Singapore REITs

Refer to important disclosures at the end of this report

DBS Group Research . Equity 12 Sep 2024

Hunt for higher yields

- More REITs have shifted to paying fees in cash in 1H24, as sector traded near decade low levels of 0.86x P/B in 1H24
- REITs that pay more fees in cash or in units that is priced above book have highest sustainability, in our view; European REITs rank highest for "true" cash-flow yields, at 7.9%
- S-REITs' "true" yield of 5.6% still stands competitively against regional peers commanding 3.5% to 5.0%
- Mid-small-cap picks that have high "true" yields of >7% are Elite, Cromwell, Sasseur, DHLT, ESR REIT, SGREIT, MPACT

Next-in-line beneficiaries of inflows back to S-REITs. Large-cap REIT proxies outperformed the benchmark, which rose a collective c.9.6% in Jul-Aug 24, and are now trading back at a tighter FY24F c.5.0%+ levels. While investors are likely to continue allocating capital to those names, we see an opportunity to look at the higher yielding mid-cap alternatives that could benefit from further fund inflows. In this space, a key question often asked has been about the sustainability of yields; and, we look at DPUs that are supported by cashflows. While having management fees paid in mix of units-cash is common and aligns the REIT manager's and unitholders' interests, S-REITs which trade at a larger discount to book values could see erosion due to new unit issuances, though dilution impact is only felt over time. We noted that the S-REITs have dialed down the proportion of fees paid in the form of units in recent years, as the sector was trading at decade-low rates of 0.86x price-to-book (P/B).

Fee structure has 80bps lever in underlying sector yields, European REITs rank highest in "true" yields, with 7.9%. In our view, we see an optimal mix to be 50%-50% unit-cash mix (current mix) in view of more normalised trading conditions (sector trade towards average P/B multiple of 1.0x) in the coming quarters. But, we do see REITs that pay a higher percentage of fees in cash when trading above book having more flexibility to enhance their returns. We estimate that the impact of management fees paid in the form of units could boost yields by up to 80bps at a yield of c.5.6% (all fees in cash) and 6.3% (all fees in units). Assuming fees are paid in the form of cash, we find highest yields in the European REITs at c.10.0%, followed by Retail Overseas (7.8%) and Hotels (5.9%).

S-REITs' true yield of 5.5% still highest against regional REITs markets. As a sector, an assumed shift towards all fees in cash will see an estimated a c.40bps drop in sector yields to 5.6%. While lower, we remain attracted as it is still competitive against regional REIT peers that are commanding yields in the range of 3.5% to 5.0%. This "revised" yield is still a c.2.8% yield premium against MAS 10-year treasury yields of 2.7% (Aug 24), which could fall when interest rates are cut. In the "value space" we keep a close watch at Mid-small-cap names with high yields (>7%) such as Elite and Cromwell, selected overseas names such as Sasseur REIT and DHLT. For investors that still prefer Singapore-rooted names, we see value in ESR REIT and Starhill Global REIT. MPACT stands out amongst large-cap names at attractive valuations.

STI : 3,531.17

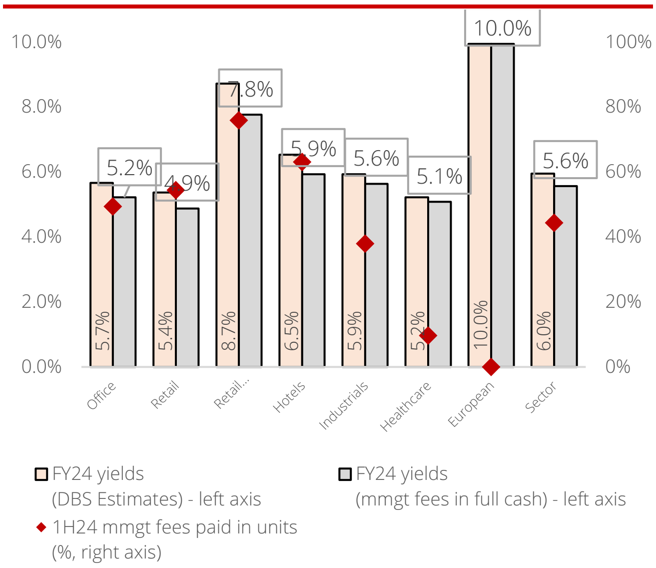
Analysts
Derek TAN +65 6682 3716
derektan@dbs.com
Geraldine WONG +65 6682 3719
geraldinew@dbs.com

