Singapore Real Estate

Sector Note

Date: 21 March 2018

Singapore Real Estate Index

Source: Bloomberg (as at 20th March 2018)

Companies mentioned

(as at 20th March 2018)

Company	Market cap (S$ m)	P/BV (x)	1-year forward profit growth (%)	2-year forward profit growth (%)
UOL Group	7,301	0.79	21.1	22.7
Oxley Holdings	2,063	1.62	19.3	25.7
Lian Beng Group	332	0.51	15.0	13.9

Source: SAC, Bloomberg consensus

Analyst
Eing Kar Mei, CFA, +65 6221 5590
eingkm@saccapital.com.sg

The race to the booming property market

The en-bloc fever. The wave of collective sales has returned after more than 4 years of quietness with 6 en bloc projects sold, translating to a total value of S$1.2bn in 2016. In 2017, this number swelled to S$8.4bn across 32 deals. Despite the surge, en bloc activities remain active this year with year-to-date ("**YTD**") transacted amount totaled to S$3.6bn which is 30% of the previous peak of S$12bn in 2007.

Limited government land sale ("GLS") stirred up prices. In addition to the strong demand for en bloc deals, there is also high demand for government land as developers rushed in to replenish their landbank. Based on URA statistics, average number of bidders for government land increased from 10 in 2015 to 12 in 2017. With more developers bidding for land, average tender prices (S$ psm per GFA) have also increased by 25%-29% in the past two years while spreads between the highest and lowest bid have narrowed.

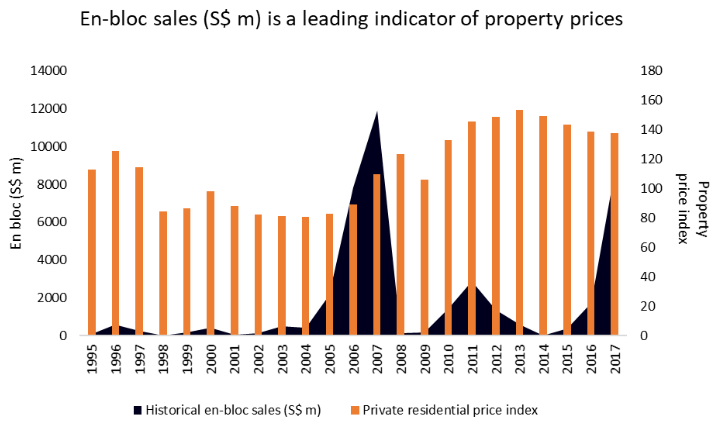
Better sector outlook The rush to secure sites was driven by the overall positive sentiment of the property market which has propped up demand and prices. Property prices started to show sign of revival in 3Q2017 as inventories declined to multi-year low while demand picked up. Given that most developers have not been replenishing their landbank in the past due to the weak property market, developers are now rushing in to secure new sites in order to grab a pie of the booming property market after a long wait of 4 years. The government has been limiting the supply of land. With limited government land sales, developers resorted to en bloc sales which explained the euphoria within the en-bloc space.

Expect firm prices on solid demand. Based on the current run-rate, we believe en bloc sales would achieve the previous peak in 2007 and last until 2019 although momentum should slowdown as developers replenish their landbank. Historical trend indicates that an en bloc cycle typically last for 24-36 months. Prices should be firm in the near term as indicated by the strong demand for luxury homes. As a development usually takes 3-4 years to complete, the current mismatch between supply and demand, especially from displaced sellers (4,709 since 2017 and counting) whom most likely take home with large capital gain will also support prices. En bloc sales and pent-up demand should provide near term support to the supply until 2020/21 when unit completions are estimated to be 25,000 in 2021/22, near to the 2016 peak of 26,467 units. Based on URA statistics, a good 70-80% of the supply in 2018 and 2019 have been taken up.

Developers are poised to deliver stronger results. With more launches and property prices expected to improve further, we believe property players earnings will continue to grow. Having said that, we believe developers such as Oxley Holdings, Lian Beng, UOL Group which have managed to acquire sites ahead of the market will reap the most benefit. The sector is currently trading at mean. We believe there is room for more upside given that the sector valuation touched +1 standard deviation in the last two rounds of strong property market.

The en-bloc fever

After four years of subdued activity, residential collective sales (also called “en bloc sales”) in Singapore roared back to life in late 2016 along with the overall positive sentiment in the property market. The wave started in 2016 when the sector chalked S$1.2bn worth of en bloc sales. En bloc activities have since gathered pace with the transacted value spiking up to S$8.4bn in the following year. This is substantial as compared to the mere annual average transacted amount of S$318m recorded in between 2013-2015 as the 8th round of property cooling measures implemented in June 2013 affected demand. So far this year, en bloc sales have reached S$3.6bn over 10 collective sales. The heightened activity of en bloc sales signals the beginning of the property cycle as en bloc sales usually act as a leading indicator of property prices.



Source: SAC, URA

In 2010, the government made changes to the Land Titles (Strata) Act, making the process of selling an en bloc estate stricter and tougher. The changes include but not limited to (i) requiring consent from the owners of units forming at least 80% of area if the development is more than 10 years and 90% if the development is less than 10 years (ii) implementing rules to regulate the formation of the sale committee and the sale of committee proceedings (iii) additional clause which states owner can change his mind at any time with a 5-day cooling off period after signing the Collective Sales Agreement and (iv) every launch for sale must be by public tender/auction. Last November, the government also mandated potential buyers, developers and real estate agencies to submit a Pre-Application Feasibility Study (“**PAFS**”) to Land Transport Authority (“**LTA**”) assessing the traffic impact of any redevelopment on the neighbourhood and proposing measures to manage traffic demand. Developers need to do this before they submit their development application to the Urban Redevelopment Authority (“**URA**”).

