

Singapore Company Focus

Dasin Retail Trust

Bloomberg: DASIN SP | Reuters: DASI.SI

Refer to important disclosures at the end of this report

DBS Group Research . Equity

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BUY

(Initiating Coverage)

Last Traded Price (7 Aug 2020): S\$0.785 (STI : 2,545.51)

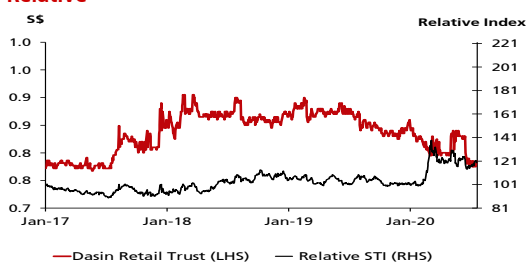
Price Target 12-mth: S\$0.86 (10% upside; 7.2% yield)

Potential Catalyst: New acquisitions, positive rental reversion surprise

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Price Relative



Forecasts and Valuation

FY Dec (\$m)	2019A	2020F	2021F	2022F
Gross Revenue	76.0	91.9	121	127
Net Property Inc	60.0	71.0	96.2	101
Total Return	(7.4)	14.0	32.4	35.1
Distribution Inc	23.3	29.5	43.9	46.6
EPU (S cts)	2.28	1.97	4.49	4.82
EPU Gth (%)	19	(14)	128	7
DPU (S cts)	6.82	5.69	6.87	6.82
DPU Gth (%)	(6)	(17)	21	(1)
NAV per shr (S cts)	151	156	152	149
PE (X)	34.5	39.9	17.5	16.3
Distribution Yield (%)	8.7	7.2	8.8	8.7
P/NAV (x)	0.5	0.5	0.5	0.5
Aggregate Leverage (%)	33.8	35.1	35.5	36.1
ROAE (%)	1.6	1.4	2.9	3.2

Other Broker Recs: B: 2 S: 0 H: 0

GICW Industry : Real Estate

GIC Sector: Equity Real Estate Investment (REITs)

Principal Business: Dasin Retail Trust is a trust with a mandate to invest in, own or develop retail-related real estate in Greater China.

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

Right place, ripe time

- Net property income set to see c.20% y-o-y boost in FY20F despite COVID-19
- ROFR over 18 quality assets built by Zhongshan Dasin, a dominant Greater Bay Area real estate player
- Unique pure play retail REIT with exposure to Greater Bay Area
- Initiate with BUY and TP of S\$0.86

Nascent properties to accelerate growth. Out of the 7 properties Dasin Retail Trust ("Dasin") is expected to own by FY20F, Doumen, Shunde and Tanbei commenced operations in 2018 and have yet to mature. We believe these properties enjoy lease structures with built-in rental escalations that would drive organic growth. For e.g. Ocean Mall's non-anchor tenant leases have rental escalation of 7-10% per annum. On our estimates, we expect net property income (NPI) in FY20F and FY21F NPI to rise by c.18% and c.35% y-o-y to S\$71m and S\$96m driven by Doumen, Shunde and Tanbei.

Exposure to the economic heart of China. Dasin's asset concentration in the Greater Bay Area (GBA) enables the Trust to tap on the region's growth. Guangdong's GDP soared 10.7% in 2019, outperforming China's GDP growth of 6.0%. With the Chinese government releasing a blueprint outlining its high hopes for the area, Dasin is well placed to benefit from GBA's growing prosperity going forward.

Upside from acquisitions. Dasin has a right of first refusal (ROFR) over 12 completed properties as at end-FY19 with a further 6 ROFR properties under development. Acquisitions of the completed ROFR properties would potentially more than double its portfolio gross floor area to 1.5m sqm. Based on gearing of c.35-40% at end-FY20F, we estimate that Dasin has debt headroom of c.S\$150m to drive inorganic growth in the near future.

Valuation:

Initiate with BUY and DCF-based TP of S\$0.86 based on WACC of 7.3% and terminal growth rate of 2.5%. Our TP implies FY21F target yield of 8.0% versus current peer average trading yield of 8.0%.

Key Risks to Our View:

A resurgence of COVID-19 could lead to another round of shutdowns while a prolonged recession could also result in weak consumer confidence and depressed rents and occupancies.

At A Glance

Issued Capital (m shrs)	771
Mkt. Cap (S\$m/US\$m)	605 / 441
Major Shareholders (%)	
Zhang Zhencheng	50.2
Harvest Pvt Wealth	8.3
China Orient Asset	6.8
Free Float (%)	28.2
3m Avg. Daily Val (US\$m)	0.08



Live more, Bank less

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Investment Summary

Initiate with BUY and DCF-based TP of S\$0.86. We believe there is significant upside for to Dasin underpinned by (1) exposure to China’s high potential Greater Bay Area (2) strong net property income (NPI) growth and (3) support from an established Sponsor with right-of-first-refusal (ROFR) over 18 quality assets.

Despite COVID-19, we believe NPI growth for FY20F and FY21F could reach c.18% and c.35% respectively, driven by new acquisitions of Doumen, Shunde and Tanbei, and the high proportion of built-in rental escalation clauses in its lease structure. Dasin is also currently trading at an attractive FY21F yield of 8.8% versus peer average of 8.0%.

Pure play retail Trust with exposure to high growth Greater Bay Area. Dasin’s malls are situated in the Chinese prefectures of Zhongshan, Foshan and Zhuhai within the Greater Bay Area (GBA). The region is marked by the economic powerhouses of Hong Kong, Shenzhen, Guangzhou and Macau and is slated for further development as outlined in a government blueprint released in February 2019. Under the plan, Zhuhai and Foshan will be developed into an industrial belt for advanced equipment manufacturing while Zhongshan will focus on innovation of biomedical technologies. The interconnectivity between prefectures in the region is good with the Hong Kong-Zhuhai-Macau Bridge that is already completed and will be given an added boost upon completion of the Shenzhen-Zhongshan Bridge in 2024.

Dasin’s malls are located in Zhongshan, Zhuhai and Foshan

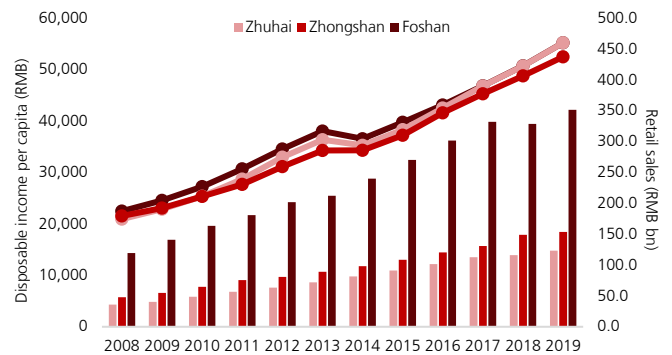


Source: DBS Bank

Disposable income in GBA has soared at CAGR of 8-9%. Zhuhai, Foshan and Zhongshan recorded CAGR of 8.5%, 9.2% and 8.4% in urban disposable income per capita from 2008 to 2019. This has correspondingly driven retail sales growth with retail sales expanding at a faster clip of 10.3%, 11.8% and 11.1% CAGR respectively over the same period. The higher retail sales growth could partially be attributed to

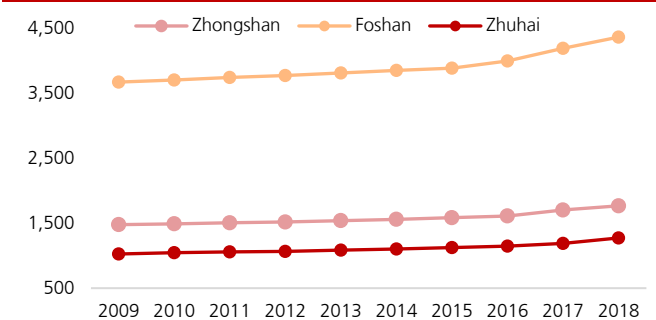
the growth in the population in these cities, which has accelerated since 2017.

Retail sales (bar) has risen faster than urban disposable income per capita (line)



Source: National Bureau of Statistics, DBS Bank

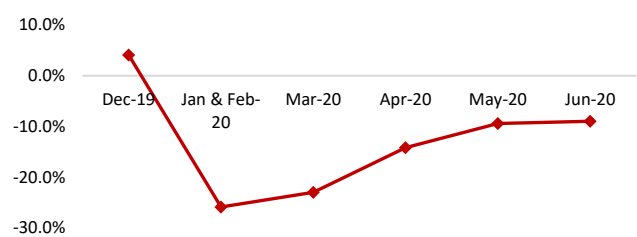
Household population growth has accelerated amid vibrant development in GBA ('000)



Source: National Bureau of Statistics, DBS Bank

China retail sales normalising post-COVID19. Retail sales in China appear to be on a recovery track after the shock from COVID-19. We observed that non-online retail sales have significantly recovered in June 2020, down 9.0% y-o-y compared to -25.9% and -23.0% y-o-y in Jan-Feb and March respectively. While risks of a second wave remain, Dasin’s long WALE of 6.7 years provides good earnings visibility, in our view.

