. DBS accepts no liability whatsoever with respect to the use of this document or its contents. Please refer to Disclaimer found at the end of this document

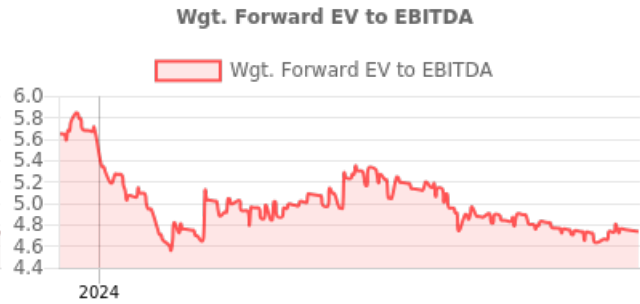
EPS (After-extraordinaries)

Wgt. Forward P/E (GVTL_SP_Equity)

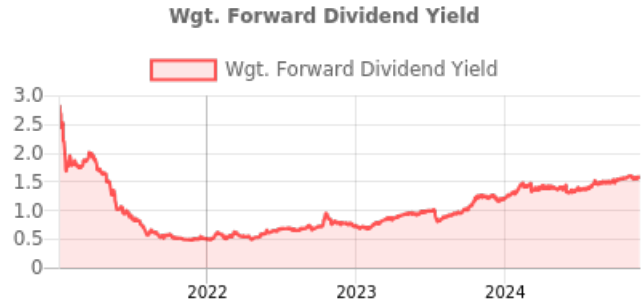


Wgt. Forward P/B (GVTL_SP_Equity)

Wgt. Forward EV to EBITDA



Wgt. Forward Dividend Yield

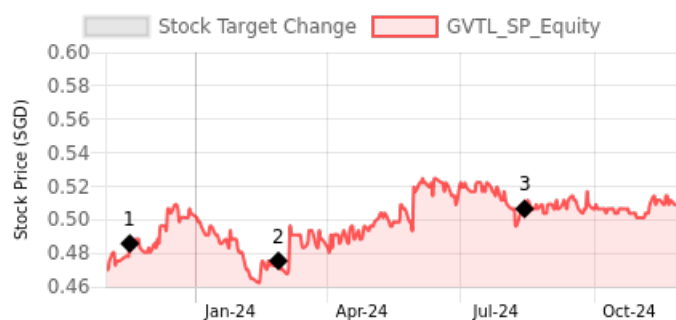


Source: DBS

Disclaimer: The information contained in this document is intended only for use by the person to whom it has been delivered and should not be disseminated or distributed to third parties without our prior written consent. DBS accepts no liability whatsoever with respect to the use of this document or its contents. Please refer to Disclaimer found at the end of this document



Target Price & Ratings History - Grand Venture Technology Ltd (GVTL_SP_Equity)



#	Date of Report	Closing Price	12-m Target Price	Rating
1	17 Nov'23	0.51	0.60	BUY
2	27 Feb'24	0.49	0.58	BUY
3	14 Aug'24	0.55	0.70	BUY

Source: DBS

Analysts: Amanda Tan

Lee Keng Ling

RECOMMENDATION DEFINITION

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

Sources for all charts and tables are DBS 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

Disclaimer: The information contained in this document is intended only for use by the person to whom it has been delivered and should not be disseminated or distributed to third parties without our prior written consent. DBS accepts no liability whatsoever with respect to the use of this document or its contents. Please refer to Disclaimer found at the end of this document

(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 the securities recommended in this report as of 31 Oct 2024.

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 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.

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.

Distribution of this report is intended only for "wholesale investors" within the meaning of the CA.

Hong Kong 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.

For any query regarding the materials herein, please contact Dennis Lam (Reg No. AH8290) at dbsvhk@dbs.com

Indonesia This report is being distributed in Indonesia by PT DBS Vickers Sekuritas Indonesia.

Malaysia 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.



Wong Ming Tek, Executive Director, ADBSR

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 This report is being distributed in Thailand by DBS Vickers Securities (Thailand) Co Ltd.

For any query regarding the materials herein, please contact Chanpen Sirithanarattanakul at research@th.dbs.com

United Kingdom This report is produced by DBS Bank Ltd which is regulated by the Monetary Authority of Singapore.

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.

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.

**Dubai
International
Financial
Centre**

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.

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.

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>.

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.

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).

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.

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.

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

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: indonesiaesearch@dbs.com

SINGAPORE**DBS Bank Ltd**

Contact: Andy Lee Khoon SIM
12 Marina Boulevard,
Marina Bay Financial Centre Tower 3
Singapore 018982
Tel: 65 6878 8888
e-mail: groupresearch@dbs.com
Company Regn. No. 196800306E

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