Despite the stricter regulations and more tedious process, developers are unperturbed and continued to compete fiercely to secure new sites for redevelopment with en bloc sites in the past two years transacted at an average price of above S$1,400 per square foot per plot ratio ("**psf ppr**"). The highest recorded transaction year-to-date ("**YTD**") was S$2,311 psf ppr offered to acquire Cairnhill Mansions. In terms of absolute amount, the largest deals (above S$800m) since 2015 were transacted just recently (Aug 2017 and Jan 2018). This indicates that developers risk appetite has grown as large deals are tougher to digest due to the risk of incurring Additional Buyers' Stamp Duty ("**ABSD**") where developers are required to pay 15% on the land cost of a project unless they manage to build and sell all units within 5 years. This is in addition to the hefty price tag for a large en bloc and charges such as a lease top-up.

The developers are even willing to acquire an en bloc site at a price significantly higher than the asking price. For example, Rio Casa was sold at 28% higher than the asking price, Eunosville - 17% higher, Serangoon Ville - 16% higher, Sun Rosier - 15% higher and lastly Amber Park sold at 18% above the asking price in spite of the large deal size of S$907m. This indicates that developers are confident that they will be able to reap decent profit despite the higher cost incurred.

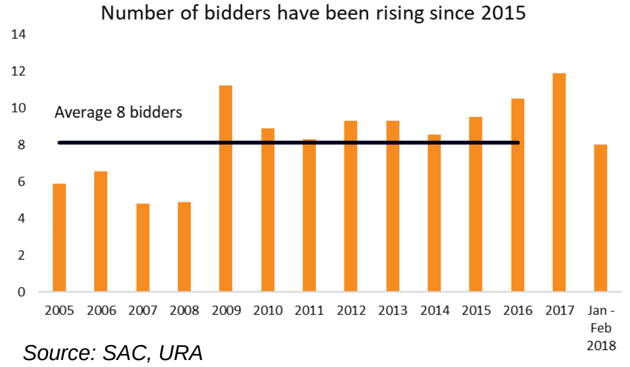
As of March 2018, the total transacted value of S$3.6bn represented 30% of the historical record value of S$12bn in 2007. Based on the current run-rate, we think 2018 en bloc sales could reach the historical high of S$12bn in 2007. Properties which are up for en bloc sale recently were Tulip Garden in Farrer Road, Windy Heights in Eunos, POMEX Court and City Towers at Bukit Timah Road, just to name a few. There were also few others in the planning stage. We believe there are many more at various planning stages although they are not available publicly for now. If the en bloc projects listed in the table below are sold successfully, the total en bloc transaction amount could well exceed the record amount in 2007.

Development	Reserve price (S$ m)	Reserve price (S$ psf ppr)	Indicative price (S$ m)	Tender closing date
Peak Court	106	1,398		9-May-18
Windy Heights	806	1,288	-	18-Apr-18
Tullip Garden	753	1,486	-	11-Apr-18
The Estoril	220	1,625	-	3-Apr-18
Pomex Court	37	998	-	21-Mar-18
City Towers	355	1,633	-	-
Mandarin Garden	-	-	2450	-
Sim Lim Square	-	-	1100	-
People's Park Complex	Planning stage			
People's Park Centre	Planning stage			
Golden Mile Complex	Planning stage			
Golden Mile Tower	Planning stage			

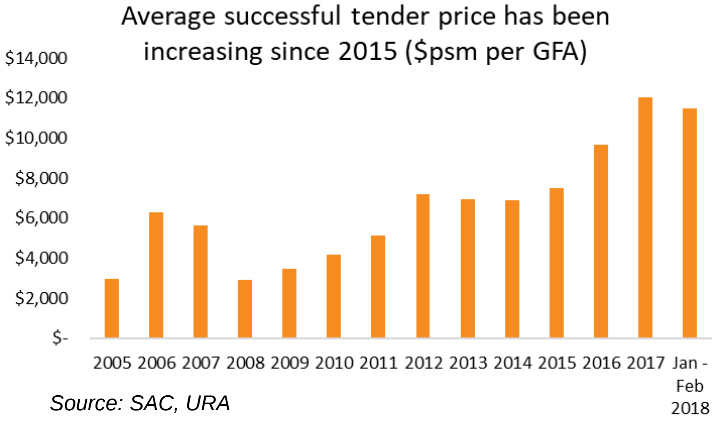
Source: SAC, Media

Strong competition for government land

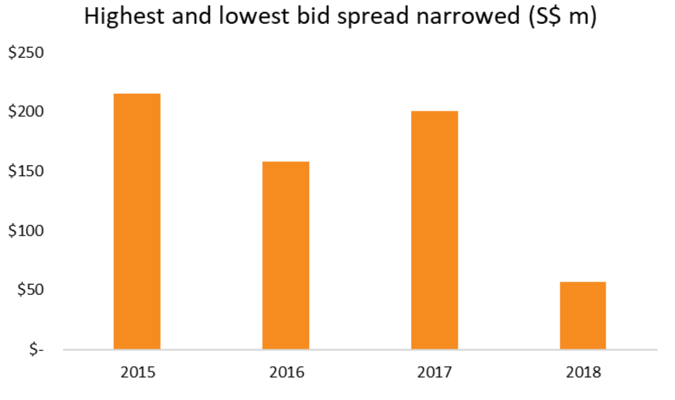
Not only are the developers interested in en bloc sales, there is also keen competition for government land with both the number of bidders and tender prices rising since 2015. The number of bidders rose from 10 in 2015 to 11 in 2016 and 12 in 2017 while the average transaction price in S$ psm per GFA has also increased by 25%-29% in the past two years. Although the number of bidders declined to the average historical level of 8 bids in Jan-Feb 2018, tender price remains high at an average of S$11,500 psm per GFA versus S$12,100 psm per GFA recorded in 2017 while spreads between the highest and the lowest bid have also narrowed from an average of S$190m in 2015-2017 to just S$57m although the latter may not be an accurate representation due to the small sample size of only three land sales.