China’s non-online retail sales growth recovering (y-o-y)



Source: National Bureau of Statistics, DBS Bank

Strong track record in tenant acquisition. We note that as at end FY18, Dasin E-Colour's lease expiries amounting to 49% of net lettable area (NLA) or 46% of Gross Rental Income (GRI) for 2019. Management was successful in addressing this with occupancy declining slightly from 98.3% at end-FY18 to 96.3% at end-FY19. Given that NPI for Dasin E-Colour had risen by 0.9% y-o-y in FY19, this signals management's ability in securing new tenants while maintaining rents. Additionally, this highlights the strength of Dasin's property attributes with tenants remaining attracted to its properties.

Organic growth driven by built-in escalation lease structure presents stability. Most of Dasin's non-anchor tenant leases are in the form of fixed rents with built-in escalations. On a portfolio basis, 66% (by GRI) of Dasin's tenants are on fixed rent with built-in escalation leases. We note that as at June 2016, the rental escalations of non-anchor tenant leases are relatively high at 5-10%. While not disclosed, we believe current rental escalations still range between 5-10%. Having a high proportion of built-in escalation leases within the lease structure bodes well for Dasin as it offers stability and visible growth in gross rental income.

Built-in escalation leases provide growth visibility

Property	% of built-in escalation leases by GRI	Non-anchor tenant leases*
Xiaolan Mall	71%	6 – 10%
Ocean Mall	41%	7 – 10%
Shiqi Mall	65%	5 – 7%
Dasin E-Colour	69%	5 – 8%
Doumen Mall	78%	NA
Shunde Mall	76%	NA
Tanbei Mall	52%	NA

*as at June 2016

Source: Company, DBS Bank

Strong anchor tenants to underpin sustained footfall. Dasin's portfolio of malls are mostly occupied by at least one hypermarket or supermarket. These tenants can enhance footfall as many of the goods sold are groceries and other staple products. In addition, most of the malls are tenanted by top Chinese retailers. Out of China Chain Store and Franchise Association's list of top chain retailers, three (Suning.com, Gome and Sun Art) have leased space in Dasin's malls.

China's 2019 Top 5 Chain Retailers (by retail sales)

Rank	Enterprise	Sales pre-tax (billion yuan)
1	Suning.com Group	378.7
2	Gome Retail Holdings	127.6
3	Red Star Macalline Group	125.6
4	Sun Art Retail Group (RT-Mart)	101.9
5	China Resources Vanguard	95.1

Source: China Chain Store and Franchise Association, DBS Bank

Well established Sponsor with portfolio of high-quality properties. Dasin's sponsor, Zhongshan Dasin Real Estate Co., Ltd is a reputable developer that has been ranked as one of China's top 10 commercial real estate development companies from 2012 to 2018. The Trust enjoys a right of first refusal (ROFR) over 18 properties that include projects under construction such as Sanjiao Metro Mall and Golden Horse Metro Mall. In addition, the Sponsor is strongly aligned to Dasin's interest given the Zhang Family's c.60% ownership in the Trust and recent injections of Doumen Mall, Shunde Mall and Tanbei Mall. Overall, the Trust stands to gain from the support of an experienced developer and points to further injections from the pipeline.

Sanjiao and Golden Horse Metro Mall

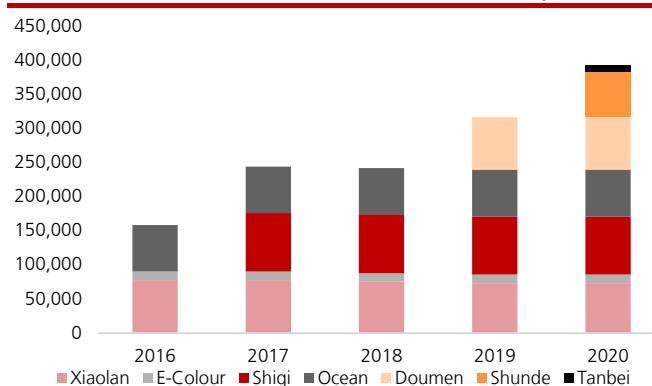


Source: Company, DBS Bank

Shunde and Tanbei mall to boost NPI by c.\$11m in FY20F.

The acquisitions of Doumen, Shunde and Tanbei mall could increase NPI by 18.4% y-o-y to c.\$71m for FY20F. NPI growth for FY21F is expected to improve, rising by c.35.4% to \$96.2m driven by a recovery from COVID-19 and full year recognition of income from Shunde and Tanbei. DPU may dip in FY20F to 5.69 Scts due to COVID-19 and the reinstatement of distribution entitlements for units previously waived for distributions. We expect DPU to rise to 6.87 Scts in FY21F.

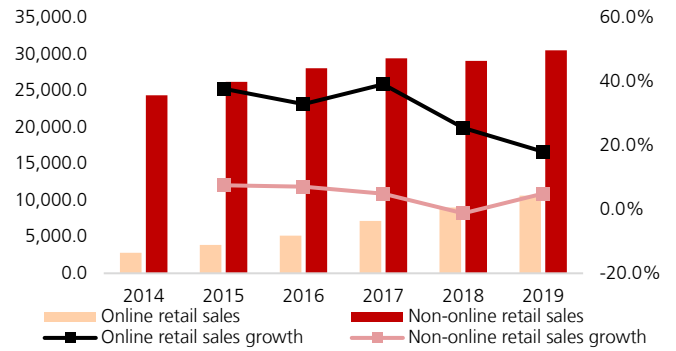
Portfolio NLA set to rise with Shunde and Tanbei (sqm)



Source: Company, DBS Bank

Brick and mortar retail is here to stay. COVID-19 has undoubtedly accelerated e-commerce growth. However, while brick and mortar retail has been weak recently, the segment appears to be on a rebound. Prior to COVID-19, non-online retail sales grew 5.0% y-o-y in 2019 compared to a decline of 1.0% in 2018. Indeed, the concept of “New Retail” has seen online and offline retail channels combining to offer a new experience. Alibaba is a leader in this field, operating an estimated 250 HeMa stores in 2019. Dasin may also be a beneficiary of this trend, with tenant Suning.com present in over half of its portfolio malls. Going forward, while the online channel will lead retail sales growth, brick and mortar retail still has a role.

Retail sales (RMB bn) (LHS) and retail sales growth (RHS)



Source: National Bureau of Statistics, DBS Bank

Dasin's portfolio of malls

Name & Location	Characteristics	Tenants	Competition
Shiqi Metro Mall <i>Zhongshan</i>	<ul style="list-style-type: none"> • Located in downtown of Shiqi district • Well served by local public bus routes with one stopping in front of mall 	RT Mart, Suning.com, Gome, Superior City Dept Store, Watsons, KFC, Starbucks	4 malls within 2km
Xiaolan Metro Mall <i>Zhongshan</i>	<ul style="list-style-type: none"> • Located in Xiaolan Town, a large suburban town • Served by local public bus routes with one stopping in front of mall • Next to Xiaolan Gymnasium and Zhongshan Xiaolan Middle School 	RT Mart, Suning.com, Superior City Dept Store, HaiDiLao, Chow Tai Fook, McDonald's, KFC, Pizza Hut	4 malls within 2km
Ocean Metro Mall <i>Zhongshan</i>	<ul style="list-style-type: none"> • Located in core urban area of Zhongshan • Served by local public bus routes • Adjacent to Zhongshan Expo Centre with area of 110,000 sqm 	Carrefour, Superior City Dept Store, Nike, Adidas, Win Fitness, Jinyi Cinema, Starbucks, McDonald's	1 mall within 2km
Dasin E-Colour <i>Zhongshan</i>	<ul style="list-style-type: none"> • Opposite University of Electronic Science and Technology of China (Zhongshan Institute) which has a student population of 20,000 	Hengxing Internet Café, Today Gym	4 malls within 2km
Doumen Metro Mall <i>Zhuhai</i>	<ul style="list-style-type: none"> • Located in Jing'an Town, largest population in Doumen district • Within 2km from Doumen Radio and Television University 	Suning.com, RT-Mart, Uniqlo, Starbucks, McDonald's, Café de Coral	1 mall within 2km
Shunde Metro Mall <i>Foshan</i>	<ul style="list-style-type: none"> • Located in Daliang Town • Expecting construction of direct walkway link to subway station (subway station being constructed) • Walking distance from Intercontinental and Sheraton Hotel 	Suning.com, AEON, Jinyi Cinemas, HaiDiLao, Starbucks, Haagen-Dazs, Pizza Hut, KFC	2 malls within 2km
Tanbei Metro Mall <i>Zhongshan</i>	<ul style="list-style-type: none"> • First mall in Dongsheng Town • Situated near three schools • More schools, hospitals and a commercial zone have been for Dongsheng Town 	Dasin Shinwa Supermarket, Xin Garden	Nil