STOCKS

	Price LCY	Mkt Cap USDmn	12-mth Target Price LCY	Performance (%) 3 mth	12 mth	Rating
Elite UK REIT GBP	0.305	234	0.25	29.8	24.0	HOLD
Cromwell European REIT	1.56	969	1.90	9.9	9.1	BUY
Sasseur REIT	0.67	641	0.95	0.8	-0.7	BUY
Daiwa House Logistics Trust	0.595	321	0.70	4.3	7.1	BUY
ESR-LOGOS REIT	0.285	1,682	0.34	0.0	-8.1	BUY
Starhill Global REIT	0.515	904	0.68	8.3	6.1	BUY
Mapletree Pan Asia Commercial Trust	1.43	5,773	1.75	17.2	-4.0	BUY

Source: DBS, Bloomberg
Closing price as of 11 Sep 2024

Sector trading yields with management fees paid fully in cash (DBS estimates)



Source: DBS

Watchlist the stock on Insights Direct to receive prompt updates

ed: BM/ sa: AS, PY, CS

Our search for sustainable fee structure for S-REITs

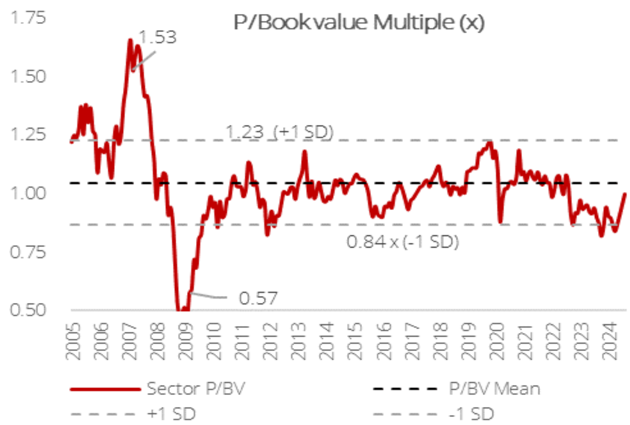
Large-cap proxies have outperformed from beginning 3Q24. As we approach FED rate cut cycle in September, the return of investor sentiment to the sector has improved substantially, with the overall REIT benchmark rising c.9.6% since the start of 3Q24. Rotational inflows back into the sector have benefited the large-cap, with subsectors such as large-cap industrials and office subsectors outperforming at +12.9% and +10.2%, respectively.

Who are the next-in-line beneficiaries? We have previously written about sector beneficiaries from an interest rate cut perspective (Inflexion point approaches) from the angle of both in-place interest rate hedges and gearing levels and depending on how the shorter term rates pan out in the coming months, appears to be playing out as initially thought. In this report, we explore the sustainability of distributions per unit (DPUs) from the more subtle angle of management fee structure.

Our view of REIT managers paying fees in the form of units. REIT managers have historically taken a portion of its REIT manager fees in the units and over time, this proportion have gradually changed, depending underlying performance. In certain times, tweaks help to smoothen out DPU trends during periods of income disruptions (i.e. asset enhancements resulting in loss of income or operational seasonality) or to provide investors with a higher "headline" yield. In our view, having fees paid in the form of units ensure the alignment of interest between REIT managers and unitholders as the managers will be incentivised to drive higher returns and growth. However, while the impact is marginal, these units will then have a slight dilution impact if a high proportion of fees paid in units is sustained over a period of time where growth is tepid or when a REIT trades at a discount to book.

More REITs switched to paying management fees in the form or cash in FY23-24. While there is no one size-fits all formula, we have seen S-REITs pay more fees in the form of cash in the past 2 years. This arises with S-REITs trading below book values through the past one-and-a-half years, resulting in a slight dilution to NAVs or in certain cases, a strategic pivot to match cashflows to distributions (i.e. Cromwell, Elite, amongst others). Over time, in more normalised trading conditions (i.e. with the sector trading back to book values), we believe that a sustainable longer term fee structure will be a 50%:50% split in the form of cash vs units at or above book levels, is accretive to book values and a signal of confidence to unitholders

Sector trades at close to 10-yr low P/B of 0.86x in 1H24



Source: Company, DBS

Management fee changes (% fees paid in units) across FY23/1H24

	FY23	1H24	Material changes h/h
Office	53%	49%	OUECT shifted management fees from c.35% in units to 0
Retail	40%	54%	LREIT increased fees in units from 65% to 95% Paragon shifted from a full unit structure to full cash
Retail Overseas	84%	76%	Sasseur REIT reduced management fees from c.100% in units to c.80%
Hotels	68%	63%	Largely unchanged
Industrials	38%	38%	Digital Core increased fees in units from 42% to 100%
Healthcare	10%	10%	Unchanged
European	0%	0%	Unchanged
Sector	45%	44%	