Source: SAC, URA

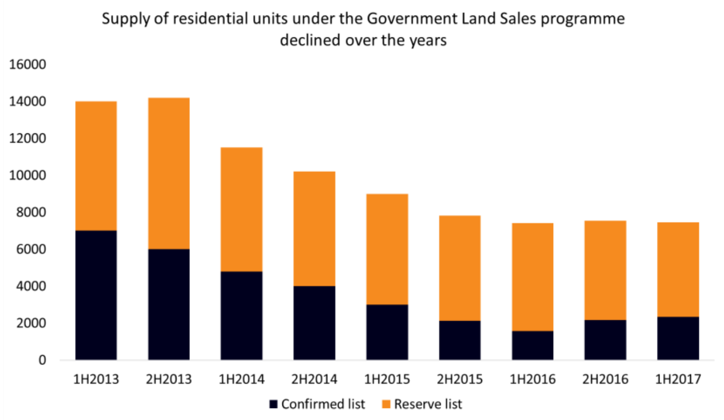


Source: SAC, URA



Source: SAC, URA

While we believe the high demand for en bloc sales is mainly attributed to the overall positive sentiment in the property market, the lack of government land sales has also contributed to the strong demand for en bloc sites. The government has been keeping the supply of new land sales low in the past few years to prevent the sector from overheating. In 1H2018, the government has again decided to maintain the supply of new land sales. As a result, the supply of residential units under the Government Land Sales ("**GLS**") programme has been declining over the years.



Source: SAC, URA

Proposed residential and commercial sites for 1H2018 GLS programme

Confimed list (Residential sites)						
Location	**Site Area (ha)**	**Proposed GPR**	**Estimated number of dwelling units**	**Estimated commercial space (m2)**	**Estimated launch date**	**Sales Agent**
Cuscaden Road	0.6	2.8	170	0	Feb-18	URA
Silat Avenue	2.5	3.5	1,125	450	Mar-18	URA
Mattar Road	0.6	3.0	250	0	Mar-18	URA
Dairy Farm Road	2.0	2.1	500	4,000	May-18	URA
Jalan Jurong Kechil	1.5	1.4	280	0	Jun-18	URA
Canberra Link (Excutive Condominium "EC")	1.8	2.5	450	0	Jun-18	URA
Total (Confirmed list)			**2,775**	**4,450**		

Source: SAC, URA

Reserve list						
Location	**Site Area (ha)**	**Proposed GPR**	**Estimated number of dwelling units**	**Estimated commercial space (m2)**	**Estimated available date**	**Sales Agent**
Residential sites						
Bartley Road / Jalan Bunga Rampai	0.5	2.1	115	0	Available	URA
Yishun Avenue 9	2.2	2.8	805	0	Available	URA
Canberra Drive	4.1	1.4	765	0	Available	URA
Sims Drive	1.7	3.0	680	0	May-18	URA
Tampines Avenue 10 (EC)	2.6	2.8	715	0	May-18	HDB
Clementi Avenue 1	1.9	3.5	640	0	Jun-18	URA
Anchorvale Crescent (EC)	1.8	3.0	540	0	Jun-18	HDB
Peck Seah Street	0.7	8.4	700	4,500	Jun-18	URA
Commercial sites						
Woodlands Square	2.2	3.5	310	55,010	Available	URA
Total (Reserve list)			**5,270**	**59,510**		
Total (Confirmed list and reserve)			**8,045**	**63,960**		

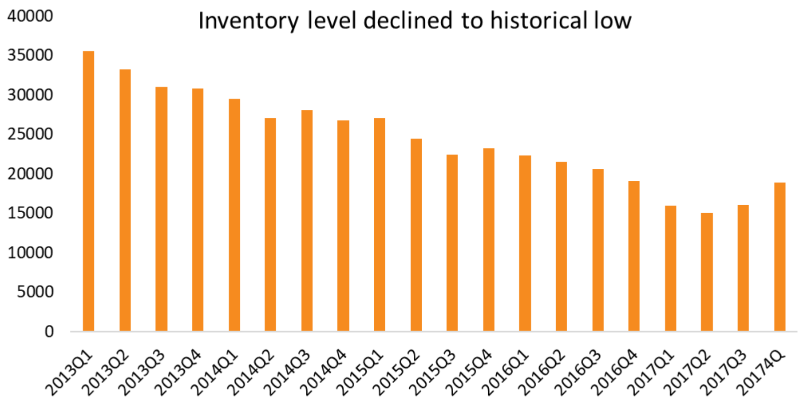
Source: SAC, URA

With limited government land offerings and many more potential en bloc deals in the pipeline at various stages (en bloc deals usually take 9-12 months to complete) and the fact that developers will continue to scout for landbank in order to maximise their chances to participate in the booming property market which only came 4 years after the sector peaked in 2013, we believe this en bloc cycle could last for another 12-24 months although momentum is expected to slowdown as developers become more selective after they acquire sufficient sites.

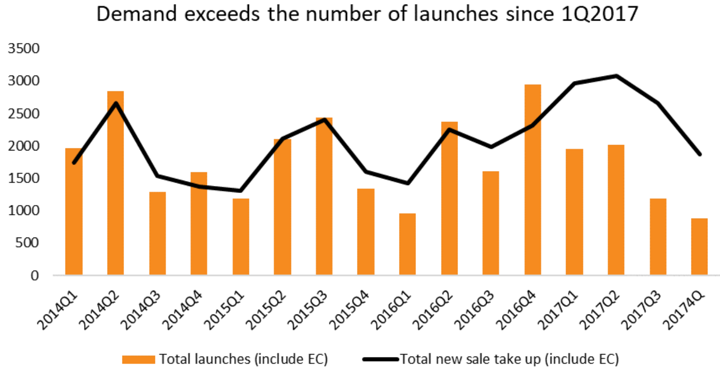
Will there be an oversupply?