Source: Company, DBS Bank

Comparison of malls in China (as of 31 Dec 2019)

Mall	Xiaolan	Shiqi	Ocean	CapitaMall Xuefu*	Hefei Changjiangxilu*	Beijing Wanliu
Owner	Dasin	Dasin	Dasin	Capitaland Retail China	BHG Retail	BHG Retail
Location	Zhongshan	Zhongshan	Zhongshan	Harbin	Hefei	Beijing
Valuation (RMBm)	2,274	2,994	1,805	1,792	492	2,502
Revenue (RMBm)	129.1	128.1	79.6	173.4	46.6	222.6
NPI (RMBm)	107.7	102.9	57.5	108.9	23.2	150.1
NLA (sqm)	73,414	84,851	68,893	64,274	27,038	54,968
Occupancy	99.4%	98.5%	98.6%	99.9%	97.6%	96.2%
WALE (by NLA)	5.5 years	3.9 years	8.4 years	NA	7.5 years	3.6 years

*CapitaMall Xuefu and Hefei Changjiangxilu were acquired on 30 Aug 2019 and 2 Apr 2019 respectively. Revenue and NPI of both malls have been annualised

Source: Capitaland Retail China Trust, BHG Retail REIT, Company, DBS Bank

Peer Comparison

	Dasin Retail Trust	Sasseur REIT	BHG Retail REIT	Capitaland Retail China
Market Cap (\$m)	605.1	919.1	303.1	1,394.1
No. of Properties	7*	4	6	14
Total Asset Value (\$m)	1,831	1,587	909	3,166
Total Portfolio NLA (sqm)	392,197*	312,844	180,751	688,953**
Occupancy	98.8%	96.0%	96.7%	96.7%
Gearing	36.5%	27.8%	35.7%	36.7%
% Breakdown by Geography (by NLA)				
GBA	100%	0%	0%	8%
Hong Kong	0%	0%	0%	0%
Mainland China (ex-GBA)	0%	100%	100%	92%
Lease Expiry Profile (by GRI)				
2020	18.6%	73.6%	44.4%	34.9%
2021	21.2%	14.4%	20.1%	23.4%
2022	8.6%	3.1%	13.1%	15.2%
2023 & Beyond	51.1%	7.5%	22.4%	16.4%
WALE (by GRI)	4.3 years	1.1 years	3.4 years	2.4 years

Figures are as of 31 Dec 2019 except for Market Cap which is as of 07 Aug 2020

*includes Tanbei and Shunde which are set to be acquired

**Yuquan Mall NLA was unavailable as it is undergoing fitting-out, portfolio NLA based on estimates

Source: Capitaland Retail China Trust, BHG Retail REIT, Sasseur REIT, Company, DBS Bank

Valuation & Peers Comparison

Initiate with BUY and DCF-based TP of S\$0.86. Dasin's strong and stable cash flow generation ability supports the discounting of Dasin's cash flows as a valuation methodology.

Our DCF model assumes China-based risk-free rate of 3.0% and market return of 11.2% giving us a market risk premium of 8.2%. We further assume a beta of 0.8, target gearing of 40.0% and after-tax cost of debt of 3.9% which gives a WACC of 7.3%. Using a terminal growth rate of 2.5%, we derive an equity value of S\$645.8m for Dasin, which represents S\$0.86 TP and implies FY21F target yield of 8.0%.

Relative valuation points to significant undervaluation. Dasin is trading at a discount to peers with a P/NAV ratio of 0.57x and FY21F yield of 8.8% (vs peer average of 0.68x and 8.0% respectively).

Sensitivity analysis of DCF vs WACC and Terminal Growth

		Terminal growth rate				
		2.00%	2.25%	2.50%	2.75%	3.00%
WACC	8.3%	0.44	0.48	0.52	0.56	0.61
	7.8%	0.58	0.62	0.67	0.73	0.79
	7.3%	0.74	0.79	0.86	0.93	1.01
	6.8%	0.93	1.00	1.09	1.18	1.28
	6.3%	1.17	1.27	1.38	1.50	1.64

Discounted Cash Flow Model: TP of S\$0.86*

FY (S\$m)	21F	22F	23F	Terminal Value
EBIT	85.2	90.0	94.0	
Add: Depreciation & Amortisation	0.2	0.2	0.2	
Less: Tax Provision	(19.2)	(20.4)	(21.4)	
Less: Capex	(1.5)	(1.5)	(1.5)	
Add: Changes in Working Capital	(16.6)	0.0	0.1	
Total FCF to the Firm	48.1	68.3	71.4	1,921.6
Discounted FCF	43.3	57.3	55.8	918.3
Risk-free Rate (Rf)	3.0%			
Equity Risk Premium	11.2%			
Beta	0.80			
Cost of Equity	9.5%			
Proportion of Debt Financing	40.0%			
After-tax Cost of Debt	3.9%			
WACC	7.3%			
Terminal Growth	2.5%			
PV of FCF	502.4			
PV of Terminal Value	918.3			
Net Cash (Debt)	(774.9)			
Equity Value (S\$m)	645.8			
No. of Shares (average over period)	748.2			
DCF-based TP (S\$)	0.86			

*based on 10-year DCF model, cash flows beyond FY23F are not shown

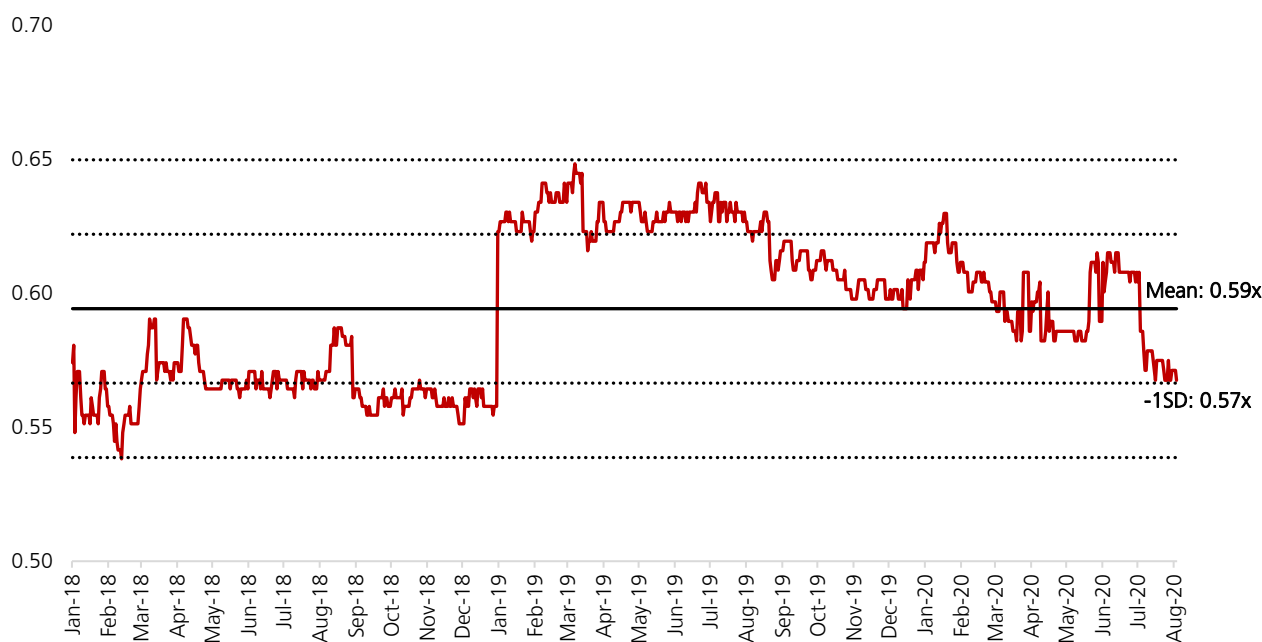
Source: DBS Bank

Peer Comparison

REIT	Last Price	Mkt Cap	P/NAV	Yield (%)		
	07-Aug-20	S\$ millions	(x)	FY19	FY20F	FY21F
Dasin Retail Trust	0.785	605.1	0.57	5.2	7.4	8.8
Mainland China						
Sasseur REIT	0.765	919.1	0.83	8.1	7.8	8.4
BHG Retail REIT	0.595	303.1	0.72	6.5	NA	NA
Capitaland Retail China Trust	1.14	1,394.1	0.74	5.8	7.5	8.4
Yuexiu REIT	3.52	2,005.4	0.69	7.5	7.0	7.5
Hui Xian REIT	1.80	2,111.9	0.44	12.1	5.1	7.8
Average			0.68	8.0	6.9	8.0

Source: Bloomberg Finance L.P., DBS Bank

Historical P/NAV Ratio (x)



Source: Bloomberg Finance L.P., DBS Bank

Key Risks

Tenancy risks. Dasin's top 10 tenants contributed 40.9% of gross rental income (GRI) in FY19, a 3.8 ppt drop from 44.7% in FY18. Any disruptions to the operations of these larger tenants (or even tenant defaults), could have a significant impact on GRI and lead to a decrease in DPU. The higher concentration of GRI contributions also accords tenants with higher bargaining power, which may be detrimental to Dasin's ability to negotiate rents when leases come up for renewal.