Source: Bloomberg, DBS

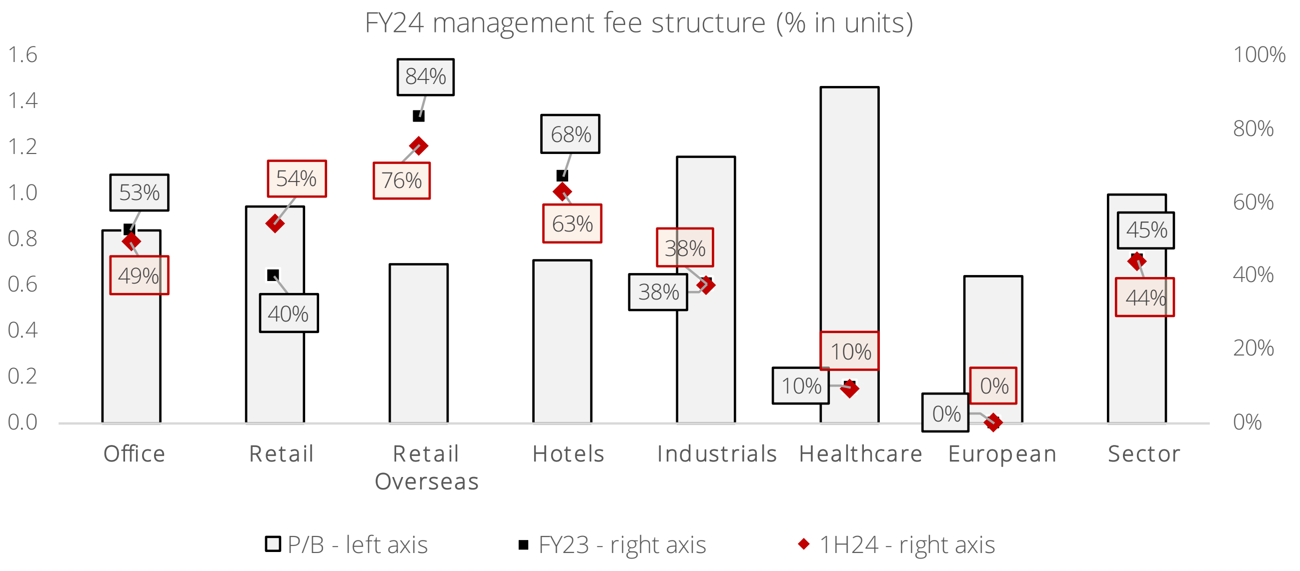
General decline in fees in units, as sector trading discount widened in 1H24. In 1H24, the percentage of management fees paid in units decreased by 1ppt to 44%, as more companies have transitioned towards paying management fees in cash. We believe this step was taken partly to prevent a further dilution of their unitholder base by issuing fees in units below book values. We have seen a shift in management fee structure to less units and more cash in 1H24, as the trading discounts to book widened to decade-low levels of 0.86x P/B in 1H24, when the potential interest rate (IR) cuts were still called into question by the markets.

Office sector advocates the most balanced structure. Amongst the trade sectors we track, the office sector has the most balanced fee structure with close to a 50:50 split between cash and units. Amongst office names, the notable big shift would be OUE Commercial Trust, to a full cash fee structure, given the heightened impact of dilution should they issue fee units at c.0.5x P/B. The hotels sector has generally maintained its status quo of c.63% in units across the period we have tracked.

Selected retail names paid more fees in units to shelter DPUs from interest rate impact. Names within the retail and overseas retail sectors have instead transitioned towards paying more fees in units. The shift was to partially shelter the DPUs from the heightened IR impact in the immediate term, specifically in the likes of Lendlease REIT and ride out the higher unit base in future years. In the near term for LREIT, DPU will see some upside from cash adjustments of management fees, but opting for more fees in units below book levels is akin to borrowing future growth upside.

Selected sectors heighten sustainability of DPUs by paying most fees in cash. Industrials, healthcare, and European sectors have generally kept their management fee structures unchanged, while opting for a higher payout in cash as opposed to units, which makes for a more cash-flow-supported dividend yield, in our view. Healthcare stocks in the likes of Parkway Life REIT had long been trading at a premium to the general sector, or at a yield gap of 1.4ppt, but given its high percentage of fees paid in cash, its 4.1% dividend yield, backed by cash flow, is sustainable, in our view.