One wonders if developers have been too optimistic. Apart from paying high prices to secure the new site, developers also need to pay a differential premium to increase the gross plot ratio for more intensive use of land, lease upgrading premium for leasehold sites and development charges (a tax levied on developers seeking to increase value of land).

We believe the risk of oversupply is low in the near term given (i) the low inventory in the market which has been declining since 2012 and reached 66,000 units in 2017 versus the historical high of about 150,000 units in 2009 (ii) the strong take up due to pent-up demand – annual number of sold units declined from an average of over 40,000 in 2010-2012 to slightly below 20,000 units before recovering to 29,000 units in 2017. The displaced households from the recent en bloc sales would also need to look-out for a new home. En bloc sales transacted between 2017 to date are expected to translate to more than 4,700 units in replacement demand. We also take comfort that based on URA statistic as of end-2017, 80% of the units planned for completion by 2019 have been sold.

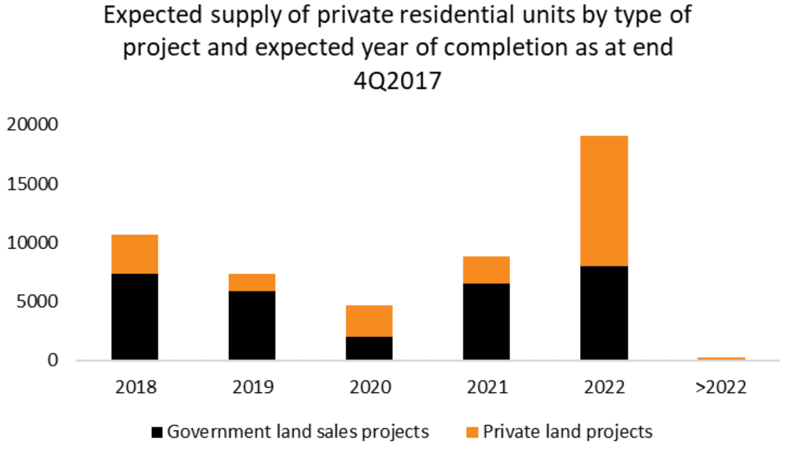


Source: SAC, URA

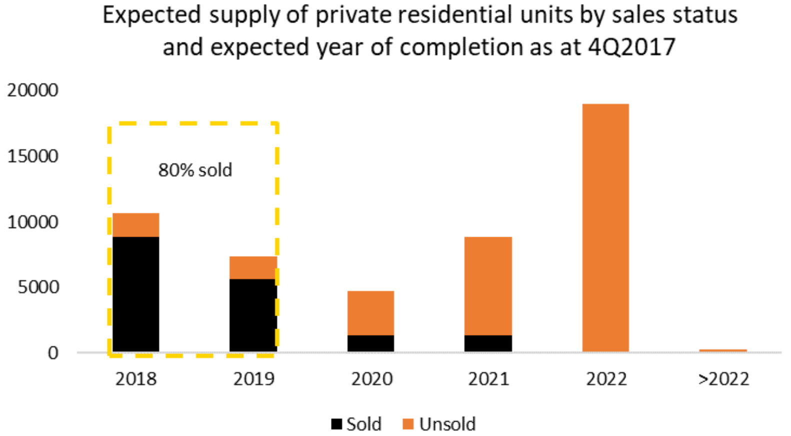


Source: SAC, URA

Considering that (i) en bloc sales in 2017 to date have displaced 4,700 units, (ii) upcoming en bloc sales which is estimated to displace over 5,700 units over the next two years (2018-2019) as well as (iii) pent-up demand, we estimate that the industry will not see an oversupply situation until 2020 mainly due to the near term demand and supply mismatch. We estimate that we may see over 25,000 units completed by 2021/22, which is near to the record completions (since 2014) of 26,500 units in 2016.

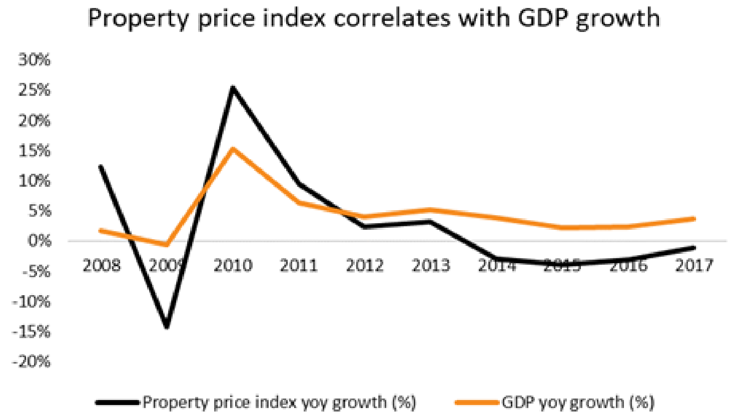


Source: SAC, URA



Source: SAC, URA

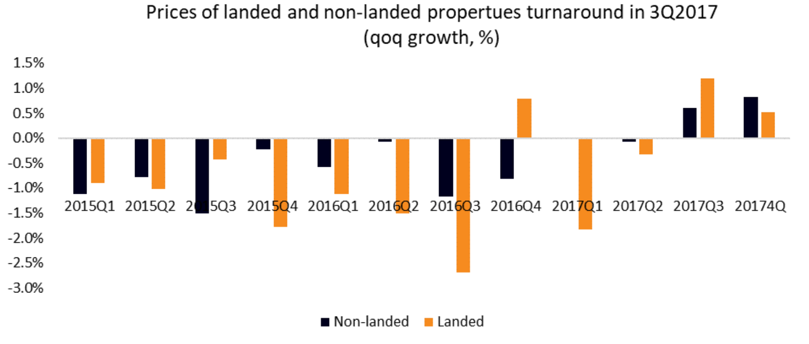
The timing difference between demand and completion will provide developers with strong pricing power, hence providing more upside to property prices. Property home prices also have a strong correlation with GDP growth which is expected continue to be strong albeit at a more moderate pace due to the exceptionally strong GDP growth in 2017.