Additionally, over c.29.6% of GRI in FY19 was contributed by tenants with links to Dasin Holdings or the Zhang family. Therefore, Dasin Holdings and the Zhang family hold significant influence over the performance of the Trust. Their agreement to rental increases and renewals might have a significant impact on the performance of the Trust in future.

Top 10 tenants in FY19 account for 40.9% of GRI

Tenant	% of NLA	% of GRI
Superior City Department Store*	10.2	10.6
Dasin Merchant Investment*	5.2	7.6
Jane Eyre Furniture Mall*	9.3	7.1
RT Mart	19.5	4.2
GOME	1.3	3.1
Xin Xuan Hotel Restaurant*	4.9	2.9
Suning	1.6	1.6
Leto*	1.1	1.4
Zhong Da Communications	0.4	1.2
Carrefour	5.6	1.2

*denotes tenants with links to Dasin Holdings or the Zhang family

Source: Company, DBS Bank

Expiry of distribution waiver. Aqua Wealth Holdings Limited and Bounty Way Investments Limited each waived a portion of their entitlement to distributions under the distribution waiver agreement. The waiver agreement is due to end on 31 Dec 2021, upon which all 302.3m units held by both unitholders will be entitled to distributions. As the number of units entitled to distributions rise, this may reduce distribution per unit especially if income available for distribution fails to keep up with the rise in units.

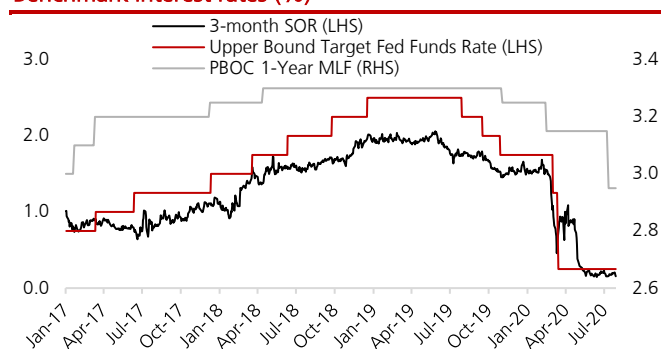
Number of units not entitled to distributions

Distribution Waiver Period	Units not entitled under agreement	% of total units on listing date
Listing date – 31 Dec 17	302.3m	55.0%
1 Jan 18 – 31 Dec -18	263.8m	48.0%
1 Jan 19 – 31 Dec 19	247.3m	45.0%
1 Jan 20 – 31 Dec 20	192.4m	35.0%
1 Jan 21 – 31 Dec 21	82.4m	15.0%

Source: Company, DBS Bank

Interest rate risks. A rise in benchmark interest rates could cause Dasin to face higher borrowing costs and impact distributions. As at end-FY19, 24% of borrowings have been hedged at fixed rates with Dasin receiving a variable rate equal to the Swap Offer Rate (SOR). This translates to c.S\$5.5m change in cash flow for every 100 bp change in interest rates. Conversely, given Dasin's low hedging proportion, the Trust is able to benefit from lower borrowing costs given the current low interest rate environment.

Benchmark interest rates (%)



Source: Bloomberg Finance L.P., DBS Bank

Foreign currency risks. Dasin's operations are primarily focused in China. As a result, the Trust is susceptible to fluctuations in the Chinese Renminbi. Indeed, since Dasin's listing in 2017, the RMB has depreciated by c.5% against the Singapore Dollar. This depreciation could largely be attributed to the US-China trade uncertainty. Even as Phase 1 of the trade deal concludes, there remains a risk of a future depreciation in the RMB with US-China trade tensions rising in recent months.

The RMB has depreciated against the SGD (SGDRMB)



Source: Bloomberg Finance L.P., DBS Bank

SWOT Analysis

Strengths

- Strong occupancies (>90%) across all retail properties
- Long land leases provide stability to property valuations
- Strong Sponsor with track record of being one of China's top commercial real estate development companies
- Focused in China's high potential Greater Bay Area
- Diversified trade sector exposure with largest exposure to defensive F&B sector (20% by GRI)
- High proportion of built-in rental escalations in lease structure provides a high degree of income certainty and visibility

Opportunities

- Sponsor's portfolio of 18 right-of-first-refusal properties provide opportunities for growth
- Supportive state development of Greater Bay Area a boon to region's economic and disposable income growth
- Combination of online and offline retail channels in "New Retail" to drive demand for shop space

Weakness

- Significant proportion of space (c.29.6% as of FY19) leased to related parties provides support to properties but may lead to reliance
- Fluctuations in Chinese Renminbi due to external shocks may depress Singapore dollar denominated distributions

Threats

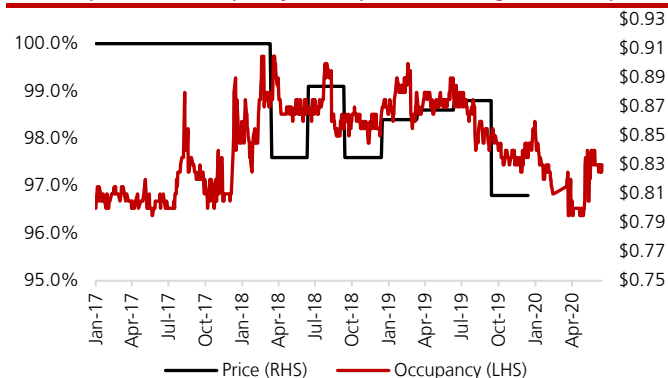
- Growing popularity of e-commerce may threaten brick and mortar retail demand
- US-China trade uncertainty may dent consumer confidence and retail spending
- Potential re-emergence of COVID-19 may dampen mall shopping
- Competition from other retail malls

Source: Company, DBS Bank

Critical Factors

Portfolio occupancy rates are the main determinants of a REIT's distributable income. While Dasin's portfolio occupancy rates have remained high at over 95%, we observe that expectations on occupancies may impact the share price trend.

Dasin's portfolio occupancy (one quarter leading) vs share price



Source: Company, DBS Bank

We believe that Dasin's portfolio occupancy rates will likely sustain at over 95%. This is largely due to the long weighted average lease expiry of 6.7 years (4.5 years by GRI) as at 1Q20 which compares to 3.7 years by NLA (2.3 years by GRI) for its regional peer. The portfolio is also supported by Dasin Holdings and the Zhang family with over c.29.6% of FY19 GRI contributed by tenants with links to either.

Asset acquisitions set to propel growth. Accretive asset acquisitions may have a positive effect on share price as they can boost DPU growth. As of 4Q19, Dasin's gearing stood at 36.5%, a level that remains ample for further acquisitions with debt headroom of c.S\$150m. With a current pipeline of 18 right-of-refusal projects that the Trust may acquire from its Sponsor in future, the ability of Dasin to make DPU-accretive acquisitions is a key share price catalyst.

Potential assets to be acquired*

Property	Status	Approx. GFA (sqm)
Dongfeng Metro Mall	Completed	51,489
118 Xiangming Square	Completed	33,537
Fusha Metro Mall	Completed	43,522
Dasin Macau Financial Centre	Completed	10,456
Dasin Jinlida Garden Mall	Completed	8,662
Pacific Ocean Mall	Completed	31,286

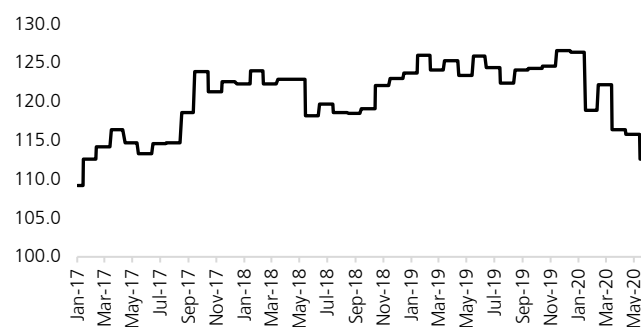
*list is not exhaustive

Source: Company, DBS Bank

US-China trade uncertainty. We believe that Dasin's share price is partly driven by sentiment on the US-China trade war. For example, in August 2018, Dasin's share price declined by c.5.0% in the month that the US and China each implemented a second round of tariffs. Since then, the US-China trade uncertainty has gone through ups and downs with the latest update being a positive conclusion to the 'Phase 1' trade deal. While risks remain, US-China relations are less likely to sour after President Trump indicated that a 'Phase 2' trade deal will come only after the US election. This should provide some support to Dasin's share price going forward.