Management fees in units (%) across subsectors (FY23 vs. 1H24) vs. sector P/B (x)



Source: DBS

Right choice of fee structure can put REITs into virtuous DPU growth cycles

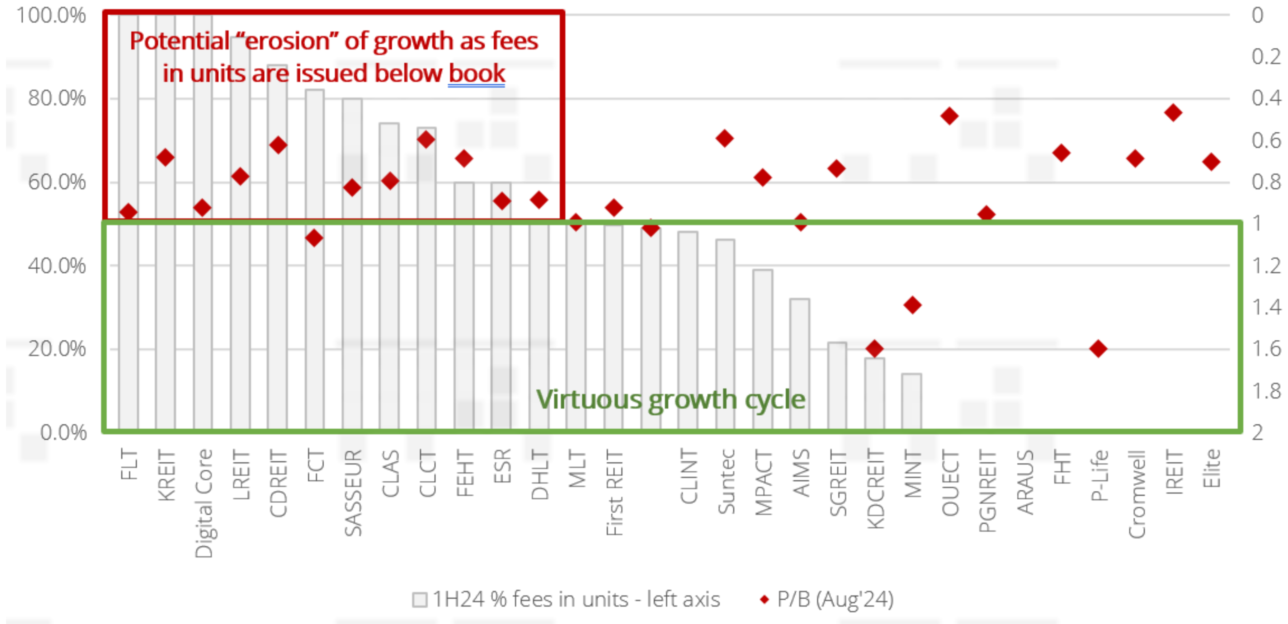
We scour our S-REIT universe to look at the management fees structures of individual REIT names alongside their current trading P/B. On one end of the spectrum are three REITs paying full management fees in units – Frasers Logistics Trust, Keppel REIT, and Digital Core REIT, while on the other end, eight REITs pay fees fully in cash (including three new additions in 1H24 – OUECT, PGNREIT).

In our analysis, we adopt two trains of thought:

(i) REITs that pay a high percentage of fees in units, while trading significantly below book, may experience an accumulation of units issued to the managers over time. In periods where net profits are static or declining like in FY23-24F where interest rates were a headwind, having a larger unit base (though a small increase) could result in a further drag in distribution per unit ("DPU") growth, as compared to growth in earnings per unit ("EPU"). This potentially mean that the REIT managers may have to work harder to sweat the portfolio in order to achieve a similar level of DPU growth that mirrors underlying growth in operational performance.

(ii) REITs that are paying a higher percentage of management fees in cash enhance the sustainability of underlying DPU without the effect of unit base expansion in coming years. While investors tend to not accord any form of "value" for these REITs, we do acknowledge this strategy to offer investors a "cleaner" yield, one that is supported by underlying cashflows. That said, on the contrary, fees paid in units at above book will be incremental to DPU growth or reflect a *virtuous growth cycle* for future DPUs. REIT managers within this category will also enjoy enhanced *flexibility* to shift their management fee structure to pay a higher percentage of fees in units in a manner that is accretive to DPU.

Management fees in units (%) in 1H24 vs. trading P/B (x)



Source: DBS

Overseas REITs and hotels give the highest "true dividend yields"

Management fee structure has a c.80bps impact on sector yields. Strategically, there is no cookie-cutter solution for REIT managers when choosing the management fees structure but we feel that a right mix is one that the offers stability over time. Through market cycles, we have seen some S-REIT managers tweaking their unit-cash structure to "protect" book values, or some managers may choose to adopt a flat and fixed policy. To put all REITs on a level playing field, notwithstanding their choice of management fee structure, in a theoretical exercise, if all S-REITs pay fees in the form of cash, we see a close to 80bps cut to the sector headline yield.

