



# Fortress Minerals Ltd.

(FMIL SP/ OAJ.SI)

## Record volume delivered, but upside now more balanced

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- FY2026 validates execution but also resets the volume base.** Fortress reported record FY2026 revenue of US\$64.3m, up 14.2% y/y, driven by record sales volume of 724,439 DMT, up 14.5% y/y. The result was ahead of our previous FY2026 revenue estimate of US\$58.2m and volume estimate of c.650k DMT, mainly because Bukit Besi ramped faster than expected. FY2026 was a stronger operating base but a new high-growth starting point, as Bukit Besi appears closer to mature utilisation at c.60k DMT per month.
- ASP resilience helped FY2026 while maintain conservative medium-term pricing assumptions.** FY2026 realised ASP was US\$88.66/DMT, broadly flat y/y despite a softer benchmark environment. This was better than our previous caution around realised pricing, but we still expect Fortress to remain highly sensitive to IODEX and realisation factor movements. Our updated ASP assumptions are now US\$87.0/DMT in FY2027, US\$89.2/DMT in FY2028 and US\$91.5/DMT in FY2029, implying only measured recovery rather than a return to historical premium pricing.
- Downgrade to NEUTRAL with lower TP of S\$0.26.** Our updated blended valuation, based on a 50:50 DCF and EV/resource approach, gives a new fair value of S\$0.26. The downgrade reflects more limited upside after FY2026 outperformance, lower near-term FCF from heavier reinvestment, and still-limited visibility on commercial Mengapur contribution. We remain constructive on the asset base, but believe the risk-reward is now balanced.

### Financials & Key Operating Statistics

YE Feb (US\$ m)	2025	2026	2027F	2028F	2029F
Revenue	56.3	64.3	62.6	67.8	69.7
PATMI	10.5	5.9	9.8	8.6	9.3
EPS (cents)	2.5	1.4	2.4	2.1	2.3
EPS growth (%)	-16.7%	-52.8%	-6.6%	-12.4%	8.9%
DPS (Sing cents)	0.6	0.5	0.4	0.4	0.4
Div Yield (Y%)	2.3%	1.8%	1.4%	1.5%	1.7%
Net Profit Margin (%)	19.4%	10.6%	15.2%	13.7%	13.8%
Net Debt/ (Net Cash) Gearing (%)	3.7%	(2.1%)	3.8%	(5.5%)	(12.7%)
ROA (%)	10.8%	5.7%	7.1%	6.5%	6.7%
ROE (%)	14.5%	7.5%	10.2%	8.3%	8.4%

Source: KGI Research

### Neutral - Company Update

Price as of 12 May 26 (SGD)	0.26	<b>Performance (Absolute)</b>	
12M TP (\$)	0.26	1 Month (%)	15.6
Previous TP (\$)	0.27	3 Month (%)	-7.3
Upside, incl div (%)	1.5%	12 Month (%)	15.5
<b>Trading data</b>		<b>Perf. vs STI Index (Red)</b>	
Mkt Cap (\$mn)	136		
Issued Shares (mn)	523		
Vol - 3M Daily avg (mn)	0.0		
Val - 3M Daily avg (\$mn)	0.0		
Free Float (%)	19.3%		
<b>Major Shareholders</b>		<b>Previous Recommendations</b>	
Y F Chee Holdings	41.4%	2-Dec-25	0.27
SDB Mining Sdn Bhd	29.6%	24-Oct-24	0.4
Greger International	7.2%	13-May-24	0.35

**FY26 results update.** FY2026 revenue increased 14.2% y/y to US\$64.3m on a record sales volume of 724,439 DMT. Gross profit rose 11.8% y/y to US\$37.3m, while gross margin eased to 58.1% from 59.3% as average unit cost increased 2.7% to US\$33.81/WMT. EBITDA increased 19.0% y/y to US\$19.3m and NPAT rose 64.7% y/y to US\$9.8m, helped by higher volume, resilient ASP and absence of the US\$3.0m non-financial asset impairment recorded in FY2025. Operating cash flow also improved to US\$19.1m, while cash and bank balances increased to US\$14.6m as on 28 February 2026.

Against our prior 2Q26 model, the key discrepancy was volume rather than pricing. FY2026 revenue of US\$64.3m came in above our previous US\$58.2m forecast, and actual sales volume of 724k DMT was above our prior c.650k DMT forecast. Realised ASP of US\$88.66/DMT was close to our implied ASP assumptions, while unit cost was better behaved than the sharp 1H FY2026 cost spike initially suggested. The earnings beat therefore does not change our medium-term commodity view, but it does reset Bukit Besi to a higher volume base.