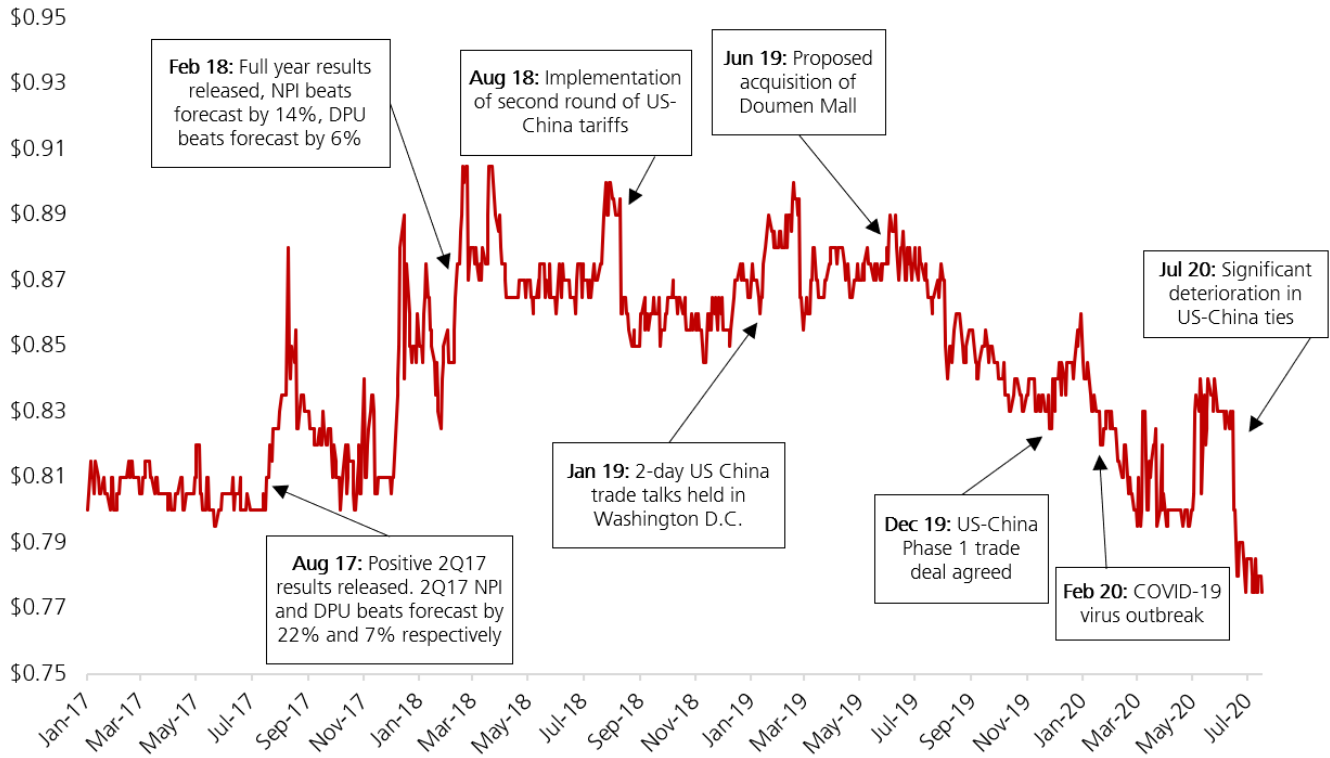
China consumer confidence. Consumer confidence is an indicator measuring the optimism of consumers on matters such as the economy and their personal financial situation. Higher consumer confidence would generally indicate a higher willingness to make purchases and vice versa. Unfortunately, while the index rose to a record high of 126.6 in December 2019, consumer confidence has been impacted by the COVID-19 outbreak and fallen to 112.6 in June 2020. The July and August figures could prove important in determining the extent of recovery in China post-lockdown.

China consumer confidence index dropped due to COVID-19



Source: Bloomberg Finance L.P., DBS Bank

Dasin's historical share price

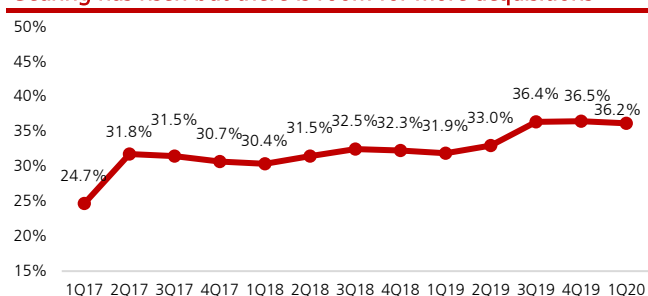


Source: Company, Bloomberg Finance L.P., DBS Bank

Financials

Gearing has crept up with property acquisitions. Since 1Q17, Dasin's gearing has slowly risen from 24.7% to 36.2% in 1Q20. We note that the rise in gearing came on the back of acquisitions that the Trust made. For example, gearing leapt from 24.7% in 1Q17 to 31.8% in 2Q17 after Shiqi Metro Mall was acquired. Similarly, the acquisition of Doumen Metro Mall in 3Q19 led to a rise in gearing from 33.0% in 2Q19 to 36.4%. As at 1Q20, gearing stands at 36.2% which remains manageable and provides ample room for Dasin to make future acquisitions.

Gearing has risen but there is room for more acquisitions



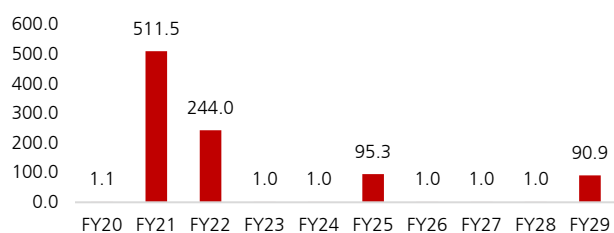
Source: Company, DBS Bank

We estimate that gearing could range between the 35% - 40% range after Dasin acquired Shunde and Tanbei Mall in July 2020. Dasin has estimated that the acquisitions will increase gearing to 37.7% in 1Q20 on a pro forma basis. While business trusts such as Dasin are not subject to a gearing limit, we believe this level of gearing leaves room for further acquisitions going forward.

Weighted average term to maturity stands at an estimated 2.1 years as at July 2020.

Dasin successfully secured loan facilities of c.S\$228.5m in July, improving weighted average term to maturity to an estimated 2.1 years as at July 2020. While c.S\$500m of debt will mature in 2021, management has a proven track record of successful refinancing, extending S\$178.2m of debt in 1Q19, S\$181.1m in 1Q20, and recently securing c.S\$228.5m in loan facilities in July.

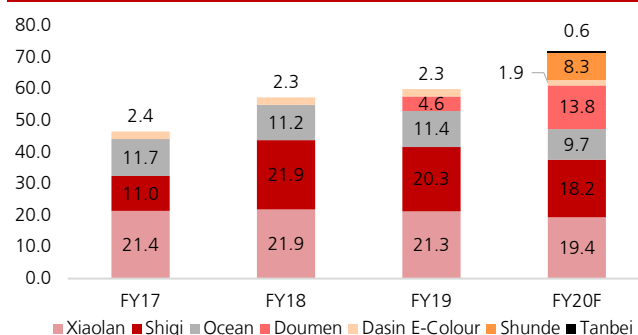
Debt maturity profile as at 1Q20 (\$m)



Source: Company, DBS Bank

NPI rising steadily led by acquisitions. Dasin's NPI rose 4.7% y-o-y to S\$60.0m in FY19 largely due to contribution from Doumen mall. We note that Dasin's NPI would have been higher if not for the depreciation in the RMB (NPI in RMB rose 7.8% y-o-y to RMB303.5m). Going forward, with the acquisitions of Shunde and Tanbei and full year contribution for Doumen, we believe NPI may improve by c.S\$11.0m or 18% y-o-y for FY20F.