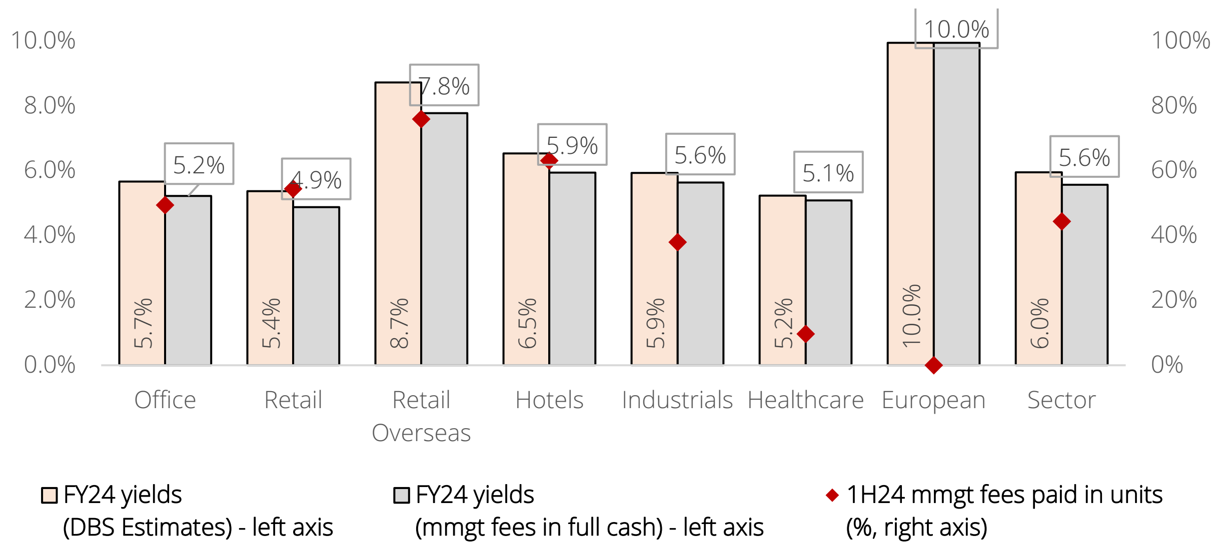
European stocks give the highest true yields. We find that the lever from the management fee structure can cause an overall 80bps disparity against overall sector trading yields, which are in the range of 5.6% (all fees in cash) and 6.3% (all fees in units). Based on the current unit-cash mix for fees in the theoretical example where fees are fully paid in cash, European (10.0%) > Retail Overseas (7.8%) > Hotels (5.9%) offers the highest yields.

Sector yield sensitivity to shifts in management fee structure (existing 1H24 fee structure in box)

<- Highest Yield (full units)			Sector yield sensitivity		Lowest Yield (full cash)->
% fees in cash	0%	25%	50%	75%	100%
Office	6.0%	5.8%	5.6%	5.4%	5.2%
Retail	5.8%	5.6%	5.3%	5.1%	4.9%
Retail Overseas	9.0%	8.7%	8.4%	8.1%	7.8%
Hotels	6.8%	6.6%	6.4%	6.2%	5.9%
Industrials	6.3%	6.1%	6.0%	5.8%	5.6%
Healthcare	5.9%	5.7%	5.5%	5.3%	5.1%
European	10.4%	10.3%	10.2%	10.1%	10.0%
Sector	6.3%	6.1%	6.0%	5.8%	5.6%

Source: DBS

Sector DPU yields will see a c.50bps decline to 5.4% on a full cash mmgt fee basis