**Valuation & Action:** We downgrade Fortress from **OUTPERFORM** to **NEUTRAL** and lower our target price to **S\$0.26**. Our DCF valuation now implies US\$0.17 per share, while our EV/resource valuation implies US\$0.24 per share. A 50:50 blend gives US\$0.20 per share, which translates to S\$0.26 using an FX rate of 1.27. The lower target price reflects more conservative FCF assumptions, higher reinvestment needs and a slower risk-weighted Mengapur contribution despite FY2026 operational outperformance.

## Executive Summary

Fortress delivered a stronger FY2026 than expected. Full-year revenue reached a record US\$64.3m, up 14.2% y/y, with sales volume of 724,439 DMT, up 14.5% y/y. The result was materially above our previous FY2026 revenue forecast of US\$58.2m, primarily because Bukit Besi volumes ramped faster and more consistently than our earlier model assumed. Realised ASP was broadly stable at US\$88.66/DMT, down only 0.2% y/y, indicating that Fortress defended pricing better than we had anticipated despite a softer benchmark backdrop.

However, we do not extrapolate FY2026 volume growth linearly. The latest run-rate already implies c.60k DMT per month, broadly consistent with the practical nameplate capacity range created by the new ball mills and Bukit Besi capacity upgrades. We therefore revise up the operating base but reduce incremental volume growth assumptions from FY2027 onward. In our model, Bukit Besi sales volume is held at c.720k DMT per year, with the next incremental growth leg dependent on new assets rather than further utilisation gains at Bukit Besi alone.

Mengapur remains the most important medium-term optionality, but we expect the first iron ore contribution only in FY2028. It is estimated to be 40,000 DMT of Mengapur iron ore sales in FY2028 to reflect a conservative first-year ramp after pilot plant construction, trial production, product qualification and offtake development. Copper revenue is not factored in our base forecast yet, as copper concentrate commercialisation still requires clearer disclosure on grade, recovery, concentrate specification and offtake terms.

The combination of stronger FY2026 actuals and more conservative medium-term forecasts leads to a more balanced risk-reward profile. The stock has moved closer to our revised fair value, while FCF remains constrained by capex and development spending. We therefore downgrade Fortress to NEUTRAL with a revised 12-month TP of S\$0.26.

### Record FY2026 Volume Resets the Base, Not the Growth Curve

The most important positive in FY2026 was volume delivery. Sales volume increased to 724,439 DMT, compared with our earlier c.650k DMT forecast and FY2025 actual sales volume of 632,424 DMT. This represents the highest sales volume delivered by Fortress and validates the demand pull from domestic and export customers. The company also secured one new 12-month domestic offtake agreement in April 2026, adding to the two ongoing 24-month offtake agreements secured earlier.

We revise our near-term volume assumptions accordingly, but we avoid modelling another large step-up from Bukit Besi. At c.724k DMT, FY2026 already implies c.60k DMT per month, which is broadly in line with management's disclosed 50k to 60k tonnes per month nameplate capacity range from the Bukit Besi ball mill additions. The new crushing plant was completed in 1Q FY2026 and will be integrated into the existing processing plant to form a fully integrated facility targeted for completion in FY2027. This should support operational resilience, but we see it more as an efficiency and reliability upgrade than a reason to assume another material volume acceleration.

Our updated model therefore assumes Bukit Besi sales volume of ~c.750k DMT annually from FY2027 to FY2031. This is not a negative view on operations. Rather, it reflects a mature utilisation profile where the key variables shift from processing capacity to mine sequencing, ore availability, stripping activity, weather, grade variability and customer drawdown. In this context, FY2026 should be viewed as evidence that the company has successfully reached a higher run-rate, not that volume can compound at a mid-teens pace from here.

### ASP Better Than Feared, but Realisation Risk Remains the Main Earnings Swing Factor

FY2026 realised ASP of US\$88.66/DMT was broadly flat y/y versus US\$88.88/DMT in FY2025. This was more resilient than our earlier caution implied, especially given weaker benchmark conditions. In 4Q FY2026, ASP improved sharply to US\$95.79/DMT from US\$80.85/DMT in 4Q FY2025, helping to partly offset lower quarterly sales volume.

We still retain a conservative pricing framework. Fortress remains a price taker with realised ASP linked to IODEX and adjusted by grade, product specifications, domestic versus export mix and logistics arrangements. Our updated model assumes IODEX of US\$100.0/t in FY2027, rising gradually to US\$110.6/t by FY2031.