NPI has risen steadily with new acquisitions* (\$m)

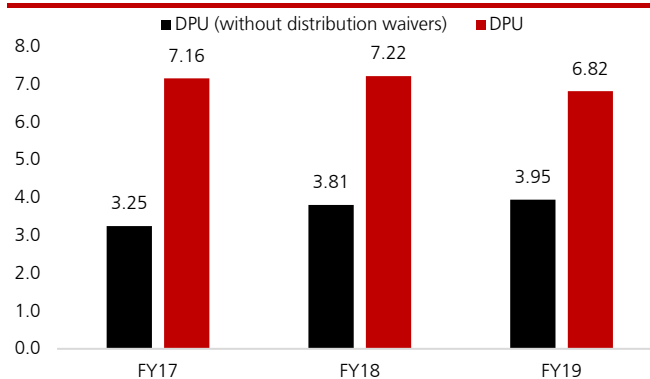


*Doumen was acquired in 3Q19 and has not contributed for a full year
Source: Company, DBS Bank

COVID-19 weighs on DPU but recovery in motion.

FY19 DPU declined 5.5% y-o-y to 6.82 Scts per share as a portion of shares that were waived from distributions regained their entitlement to distributions. Without the distribution waivers, FY19 DPU would have risen 3.6% y-o-y to 3.95 Scts per share. Going forward, FY20F DPU may be pressured as a result of COVID-19. Notably, DPU for 1Q20 fell 58.2% y-o-y to 0.71Scts. Accounting for the effect of distribution waivers coming off, we estimate FY20F DPU to be 5.69 Scts.

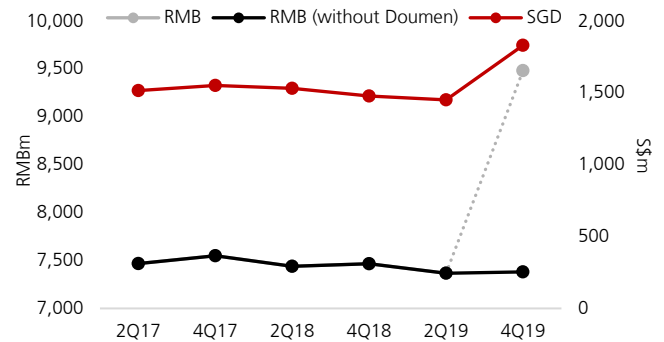
DPU (Scts) with and without distribution waivers



Source: Company, DBS Bank

Stabilising property valuations. Property valuations declined by c.S\$64.3m from 2Q17 to 2Q19. This decline was largely caused by a depreciation in the RMB against SGD and lower rental growth rates. For the former, the RMB depreciated against the SGD as a result of the US-China trade war. The lower rental growth rates were caused by established anchor tenants renewing their leases at lower than the average market rental rate applicable to smaller retail tenants but higher than the previous rental rates. As a result, property valuations previously based on higher rental growth rates were revised down. That said, property valuations (excluding Doumen) appear to have stabilised in 4Q19, rising by RMB14.5m from the previous quarter. While property valuations might take a further hit from COVID-19, we expect valuations to stabilise in the medium term.

Property valuations declined due to weaker RMB and lower rental growth rates but have stabilised

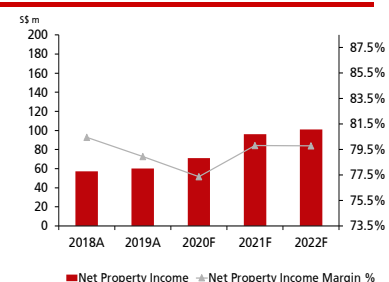


Source: Company, DBS Bank

Income Statement (\$m)

FY Dec	2017A	2018A	2019A	2020F	2021F	2022F
Gross revenue	57.7	71.3	76.0	91.9	121	127
Property expenses	(11.1)	(14.0)	(16.0)	(20.8)	(24.4)	(25.6)
Net Property Income	46.6	57.3	60.0	71.0	96.2	101
Other Opg expenses	0.18	(12.8)	0.86	(13.3)	(10.9)	(10.9)
Other Non Opg (Exp)/Inc	0.34	0.68	(1.6)	0.0	0.0	0.0
Associates & JV Inc	0.0	0.0	0.0	0.0	0.0	0.0
Net Interest (Exp)/Inc	(22.9)	(25.6)	(29.6)	(32.4)	(33.7)	(34.5)
Exceptional Gain/(Loss)	0.0	0.0	0.0	0.0	0.0	0.0
Net Income	18.5	22.9	24.4	25.3	51.6	55.5
Tax	(13.7)	(12.3)	(11.1)	(11.3)	(19.2)	(20.4)
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0
Preference Dividend	0.0	0.0	0.0	0.0	0.0	0.0
Net Income After Tax	4.81	10.7	13.3	14.0	32.4	35.1
Total Return	18.9	(11.5)	(7.4)	14.0	32.4	35.1
Non-tax deductible Items	13.5	11.2	8.33	15.5	11.5	11.5
Net Inc available for Dist.	18.0	21.2	23.3	29.5	43.9	46.6
Growth & Ratio						
Revenue Gth (%)	68.6	23.6	6.6	20.9	31.2	4.9
N Property Inc Gth (%)	68.9	23.1	4.6	18.4	35.4	4.9
Net Inc Gth (%)	(77.9)	121.6	25.0	4.9	131.7	8.4
Dist. Payout Ratio (%)	100.0	100.0	100.0	100.0	100.0	100.0
Net Prop Inc Margins (%)	80.7	80.4	78.9	77.3	79.8	79.7
Net Income Margins (%)	8.3	14.9	17.5	15.2	26.9	27.7
Dist to revenue (%)	31.2	29.8	30.6	32.1	36.4	36.8
Managers & Trustee's fees to sales %	(0.3)	17.9	(1.1)	14.5	9.1	8.6
ROAE (%)	0.7	1.3	1.6	1.4	2.9	3.2
ROA (%)	0.4	0.7	0.8	0.6	1.4	1.5
ROCE (%)	0.9	1.4	1.7	1.5	2.3	2.5
Int. Cover (x)	1.8	1.9	1.9	1.8	2.5	2.6

Net Property Income and Margins



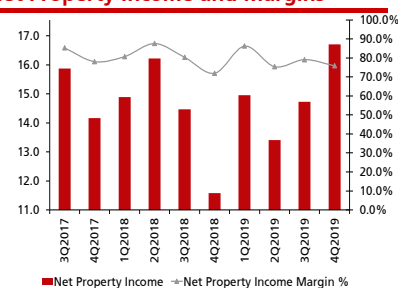
Lower NPI margins due to COVID-19 measures taken

Source: Company, DBS Bank

Quarterly / Interim Income Statement (\$5m)

FY Dec	3Q2018	4Q2018	1Q2019	2Q2019	3Q2019	4Q2019
Gross revenue	18.1	16.2	17.4	17.9	18.7	22.1
Property expenses	(3.6)	(4.5)	(2.4)	(4.4)	(3.9)	(5.3)
Net Property Income	14.5	11.6	15.0	13.5	14.8	16.8
Other Opng expenses	(1.6)	(1.6)	(1.3)	(1.6)	(2.9)	(3.9)
Other Non Opg (Exp)/Inc	(0.1)	(0.7)	(0.3)	(1.1)	(0.1)	(0.2)
Associates & JV Inc	0.0	0.0	0.0	0.0	0.0	0.0
Net Interest (Exp)/Inc	(6.9)	(7.1)	(6.7)	(6.7)	(7.1)	(9.2)
Exceptional Gain/(Loss)	(1.6)	4.24	(0.8)	(19.0)	(2.6)	6.91
Net Income	4.42	6.45	5.89	(14.8)	2.04	10.5
Tax	(3.8)	(4.0)	(4.0)	1.52	(3.7)	(4.9)
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0
Net Income after Tax	0.64	2.43	1.91	(13.3)	(1.7)	5.65
Total Return	0.64	2.43	1.91	(13.3)	(1.7)	5.65
Non-tax deductible Items	4.68	2.97	3.42	18.6	7.38	1.29
Net Inc available for Dist.	15.8	10.7	16.0	10.7	16.3	12.6
Growth & Ratio						
Revenue Gth (%)	(3)	(11)	8	3	5	18
N Property Inc Gth (%)	(11)	(20)	29	(10)	10	13
Net Inc Gth (%)	(103)	279	(21)	(796)	(87)	(433)
Net Prop Inc Margin (%)	80.3	71.9	86.2	75.4	79.1	75.8
Dist. Payout Ratio (%)	100.0	100.0	100.0	100.0	100.0	100.0

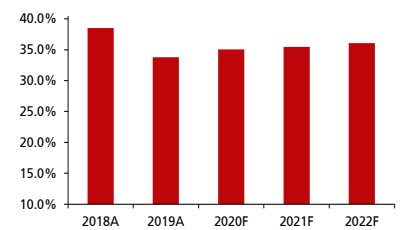
Net Property Income and Margins



Source: Company, DBS Bank

Balance Sheet (\$\$m)