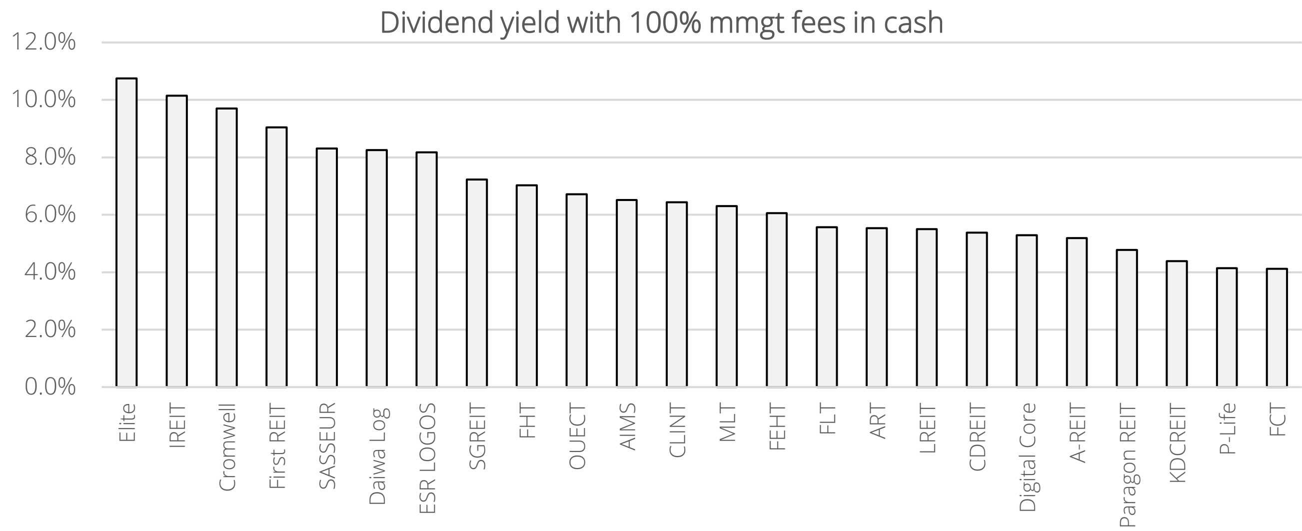


Source: DBS

Sector valuations still compare favourably against regional peers, IR cut to catalyse further cap rate compression. As a sector, even if at the assumed 5.6 "true-yield" (on DBS FY24 estimates) continue to be supported by valuations, and still stand competitively against regional REIT peers that are commanding yields in the range of 3.5% to 5.0%. At this moment, our forecasts have not accounted for interest rate cuts. This could be a catalyst to headline DPU yields, with an estimated 3% higher DPUs for every 1ppt cut in interest rates. The sector now trades at a 2.8% yield premium (true yield basis) against MAS 10-year treasury yields of 2.7% (Aug 24), where we expect headline sector yields to compress in tandem with treasury benchmarks.

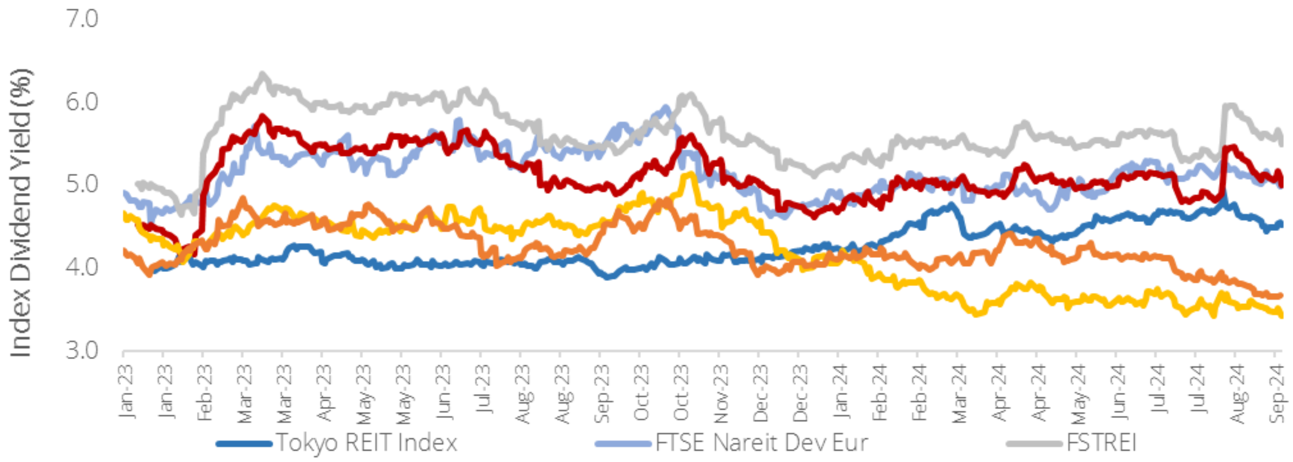
What the names that investors can invest in. Apart from the large cap S-REITs that attract most flows, we believe that the next leg of flows could go into the higher yielding S-REIT names amongst the mid caps and we adjust headline yields to "true-basis" in the search for names that could offer a sustainable return backed by cashflows. In this space, we like those that can offer high yields (>7%) on an adjusted basis and we see beneficiaries such as **Elite** and **First REIT** though interest could be niche due to their smaller market cap. We do see notable high yields in selected China retail names such as **Sasseur REIT**, and for investors that still prefer Singapore-rooted REITs, we see interest in **ESR REIT** and **Starhill Global** REIT.