The improvement from our prior 83% realisation assumption reflects that price realisation was less weak than expected. However, we still do not underwrite a return to the >100% realisation levels seen in earlier years. Even with better volume delivery, a US\$5/DMT change in realised ASP on c.750k DMT of sales would move annual revenue by c.US\$3.6m before margin effects. Hence, ASP remains the largest sensitivity in our earnings and valuation framework.

## **Mengapur Still Important, but FY2028 Contribution is More Defensible**

The latest update improves visibility on Mengapur's long-term asset value but does not yet justify a meaningful near-term revenue contribution. The project covers 951.68 ha and contains skarn-hosted Fe-Cu-Au-Ag-S mineralisation. Mengapur has 2.10m tonnes of inferred and indicated magnetite iron ore resources and 35.89m tonnes of inferred and indicated copper resources. The company has completed the flowsheet and engineering design for a new integrated processing plant at CASB and is constructing a pilot plant to support trial production of iron ore, copper and pyrrhotite concentrates.

A positive development is that, effective 31 May 2025, although the CASB mining lease was transferred to Pahang Mining Corporation as part of a state-wide administrative restructuring, CASB retains full operational control through a 21-year exclusive concessionaire mining right. It cleared the short-term uncertainty we had highlighted in the previous report. However, operational control is not the same as commercial ramp. The remaining milestones are still technical and commercial: pilot plant testing, metallurgical recovery validation, concentrate quality, offtake qualification, capex commitment, construction timeline and ramp-up discipline.

We therefore forecast only 40,000 DMT of Mengapur iron ore sales in FY2028. This is a risk-weighted first-year contribution, not a full potential output assumption. It assumes that trial production and product qualification occur before meaningful commercial sales, with FY2028 being the first realistic year for recognised revenue. We do not include copper revenue in our base case at this stage. Copper remains a potentially meaningful option, but management has not yet disclosed enough operating parameters for us to model it as a core earnings driver.

## Estimate Revisions and FY2026 Actuals

Our FY2026 forecast error was concentrated in revenue and volume. We previously forecast FY2026 revenue of US\$58.2m, compared with the actual US\$64.3m. The positive variance came from higher-than-expected sales volume of 724,439 DMT versus our prior c.650k DMT estimate. Actual NPAT of US\$9.8m was also above our previous US\$9.2m forecast. The beat was partly moderated by cost inflation and higher operating expenses, but overall FY2026 demonstrated stronger operating leverage than we had assumed in the previous update.

Table 1: KGI Estimates

US\$m unless stated	Prior FY2026F	FY2026A	Variance	Comment
<b>Revenue</b>	58.2	64.3	10.40%	Higher-than-expected sales volume was the main driver.
<b>Sales volume (DMT)</b>	c.650k	724k	11.50%	Bukit Besi ramped faster than expected.
<b>Realised ASP (US\$/DMT)</b>	c.89	88.66	broadly in line	Pricing was resilient despite weaker benchmark conditions.
<b>Cost of sales</b>	24.8	26.9	8.60%	Cost grew with higher volume, but unit cost was contained.
<b>Gross profit</b>	33.4	37.3	11.70%	Volume beat more than offset higher cost base.
<b>NPAT</b>	9.2	9.8	6.50%	Earnings beat, helped by higher gross profit and no repeat impairment.

Source: KGI Research

Despite the FY2026 beat, our FY2027 and FY2028 forecasts are not raised materially. FY2027 revenue is forecast at US\$62.6m, reflecting a flatter Bukit Besi volume profile and ASP normalisation. FY2028 revenue is forecast at US\$67.8m, with the first 40,000 DMT contribution from Mengapur iron ore. Gross margin is expected to stay in the mid-to-high 50% range, supported by operating efficiency but capped by cost inflation and reinvestment spending.

## Valuation and Price Target

We derive our **S\$0.26** TP using a blended methodology, averaging an updated DCF valuation and an EV/resource valuation, each weighted at 50%. The downgrade to NEUTRAL reflects modest upside to our revised fair value and a less compelling near-term catalyst set after FY2026 outperformance is now reflected in the model.

**DCF Analysis.** Our DCF yields an equity value of US\$88.6m, or **US\$0.17** per share. We assume a **WACC of 8.8%** and **terminal growth of 2.0%**. The DCF reflects FY2027 to FY2031 revenue of US\$62.6m to US\$70.6m, FCF recovery from US\$0.9m in FY2027 to US\$7.4m in FY2031, and capex assumptions that remain elevated in the near term as Fortress continues investing in Bukit Besi integration, Mengapur pilot development and broader expansion projects.