FY Dec	2017A	2018A	2019A	2020F	2021F	2022F
Investment Properties	1,552	1,479	1,831	2,334	2,335	2,336
Other LT Assets	0.79	1.57	0.55	0.55	0.55	0.55
Cash & ST Invt	77.3	92.9	116	14.1	15.7	13.1
Inventory	0.0	0.0	0.0	0.0	0.0	0.0
Debtors	7.34	6.21	13.0	31.2	20.6	21.6
Other Current Assets	0.0	0.0	0.0	0.0	0.0	0.0
Total Assets	1,637	1,579	1,960	2,380	2,372	2,372
ST Debt	0.81	186	204	204	204	204
Creditor	7.05	11.6	18.6	53.4	25.2	25.9
Other Current Liab	14.8	15.3	17.6	23.3	25.4	25.9
LT Debt	482	315	502	585	615	625
Other LT Liabilities	284	276	333	405	405	405
Unit holders' funds	849	776	886	1,109	1,098	1,086
Minority Interests	0.0	0.0	0.0	0.0	0.0	0.0
Total Funds & Liabilities	1,637	1,579	1,960	2,380	2,372	2,372
Non-Cash Wkg. Capital	(14.6)	(20.7)	(23.3)	(45.5)	(29.9)	(30.1)
Net Cash/(Debt)	(406)	(408)	(590)	(775)	(803)	(816)
Ratio						
Current Ratio (x)	3.7	0.5	0.5	0.2	0.1	0.1
Quick Ratio (x)	3.7	0.5	0.5	0.2	0.1	0.1
Aggregate Leverage (%)	33.8	38.5	33.8	35.1	35.5	36.1

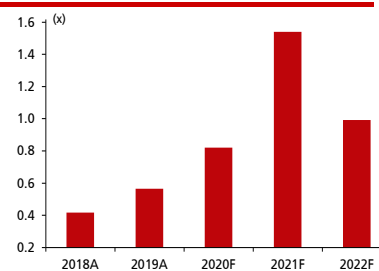
Aggregate Leverage

Increase attributed to Shunde and Tanbei acquisition

Source: Company, DBS Bank

Cash Flow Statement (\$m)

FY Dec	2017A	2018A	2019A	2020F	2021F	2022F
Pre-Tax Income	18.5	22.9	24.4	25.3	51.6	55.5
Dep. & Amort.	0.09	0.09	0.11	0.13	0.17	0.18
Tax Paid	(5.8)	(9.1)	(8.9)	(11.3)	(17.9)	(20.2)
Associates & JV Inc/(Loss)	0.0	0.0	0.0	0.0	0.0	0.0
Chg in Wkg.Cap.	6.06	6.08	(1.9)	8.71	(16.8)	0.01
Other Operating CF	14.8	30.2	31.7	13.1	11.5	11.5
Net Operating CF	33.6	50.2	45.4	36.0	28.5	47.0
Net Invnt in Properties	0.0	(2.9)	(2.0)	0.0	0.0	0.0
Other Invnts (net)	(555)	12.8	23.8	(86.9)	(1.5)	(1.5)
Invnts in Assoc. & JV	0.0	0.0	0.0	0.0	0.0	0.0
Div from Assoc. & JVs	0.0	0.0	0.0	0.0	0.0	0.0
Other Investing CF	0.73	1.40	(145)	0.0	0.0	0.0
Net Investing CF	(554)	11.3	(123)	(86.9)	(1.5)	(1.5)
Distribution Paid	(7.4)	(20.9)	(25.7)	(29.5)	(43.9)	(46.6)
Chg in Gross Debt	402	6.18	111	(115)	30.0	10.0
New units issued	141	0.0	68.9	94.0	0.0	0.0
Other Financing CF	(12.2)	(20.2)	(36.6)	0.0	0.0	0.0
Net Financing CF	524	(34.9)	117	(50.6)	(13.9)	(36.6)
Currency Adjustments	0.43	(1.8)	(1.7)	0.0	0.0	0.0
Chg in Cash	3.66	24.8	38.2	(102)	13.1	8.87

Distribution Paid / Net Operating CF

Rise due to recent issuance of 120.5m new units

Source: Company, DBS Bank

Company Background

Corporate History. Dasin Retail Trust (“Dasin”) was established primarily to invest in retail properties in Greater China with an initial focus on retail malls. Armed with a mandate to invest in or develop land, uncompleted developments or income-producing real estate, Dasin was listed in Jan 2017 and has seven retail malls in its portfolio. The trust is managed by Dasin Retail Trust Management Pte. Ltd and is sponsored by Zhongshan Dasin Real Estate Co., Ltd, a leading real estate developer in Zhongshan City.

These two malls are matured assets having commenced operations in 2005 and 2004 respectively.

On the other hand, Ocean Mall, Dasin E-Colour and Doumen Mall provide growth opportunities with the three properties beginning operations relatively later in 2014, 2015 (renovation completion) and 2018 respectively. The acquisition of Shunde Mall and Tanbei Mall should further add to the Trust’s growth as both malls are relatively new having opened in 2018.

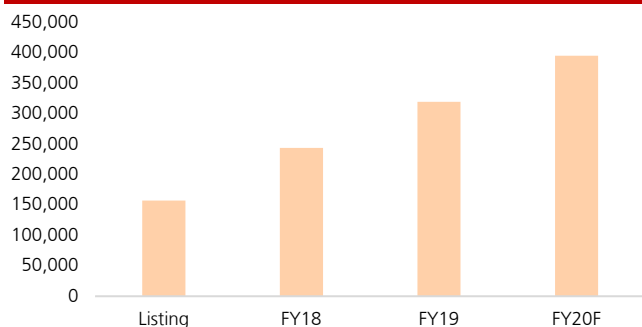
Dasin’s malls are in Zhongshan, Foshan and Zhuhai



Source: DBS Bank

In Jan 2017, Dasin listed with three properties - Xiaolan Mall, Ocean Mall and Dasin E-Colour. Since then, the Trust has added Shiqi Mall, Doumen Mall, Shunde Mall and Tanbei Mall to its portfolio. Shiqi and Doumen have doubled retail net leasable area (NLA) from c.157,000 sqm as at listing to c.319,000 sqm in FY19. Shunde Mall and Tanbei Mall acquisitions have further boosted retail NLA to c.395,000 sqm for FY20F.

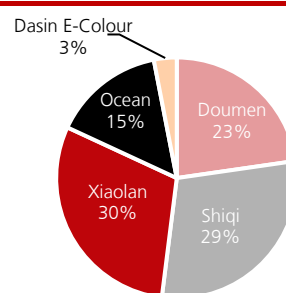
Retail NLA has expanded since Jan 17 listing (sqm)



Source: Company, DBS Bank

As at end-FY19, Xiaolan Mall and Shiqi Mall were the top contributors to Dasin’s net property income (NPI) with the former contributing 30% and the latter 29% of total NPI.

Annualised mall NPI split*

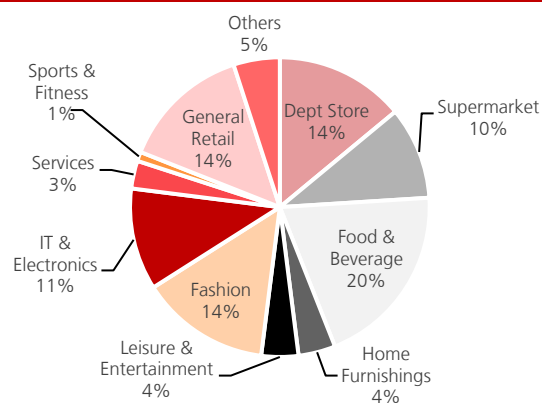


*estimated based on 4Q19 NPI figures, Shunde and Tanbei malls were yet to be acquired as at end-FY19

Source: Company, DBS Bank

Diversified tenant mix. Dasin has a diversified tenant base with no sector contributing more than 20% of total gross rental income (GRI). As at March 2020, the top three trade sectors by GRI were food and beverage (20%), fashion (14%) and department stores (14%). A larger food and beverage sector exposure enables the Trust to lower its risk to disruptive trends led by e-commerce. In addition, a significant supermarket presence (10%) will help generate footfall amid the COVID-19 pandemic.

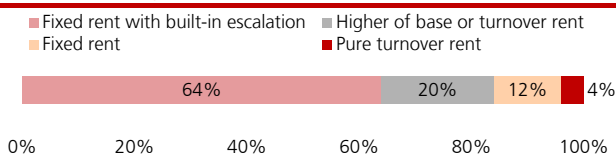
Large GRI exposure to the defensive F&B sector (1Q20)



Source: Company, DBS Bank

High proportion of built-in escalation leases. As at end-Mar 20, Dasin's lease structure is mostly comprised of leases on fixed rent with built-in escalations (64%). This bodes well for the Trust as it ensures steady organic income growth. A significant portion of the lease structure is made up of leases that charge the higher of base rent or turnover rent (20%). Again, Dasin is able to reap the benefits of any improvement in sales of these group of tenants while mitigating the risk of weak performance.