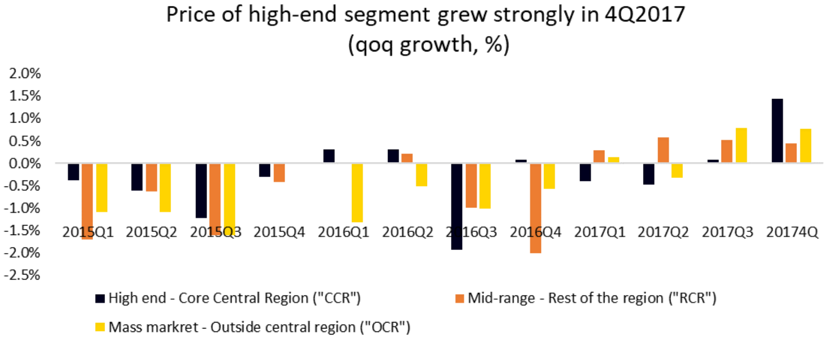
Source: SAC, URA, Sing Stats

High-end market seen stronger demand – an indication of firm prices

While mass market segment was the main growth driver of the property prices in the past 6 months, high end market segment have also seen strong recovery in 4Q2017. This indicates solid demand and firming property prices. Within the high-end segment, a penthouse villa unit at Reflections at Keppel Bay was sold for S12.8m (S$1,600 psf) on 9 Nov last year which represents the highest price in terms of quantum for a unit of the project so far. On the same day, a 2,905sf unit was sold for S$10m (S$3,441 psf) at The Nassim. On 14 Nov, a 2,884sf unit at Ardmore Park was transacted for S$9.3m (S$3,224 psf). Despite the high prices, Ardmore Park sold more than double in 2017 as compared to the previous year. Same goes to RIitz-Carlton Residences which has also seen more transactions and higher average selling price of S$3,395 in 2017 versus S$3,365 in 2016. More recently in Jan 2018, City Developments managed to move 18 out of 25 units at the launch of its high-end Leonie Hill condominium project, New Futura at an average price of S$3,200 psf.



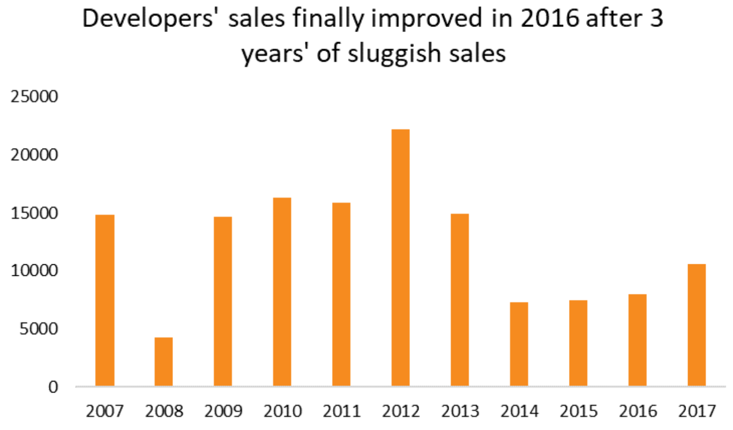
Source: SAC, URA



Source: SAC, URA

Developers posted stronger sets of numbers

Given the improving sentiment of the property sector, developers' sales have started to pick up in 2016 and continued to grow thereafter. This has translated to decent financial performances which came mostly in line with consensus estimates. Going forward, guidance from the developers is generally more positive with expectations of better results in 2018.