S-REITs dividend yield on true cash flow basis with full mmgt fees paid in cash



Source: DBS

Trading yields of regional REIT indices vs. S-REITs (true yields)



Source: Bloomberg, DBS

DBS estimates and sensitivity of FY24F yields to management fee structure

	% REIT mmgt fees in units		FY24 DBS estimates		FY24F DPU Sensitivity (% cash)					P/B (x)
	FY23	1H24	DPU (SGD)	Div yield (%)	0%	25%	50%	75%	100%	Aug'24
Office										
KREIT	98%	100%	5.8	6.9%	6.8%	6.4%	6.0%	5.6%	5.2%	0.7
MPACT	44%	39%	8.9	6.6%	6.7%	6.7%	6.6%	6.5%	6.4%	0.8
Suntec	46%	46%	6.2	5.1%	6.0%	5.6%	5.2%	4.8%	4.3%	0.6
OUEREIT	35%	0%	1.9	6.7%	7.7%	7.4%	7.2%	7.0%	6.7%	0.5
Retail										
FCT	33%	82%	11.7	4.8%	4.9%	4.7%	4.5%	4.3%	4.1%	1.1
LREIT	65%	95%	3.9	6.7%	6.7%	6.4%	6.1%	5.8%	5.5%	0.8
Paragon REIT	48%	0%	4.3	4.8%	5.6%	5.4%	5.2%	5.0%	4.8%	1.0
SGREIT	22%	22%	3.6	7.5%	8.4%	8.1%	7.8%	7.5%	7.2%	0.7
Overseas Retail										
CLCT	72%	73%	6.0	8.6%	8.9%	8.5%	8.2%	7.8%	7.4%	0.6
SASSEUR	100%	80%	6.0	9.1%	9.2%	9.0%	8.8%	8.5%	8.3%	0.8
Hotels										
CLAS	72%	74%	5.7	6.3%	6.5%	6.3%	6.0%	5.8%	5.5%	0.8
CDREIT	80%	88%	5.3	6.4%	6.4%	6.2%	5.9%	5.6%	5.4%	0.6
FEHT	90%	60%	4.1	6.6%	6.8%	6.6%	6.4%	6.3%	6.1%	0.7
FHT	0%	0%	2.7	7.0%	7.7%	7.5%	7.4%	7.2%	7.0%	0.7
Industrials										
CLINT	50%	48%	7.3	7.2%	7.9%	7.5%	7.2%	6.8%	6.4%	1.0
CLAR	20%	20%	15.2	5.3%	5.8%	5.7%	5.5%	5.4%	5.2%	1.3
ESR LOGOS	74%	60%	2.3	8.8%	9.1%	8.8%	8.6%	8.4%	8.2%	0.9
MINT	9%	14%	13.3	5.4%	5.7%	5.7%	5.6%	5.5%	5.4%	1.4
MLT	59%	50%	9.0	6.6%	6.9%	6.8%	6.6%	6.5%	6.3%	1.0
KDCREIT	20%	18%	9.0	4.5%	5.1%	4.9%	4.8%	4.6%	4.4%	1.6
AIMS	32%	32%	9.4	7.2%	8.5%	8.0%	7.5%	7.0%	6.5%	1.0
FLT	100%	100%	7.1	6.5%	6.4%	6.2%	6.0%	5.8%	5.6%	0.9
Daiwa Log	49%	50%	5.0	8.6%	8.8%	8.7%	8.5%	8.4%	8.3%	0.9
Digital Core (USD)	42%	100%	3.6	4.6%	5.9%	5.8%	5.6%	5.5%	5.3%	0.9
Healthcare										
P-Life	0%	0%	14.9	4.1%	4.7%	4.6%	4.4%	4.3%	4.1%	1.6
First REIT	50%	50%	2.4	9.9%	10.5%	10.1%	9.8%	9.4%	9.0%	0.9
European – DPU est in lcl curr										
Cromwell(Eur)	0%	0%	14.2	9.7%	10.1%	10.0%	9.9%	9.8%	9.7%	0.7
IREIT (Sgd)	0%	0%	2.0	10.1%	10.8%	10.7%	10.5%	10.3%	10.1%	0.5
Elite (Gbp)	0%	0%	2.8	10.7%	11.7%	11.5%	11.2%	11.0%	10.7%	0.7

Source: DBS

DBS Group Research recommendations are based on an Absolute Total Return* Rating system, defined as follows:
STRONG BUY (>20% total return over the next 3 months, with identifiable share price catalysts within this time frame)
BUY (>15% total return over the next 12 months for small caps, >10% for large caps)
HOLD (-10% to +15% total return over the next 12 months for small caps, -10% to +10% for large caps)
FULLY VALUED (negative total return, i.e., > -10% over the next 12 months)
SELL (negative total return of > -20% over the next 3 months, with identifiable share price catalysts within this time frame)