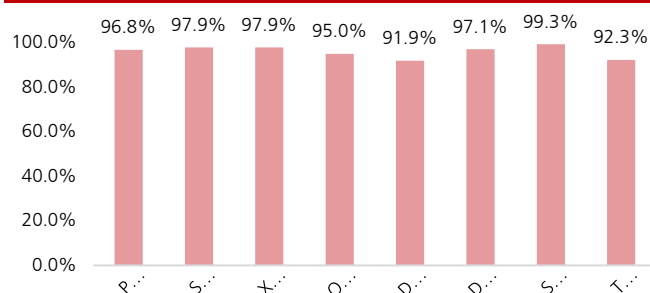
Lease structure by GRI (1Q20)



Source: Company, DBS Bank

Portfolio occupancy at 96.8%. Dasin's portfolio occupancy stood at 96.8% in 1Q20, lower than 98.8% in the prior quarter and 97.6% the previous year. That said, the drop was expected due to the impact of COVID-19. Within Dasin's portfolio, we observe that the smaller properties of Dasin E-Colour and Tanbei Mall generally see softer occupancies.

Dasin's portfolio remains well occupied (1Q20)



*Portfolio occupancy excludes Shunde and Tanbei Malls

**Occupancies as at 31 Aug 19

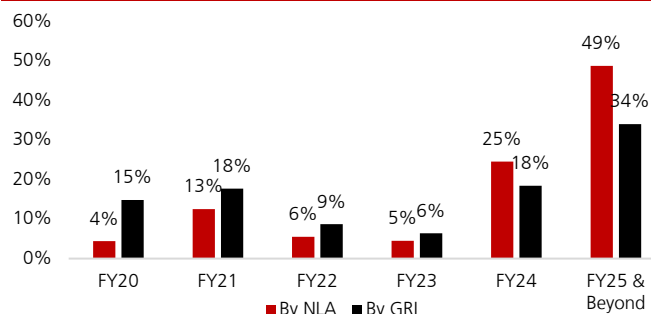
Source: Company, DBS Bank

Long land tenures with spaced out portfolio weighted average lease expiry (WALE). As at Mar 2020, land lease tenures of the portfolio stood at an estimated 26.1 years with the potential to rise to a projected 27.7 years upon the completion of the Shunde Mall and Tanbei Mall acquisition. On completion, Tanbei Mall would be the earliest property facing land lease expiry which would be due in 2038.

Additionally, WALE stood at a healthy 6.7 years by NLA (4.5 years by GRI). This compares to 3.7 years by NLA (2.3 years by GRI) for its peer. A longer WALE in the current uncertain

environment lowers the risk that Dasin will see high vacancies in the short-term.

WALE stood at 6.7 years by NLA (4.5 years by GRI) as at 1Q20



Source: Company, DBS Bank

We note that a significant gap exists in WALE between NLA and GRI, especially for the period of FY25 & beyond. This is largely attributable to the lease to Kunshan Runhua Business Co., Ltd for the operation of a hypermart within the mall. While Kunshan Runhua occupies a large space within Dasin's portfolio and pays a lower rent per sqm, its leases have a long tenure (expiry between May 2024 and Dec 2038). In addition, we believe this is a positive strategy in generating footfall as the hypermart can act as an anchor tenant by catering to the grocery needs of visitors especially with COVID-19.

Well established Sponsor. Dasin is supported by Zhongshan Dasin Holdings, a conglomerate in Zhongshan with a portfolio of businesses that includes retail, real estate and technology. The Sponsor is a winner of multiple awards such as the 2019 China Real Estate Development Enterprise Top 10 Commercial Real Estate Operation award and has a potential pipeline of 18 properties that may be injected into the Trust. The Trust enjoys a right of first refusal over all 18 properties. In addition, Zhongshan Dasin provides income support to the Trust through the leasing of space. Dasin Merchant Investment for example contributed c.RMB26.0m in GRI to the Trust in FY19 and is expected to contributed c.RMB221.1m in GRI over the next 8 years.

Awards and properties owned by the Sponsor



Source: Company, DBS Bank

Dasin Retail Trust's Portfolio

Property	Location*	Land Lease Expiry	Property Valuation (RMBm)**	NLA (sqm)	NPI*** (RMBm)	Occupancy**** (%)
Xiaolan Metro Mall	ZS	Apr-2043	2,274	73,566	103.1	97.9
Shiqi Metro Mall	ZS	Jul-2041	2,994	85,410	101.0	97.9
Doumen Metro Mall	ZH	Oct-2052	2,100	75,638	78.3	97.1
Ocean Metro Mall	ZS	Feb-2046	1,805	66,893	51.9	95.0
Dasin E-Colour	ZS	Jul-2045	309	12,511	10.6	91.9
Shunde Metro Mall	FS	Mar-2057	2,525	66,672	81.3	99.3
Tanbei Metro Mall	ZS	Sep-2038	76	8,952	5.9	92.3

*ZS – Zhongshan, ZH – Zhuhai, FS – Foshan

**Property valuations are as at 31 Dec 19 for Shiqi, Xiaolan, Ocean, Doumen and Dasin E-Colour and 31 Aug 19 for Shunde and Tanbei

***NPI based on 4Q19 results and annualised, Shunde and Tanbei Mall's NPI calculated using pro-forma NPI yields

****Occupancies are as at 1Q20 for Xiaolan, Shiqi, Doumen, Ocean and Dasin E-Colour and as at 31 Aug 19 for Shunde and Tanbei

Source: Company, DBS Bank

Management

Familial relationships. Mr Zhang Zhencheng, Chairman of the Board is the uncle of Mr Zhang Zhongming, the Deputy Chairman of the Board. Mr Zhang Zhencheng owns 99% of Dasin Retail Trust Management Pte Ltd, the Trustee-Manager of Dasin Retail Trust. In addition, Mr Zhang Zhencheng has 30% equity interest in Zhongshan Jianmei Household Co which leases retail space from Dasin.

Alignment of interest. The Manager of Dasin receives a base fee based on the value of the Trust Property and a performance fee based on the quantum from DPU growth during the year. This structure aligns the Manager's interest to unitholders as the Manager is incentivised to enhance asset values and search for DPU-accretive acquisitions.

Key Management Team

Name & Position	Experience
Ms Wang Qiu <i>Chief Executive Officer</i>	<p>As Chief Executive Officer of the Trustee-Manager, Ms Wang Qiu works with the Board to determine and execute business strategies. She is also in charge of the growth and operations of Dasin.</p> <p>Ms Wang has garnered experience in design and engineering during her career in Zhongshan Sheng Xing Co where she served as the Head of Design division and Head of Engineering and Technician division. From 2015 to 2020, she was the General Manager of the Risk Management Division in Zhongshan Dasin Holdings Co. Ms Wang is currently a director of Zhongshan Sheng Xing Co and council member for Zhongshan Dasin Public Welfare Services Centre and Zhongshan Shiqi Central Dasin Primary School.</p> <p>Ms Wang graduated with a bachelor's degree in Construction Engineering. She has also attained the "Architectural Decoration Engineer" qualification in China.</p>
Mr Steven Ng Mun Fai <i>Chief Financial Officer</i>	<p>Mr Steven Ng Mun Fai is the Chief Financial Officer of the Trustee-Manager. Mr Ng's responsibilities likely include financial planning, management of financial risks and financial reporting.</p> <p>Mr Ng has accumulated more than 10 years of experience in the "Big Four" accounting firms. He has worked in Ernst & Young in Malaysia as an Assistant Audit Manager and in KPMG Kuala Lumpur as Audit Manager. After his stint at KPMG Kuala Lumpur, he moved to KPMG LLP in Singapore as an Audit Senior Manager and served for 8 years.</p> <p>Mr Ng obtained a Bachelor of Commerce degree from Griffith University, Australia. He is a non-practising Chartered Accountant with the Institute of Singapore Chartered Accountants and is also a member of organisations such as CPA Australia, Malaysian Institute of Certified Public Accountants and Chartered Accountants of Australia and New Zealand.</p>
Mr Lu Zhiqi <i>General Manager of the Investment Division</i>	<p>Mr Lu Zhiqi is the General Manager of the Investment division of the Trustee-Manager. His role likely encapsulates tasks such as investment and asset management.</p> <p>Mr Lu has a wealth of experience in real estate investments. He was involved and led in investment roles in companies that include Evergrande Real Estate Group, CapitaLand China Holding, Thaihot Group Co and Kaisa Commercial Group Co.</p> <p>Mr Lu holds a Bachelor of Civil Engineering from Anhui University of Science & Technology and an MBA from the Hong Kong Baptist University. He is also a CFA Charterholder.</p>

Source: Company, DBS Bank

DBS Bank recommendations are based on 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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Sources for all charts and tables are DBS Bank unless otherwise specified.

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