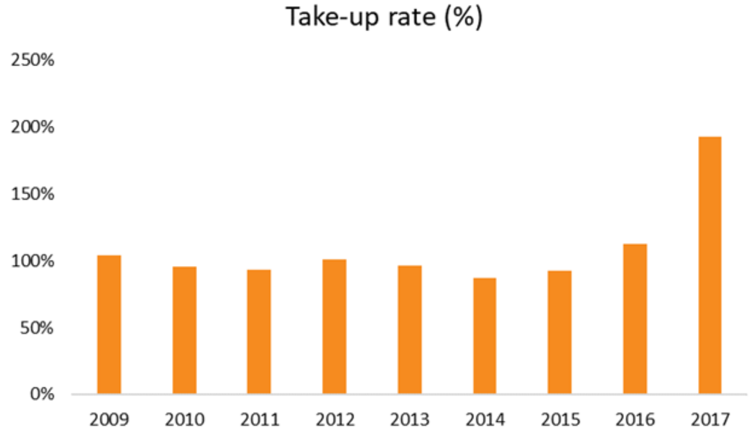
Source: SAC, URA

Company	Most recent financial performance
CapitaLand	Capita Land's full year FY17 PAT grew 30% yoy to S$1,550.7m on account of higher contribution from development projects in Singapore as well as newly acquired and opened shopping malls and serviced residences. The increase in PAT was also due to higher portfolio and fair value gains from divestments of Innov Tower in ChinaOne George Street and Wilkie Edge in Singapore, as well as serviced residence properties in Germany, China and Japan. The management expects residential property market sentiment in Singapore to remain positive, underpinned by increased transaction volumes and a recovery in home prices.
City Development	City Development's full year FY17 PAT was S$538.2m versus S$ 653.2m in FY16 as the group's performance in FY16 was boosted by a sizable contribution from Hong Leong City Center in Suzhou, higher profit margin projects like Coco Palms, D'Nest and Lush Acres EC, divestment of its 52.52% interest in City e-Solutions Limited, sale of Exchange Tower and recapitalisation of Summervale Properties Pte. Ltd. (which holds Nouvel 18) via the Group's third Profit Participation Securities. The group is planning to launch more projects and acquire more sites in view of the improving market conditions.
UOL	UOL's FY17 net attributable profit before fair value and other gains increased 10% yoy, contributed mainly by property development division. The group sold 1,090 residential units in Singapore with sales value of more than S$1.5bn in FY17. The group expects strong momentum of sales of new private homes to continue in 2018.
Wing Tai	Wing Tai's FY17 net profit increased from S$3.2m to S$20.8m, largely due to the higher contribution from development properties, namely Le Nouvel Ardmore in Singapore, Le Nouvel KLCC in KL and BM Mahkkota in Penang. Given the more positive outlook, the group will be releasing more residential units in 2018.
Ho Bee Land	Ho Bee's FY17 attributable profit rose 15% to S$249.3m, mainly due to a 235% surge in share of profits from its Shanghai joint venture project. In Singapore, the group has seen renewed interest in Sentosa Cove with prices stabilising and demand improving. It has also attracted more astute buyers in recent months. Ho Bee will be exploring the sale of their projects in Sentosa Cove to capitalise on the improving market sentiment.
Guocoland	Guocoland reported an increase of 69% yoy in revenue to S$732.5m in 1HFY17, mainly driven by the stronger performance of Singapore's residential projects. Its joint-venture project, Chengfeng Residence in Shanghai has also been substantially sold and completed. Consequently, profit attributable to equity holders increased by more than 2x to S$208.5m in FY17.
Oxley Holdings	Oxley's 1HFY18 revenue of S$716.7m was comparable to the revenue for 1HFY17 while net profit declined from S$130.9m to S$116.8m as the performance in the previous year was boosted by the recognition of revenue upon the completion of Oxley Tower in December 2016. Oxley plans to launch several major projects in 2018 and look forward to another round of success.
KSH Holdings	KSH's net profit declined 25.2% yoy to S$27.3m in 9MFY17 as the weaker performance from construction business offset the joint venture profits recognised from a residential development project. KSH is of the view that the group is poised to take advantage of the property market turnaround. It has locked-in approximately S$104m of attributable share of progress billings that will be progressively recognised as sales revenue.
Lian Beng Group	Lian Beng reported a 27% yoy decrease in revenue to S$87.6m and a 32% yoy decline in PAT to S$13.9m in 1HFY18, mainly attributed to the weaker performance from the construction segment as well as decrease in profits of associates and joint ventures. The group expects total construction demand for 2018 to improve from S$24.5bn in 2017 to S$26bn - S$31bn. Lian Beng is also positive on the property sector considering that it is spinning off its property development business.

Source: SAC, company announcements

To recap, prices started to show the first uptick for private home sales in 3Q2017 (+0.7% qoq versus -0.1% in the previous quarter) after 15 consecutive quarters of decline. In 4Q2017, prices continued to improve by 0.8% qoq to 138.7 points, 10.3% from the peak in 3Q2013. As mentioned before, property inventories have also fallen to an all time low. From the average of 24,000 units in the past three years, it fell to just slightly below 20,000 in 4Q2017 as demand depleted unsold units while developers slowed down new developments due to the protracted downturn in the past few years. Assuming an annual average take up of 22,000 units in 2013-2017, the current supply will be depleted within a year which explained the strong activities in replenishing land bank by the developers.

Source: SAC, URA

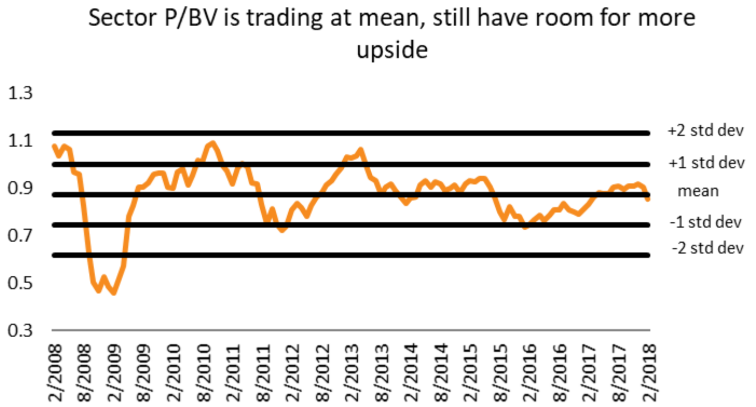


Source: SAC, URA

With more launches and expectations of property prices improving further, we believe property players' earnings will continue to grow. Having said that, we believe the developers such as Oxley Holdings, Lian Beng, UOL Group which have managed to acquire sites ahead of the market will reap the most benefit.

Valuation – More upside

During the previous two rounds of positive property cycles – 2009 to 2010 and 2012-2013, the sector P/BV touched +1 standard deviation. Given that the sector is only trading at mean, we believe there is room for more upside.