**Share price appreciation + dividends*

Completed Date: 12 Sep 2024 06:37:39 (SGT)
Dissemination Date: 12 Sep 2024 06:53:44 (SGT)

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

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 associate[1] does not serve as an officer of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant) and the research analyst(s) primarily responsible for the content of this research report or his associate does not have financial interests[2] 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 have proprietary positions in Keppel REIT, Mapletree Pan Asia Commercial Trust, Suntec REIT, Frasers Centrepoint Trust, LendLease Global Commercial REIT, Paragon REIT, Starhill Global REIT, CapitaLand China Trust, Sasseur REIT, Capitaland Ascott Trust, CDL Hospitality Trusts, Far East Hospitality Trust, Frasers Hospitality Trust, Capitaland India Trust, Capitaland Ascendas REIT, ESR-Logos REIT, Mapletree Industrial Trust, Mapletree Logistics Trust, Keppel DC REIT, AIMS APAC REIT, Frasers Logistics & Commercial Trust, Daiwa House Logistics Trust, Digital Core REIT, Parkway Life Real Estate Investment Trust, First Real Estate Investment Trust, Cromwell European Real Estate Investment Trust recommended in this report as of 31 Aug 2024.

2. DBS Bank Ltd, DBS HK, DBSVS, DBSVUSA, or their subsidiaries and/or other affiliates have a net long position exceeding 0.5% of the total issued share capital in Mapletree Pan Asia Commercial Trust, Frasers Centrepoint Trust, LendLease Global Commercial REIT, Starhill Global REIT, CapitaLand China Trust, Sasseur REIT, Capitaland Ascott Trust, CDL Hospitality Trusts, Far East Hospitality Trust, Frasers Hospitality Trust, Capitaland Ascendas REIT, ESR-Logos REIT, Mapletree Industrial Trust, Mapletree Logistics Trust, Keppel DC REIT, Frasers Logistics & Commercial Trust, Daiwa House Logistics Trust, Digital Core REIT, Cromwell European Real Estate Investment Trust recommended in this report as of 31 Aug 2024.

3. DBS Bank Ltd, DBS HK, DBSVS, DBSVUSA, or their subsidiaries and/or other affiliates beneficially own a total of 1% or more of any class of common equity securities of Frasers Centrepoint Trust, LendLease Global Commercial REIT, Starhill Global REIT, Sasseur REIT, ESR-Logos REIT, Mapletree Logistics Trust, Frasers Logistics & Commercial Trust, Daiwa House Logistics Trust, Cromwell European Real Estate Investment Trust as of 31 Aug 2024.

[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.

Compensation for investment banking services:

4. DBS Bank Ltd, DBS HK, DBSVS. their subsidiaries and/or other affiliates of DBSVUSA have received compensation, within the past 12 months for investment banking services from Keppel REIT, Mapletree Pan Asia Commercial Trust, OUE REIT, Frasers Centrepoint Trust, CapitaLand China Trust, Capitaland Ascott Trust, Frasers Hospitality Trust, Capitaland India Trust, Capitaland Ascendas REIT, Mapletree Logistics Trust, Frasers Logistics & Commercial Trust, Digital Core REIT as of 31 Aug 2024.

5. DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have managed or co-managed a public offering of securities for Keppel REIT, Mapletree Pan Asia Commercial Trust, OUE REIT, Frasers Centrepoint Trust, CapitaLand China Trust, Capitaland Ascott Trust, Capitaland India Trust, Capitaland Ascendas REIT, Mapletree Logistics Trust, Frasers Logistics & Commercial Trust, Digital Core REIT in the past 12 months, as of 31 Aug 2024.

6. 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.

Directorship/trustee interests:

7. Su Shan TAN, a member of DBS Group Management Committee, is a Director of Mapletree Pan Asia Commercial Trust as of 2 Sep 2024.
8. Judy LEE, a member of DBS Group Holdings Board of Directors, is a Director of Mapletree Logistics Trust as of 30 Jun 2024.

Disclosure of previous investment recommendation produced:

9. 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.

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 Bank (Hong Kong) Ltd
Contact: Dennis Lam
13th Floor One Island East,
18 Westlands Road,
Quarry Bay, Hong Kong
Tel: 852 3668 4181
Fax: 852 2521 1812
e-mail: dbsvhk@dbs.com

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

INDONESIA
PT DBS Vickers Sekuritas (Indonesia)
Contact: Maynard Priajaya Arif
DBS Bank Tower
Ciputra World 1, 32/F
Jl. Prof. Dr. Satrio Kav. 3-5
Jakarta 12940, Indonesia
Tel: 62 21 3003 4900
Fax: 6221 3003 4943
e-mail: indonesiaresearch@dbs.com

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