Source: SAC, Bloomberg

Singapore developers comparison (as at 20th March 2018)

Name	Ticker	Mkt Cap (S$'M)	Last Px (SGD)	Revenue: Latest FY (S$'M)	Gross Profit: Latest FY (S$'M)	GM: Latest FY	EBITDA: Latest FY (S$'M)	NI / Profit: Latest FY (S$'M)	PM: Latest FY	EV/EBITDA: Trailing 12M (X)	Price/EBITDA: Latest Year (X)	P/E: Latest FY (X)	P/E: Trailing 12M (X)	P/B: Latest FY (X)	Dividend Yield: Trailing 12M	Debt Ratio: Latest FY
HONGKONG LAND HOLDINGS LTD	HKL SP	21,132.2	8.98	2,705.9	1,417.0	52.4%	7,720.1	7,711.7	285.0%	3.4	3.0	3.0	2.9	0.45	2.9%	9.7%
CAPITALAND LTD	CAPL SP	15,522.0	3.67	4,609.8	1,838.1	39.9%	2,219.9	1,550.8	33.6%	19.9	6.8	9.7	10.1	0.82	2.7%	35.3%
CITY DEVELOPMENTS LTD	CIT SP	12,184.6	13.40	3,828.6	1,684.9	44.0%	1,024.8	538.2	14.1%	15.1	11.1	21.6	23.2	1.23	1.2%	25.7%
UOL GROUP LTD	UOL SP	7,300.8	8.67	2,073.4	670.3	32.3%	519.0	891.0	43.0%	29.3	14.0	8.2	7.9	0.79	1.7%	19.6%
UNITED INDUSTRIAL CORP LTD	UIC SP	4,727.1	3.30	1,292.2	441.4	34.2%	368.6	301.5	23.3%	16.2	12.8	15.7	15.4	0.73	0.9%	6.4%
YANLORD LAND GROUP LTD	YLLG SP	3,399.5	1.76	5,242.3	2,462.6	47.0%	2,360.1	657.7	12.5%	3.6	1.3	4.7	5.1	0.67	2.5%	31.2%
GUOCOLAND LTD	GUOL SP	2,555.9	2.16	1,113.2	252.7	22.7%	386.5	357.2	32.1%	13.1	5.4	5.9	5.0	0.59	3.2%	48.5%
WHEELOCK PROPERTIES (S) LTD	WP SP	2,153.8	1.80	533.7	127.7	23.9%	101.1	115.2	21.6%	14.9	22.5	19.7	18.7	0.73	3.3%	0.0%
OXLEY HOLDINGS LTD	OHL SP	2,062.6	0.53	1,343.0	386.2	28.8%	341.0	218.1	16.2%	18.5	5.0	7.8	10.1	1.62	1.4%	53.4%
HO BEE LAND LTD	HOBEE SP	1,717.6	2.58	164.7	-	-	245.9	249.3	151.4%	12.5	5.5	6.6	6.9	0.46	2.3%	30.6%
OUE LTD	OUE SP	1,686.4	1.87	752.3	268.9	35.7%	103.4	98.9	13.1%	51.3	16.3	17.1	17.1	0.42	1.6%	38.5%
WING TAI HOLDINGS LTD	WINGT SP	1,657.4	2.14	263.1	136.7	52.0%	-18.7	20.1	7.6%	323.4	-	76.8	47.9	0.47	2.8%	20.1%
SINARMAS LAND LTD	SML SP	1,617.2	0.38	1,296.4	934.3	72.1%	705.6	356.0	27.5%	5.9	2.4	4.8	4.5	0.78	2.6%	23.2%
BUKIT SEMBAWANG ESTATES LTD	BS SP	1,592.3	6.15	143.4	89.6	62.5%	74.9	72.5	50.5%	33.8	21.0	21.7	44.1	1.23	5.4%	0.0%
PERENNIAL REAL ESTATE HOLDIN	PREH SP	1,447.3	0.87	74.5	48.4	65.0%	167.0	100.3	134.6%	29.4	8.7	14.5	14.4	0.52	0.5%	35.4%
FRAGRANCE GROUP LTD	FRAG SP	1,060.5	0.16	198.0	71.5	36.1%	72.9	48.5	24.5%	29.2	15.5	23.3	21.8	1.02	-	48.7%
GSH CORP LTD	GSH SP	940.3	0.48	110.3	59.1	53.6%	105.4	87.5	79.3%	11.3	9.3	11.2	10.7	2.33	2.1%	37.5%
STRAITS TRADING CO LTD	STRTR SP	926.4	2.27	473.6	50.3	10.6%	16.6	48.1	10.2%	104.3	57.4	19.8	19.2	0.65	2.6%	31.6%
ROXY-PACIFIC HLDGS LTD	ROXY SP	666.7	0.56	246.8	59.5	24.1%	45.6	29.4	11.9%	24.4	14.0	21.7	22.6	1.27	2.5%	57.5%
FAR EAST ORCHARD LTD	FEOR SP	629.2	1.48	151.2	51.8	34.2%	27.2	21.6	14.3%	24.8	23.3	29.4	29.0	0.51	4.1%	10.6%
CHIP ENG SENG CORP LTD	CHIP SP	605.5	0.98	859.7	152.5	17.7%	103.9	35.5	4.1%	18.4	5.8	17.0	17.1	0.78	4.1%	56.2%
TUAN SING HOLDINGS LTD	TSH SP	516.3	0.44	357.9	65.0	18.2%	44.6	62.7	17.5%	39.6	12.0	8.5	8.2	0.54	1.4%	55.3%
SINGHAIYI GROUP LTD	SHG SP	426.2	0.10	44.2	21.7	49.0%	12.9	31.1	70.4%	6.1	28.1	11.6	6.1	0.74	3.0%	20.3%
HIAP HOE LTD	HIAP SP	428.0	0.91	249.1	-	-	77.9	80.5	32.3%	10.1	5.3	5.1	5.3	0.52	1.7%	37.5%
KSH HOLDINGS LTD	KSHH SP	396.0	0.70	199.3	47.4	23.8%	27.9	41.0	20.6%	16.8	9.0	6.1	11.7	0.78	4.3%	12.9%
LIAN BENG GROUP LTD	LBG SP	332.3	0.67	281.6	74.8	26.6%	57.0	53.2	18.9%	16.4	5.2	5.6	7.1	0.51	3.4%	42.0%
AF GLOBAL LTD	AFG SP	208.0	0.20	55.3	26.7	48.2%	13.3	8.3	15.1%	26.8	18.7	29.7	24.8	0.84	5.0%	15.6%
HEETON HOLDINGS LTD	HTON SP	185.3	0.57	57.1	26.2	45.9%	31.9	71.0	124.3%	14.2	5.8	2.6	2.6	0.45	1.1%	35.4%
SING HOLDINGS LIMITED	SING SP	170.4	0.43	41.2	16.3	39.5%	6.5	3.3	8.0%	57.6	27.4	54.3	51.5	0.70	3.2%	52.1%
GOODLAND GROUP LTD	GOOD SP	95.6	0.27	69.8	9.5	13.5%	5.5	17.7	25.3%	40.1	15.4	4.8	5.4	0.45	4.5%	28.4%
TEE LAND LTD	TEEL SP	82.2	0.18	94.7	23.3	24.6%	12.1	-1.0	-1.1%	209.5	7.4	-	-	0.57	-	46.0%
POLLUX PROPERTIES LTD	POLUX SP	74.5	0.03	29.9	3.3	11.2%	0.2	2.6	8.6%	-	90.0	8.5	-	0.41	-	36.9%
OKH GLOBAL LTD	OKH SP	58.7	0.05	134.5	13.1	9.7%	-64.4	-70.3	-52.3%	-	-	-	-	0.58	-	51.6%
FIGTREE HOLDINGS LTD	FIGT SP	57.0	0.17	17.6	11.7	66.7%	8.0	5.6	31.7%	7.5	7.3	10.5	9.7	1.13	7.4%	3.7%
HLH GROUP LTD	HLHG SP	30.8	0.01	14.0	7.1	50.6%	15.3	7.5	53.7%	3.4	3.1	6.2	4.5	0.35	-	4.3%
LAFE CORP LTD	LAFE SP	18.0	0.71	18.0	4.5	25.0%	-7.7	-0.6	-3.6%	-	-	-	-	0.31	-	0.0%
Average		**2,396.3**		**787.6**	**330.1**	**35.5%**	**485.8**	**408.6**	**42.3%**	**18.8**	**10.9**	**12.3**	**12.0**	**0.73**	**2.8%**	**28.7%**

Note: Outliers labelled in yellow are excluded from statistical computation.

Source: SAC, Bloomberg

DISCLAIMERS AND DISCLOSURES

This report has been prepared and distributed by SAC Advisors Private Limited ("**SAC Advisors**") which is a holder of a capital markets services licence and an exempt financial adviser in Singapore. SAC Advisors is a wholly-owned subsidiary of SAC Capital Private Limited ("**SAC Capital**") which is also a capital markets services licensee.

This report has been prepared for the purpose of general circulation. We have not had regard to the specific investment objectives, financial situation, tax position or unique needs and constraints of any individual person or any specific group of persons and does not purport to be comprehensive or contain all necessary information which a prospective investor may require in arriving at an investment decision. Any prospective purchaser should make his own investigation of the securities and all information provided. Advice should be sought from a financial adviser regarding suitability, taking into account the specific investment objectives, financial situation or particular needs of the person in receipt of the recommendation, before a commitment to purchase is entered into.

This report does not constitute or form part of any offer or solicitation of any offer to buy or sell any securities.

This report is confidential and the information in this report shall not be copied or reproduced in part or in whole, and save for the recipient of this report, shall not be disclosed to any other person without the prior written consent of SAC Advisors. The distribution of this report outside the jurisdiction of Singapore is also strictly prohibited.

Whereas SAC Advisors has not independently verified all the information set out in this report, all reasonable care and effort has been taken to ensure that the facts stated herein are accurate, this report may contain certain forward looking statements and forward looking financial information which are based on certain assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of the subject companies to be materially different from those expressed herein. Predictions, projections or forecasts of the economy or market trends are not indicative of the future performance of the subject companies. The inclusion of such statements and information should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions of the subject company or that the forecast results will or are likely to be achieved.

Our opinion and facts set out in this report are based on the market, economic, industry and other applicable conditions prevailing as at the date of the preparation of this report. Such conditions may change significantly over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion in light of any development subsequent to the publication of this report, that may or may not have affected our opinion contained herein.

This report contains forward-looking statement which are based on assumptions or forecasts and are subject to uncertainties which may result in the actual result or performance to be materially different from the opinion or facts set out herein. Caution should be exercised in placing undue reliance on such statements. such assumptions or forecasts may change over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion in light of any development subsequent to the publication of this report.

No representation or warranty, expressed or implied, is made and no responsibility is accepted by the companies, SAC Capital, SAC Advisors or any of their affiliates, advisers or representatives as to the fairness, accuracy, completeness or adequacy of such information or facts, in this report or any other written or oral information made available to any interested party or its advisers and any liability therefore is hereby expressly disclaimed.

SAC Advisors, SAC Capital and their associates, directors, and/or employees may have positions in the securities or securities of the companies covered in the report and may also perform or seek to perform other corporate finance related services for the companies whose securities are covered in the report. SAC Advisors and its related companies may from time to time perform advisory services, or solicit such advisory services from the entities mentioned in this report ("**Other Services**"). This report is therefore classified as a non-independent report. However, the research professionals involved in the preparation of this report have not and will not participate in the solicitation of such business.

ANALYST CERTIFICATION/REGULATION AC

As noted above, research analyst(s) of SAC Advisors who produced this report hereby certify that

(i) The views expressed in this report accurately reflect his/her personal views about the subject/subject corporation(s);

(ii) The report was produced independently by him/her;

(iii) He/she does not on behalf of SAC Advisors or SAC Capital or any other person carry out Other Services involving any of the subject/subject corporation(s) or securities referred to in this report; and

(iv) He/she has not received and will not receive any compensation directly or indirectly related to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. He/she has not and will not receive any compensation directly or indirectly linked to the performance of the securities of the subject corporation(s) from the time of the publication of this report either.