**Table 1: Free Cash Flow Calculations (REVISED)**

Free Cash Flow Calculation (US\$)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
	02/28/2024	02/28/2025	02/28/2026	02/28/2027	02/28/2028	02/28/2029	02/28/2030
Earnings before Income Tax	10.7	13.9	12.3	13.6	14.2	14.8	13.5
Add: Interest	0.2	0.2	0.3	0.3	0.3	0.3	0.3
<b>Operating Profit (EBIT)</b>	<b>10.8</b>	<b>14.2</b>	<b>12.6</b>	<b>13.9</b>	<b>14.5</b>	<b>15.1</b>	<b>13.9</b>
Less: Tax	(4.7)	(4.1)	(3.8)	(4.3)	(4.6)	(4.6)	(4.2)
Add: Depreciation & Amortisation	5.3	5.1	5.1	5.5	5.6	5.8	5.7
Less: Changes in working capital	(0.6)	4.2	1.0	(1.6)	(0.5)	(0.5)	0.0
Less: Capital Expenditures	(6.3)	(18.9)	(14.0)	(10.0)	(8.0)	(8.0)	(8.0)
<b>FCFF</b>	<b>4.4</b>	<b>0.4</b>	<b>0.9</b>	<b>3.5</b>	<b>7.1</b>	<b>7.8</b>	<b>7.4</b>
<b>Terminal Value</b>							<b>110.6</b>
<b>Total FCFF</b>	<b>4.4</b>	<b>0.4</b>	<b>0.9</b>	<b>3.5</b>	<b>7.1</b>	<b>7.8</b>	<b>118.0</b>
Period		-	1.0	2.0	3.0	4.0	5.0
Discount Factor		-	0.9	0.8	0.8	0.7	0.7
<b>PV FCFF (US\$)</b>			<b>0.9</b>	<b>3.0</b>	<b>5.5</b>	<b>5.6</b>	<b>77.3</b>

Source: KGI Research

**EV/Resource Approach.** Our EV/resource valuation yields US\$124.5m of equity value, or **US\$0.24** per share. We apply a US\$2.8/t EV/resource multiple to a 45.78m tonne resource base, implying enterprise value of US\$128.2m. After adding cash of US\$14.6m and deducting total debt of US\$18.3m, we derive equity value of US\$124.5m. We keep the multiple unchanged from our prior reset, as Mengapur's 21-year concessionaire mining right reduces regulatory uncertainty, but commercial monetisation remains unproven.

**Table 3: Our Blended Valuation**

Valuations			
Discount Cash Flow (US\$)	EV/Resource Valuation (US\$)		
Terminal Growth Rate	2.0%	Industry Average EV/Resource	2.8
Expected Return/ WACC (%)	8.8%	Resource	45,780,000.0
Sum of PV FCFF	<u>93,412,381.1</u>	Implied Enterprise Value	<u>128,184,000.0</u>
Plus: Net Debt	3,662,611.0	Plus: Cash	14,612,467.0
Implied Equity Value	<u>89,749,770.1</u>	Less: Total Debt	(18,275,078.0)
Diluted Shares	523,316,100	Implied Equity Value	<u>124,521,389.0</u>
Implied Share Price (US\$)	<u>0.17</u>	Diluted Shares	523,316,100
		Implied Share Price (US\$)	<u>0.24</u>

Blended Valuation Approach (US\$)			
	TP	Percentage (%)	Weighted TP
Discounted Cash Flow (DCF)	0.17	50%	0.17
EV/Resource Multiple	0.24	50%	0.24
Blended 12m-TP (US\$)			0.20
FX Rate (USD to SGD)			1.27
Blended 12m-TP (S\$)			0.26
Upside (Excluding Dividends)			0.0%

Source: KGI Research

## Key Risks & Catalysts

**Iron ore price volatility.** Fortress remains highly exposed to IODEX and realised ASP. A stronger iron ore cycle, supply disruptions, stronger China steel demand or better grade premiums could lift earnings materially. Conversely, a weaker IODEX path would pressure revenue and margins.

**Mengapur execution risk.** Positive catalysts would include successful pilot plant results, saleable concentrate, offtake announcements and clearer commercial production milestones. Downside risks include technical issues in recovery rates, slower ramp-up, capex overruns or delays in integrated plant development.

**Bukit Besi operational risk.** FY2026 volume delivery was strong, but sustaining c.720k DMT per year requires stable ore access, equipment availability, mine sequencing, customer drawdown and weather conditions. Higher stripping activity or lower grades could pressure unit costs.

**New project upside and dilution of focus.** Seri Bandi could provide an additional iron ore growth leg, with the company targeting commencement of iron ore concentrate production by FY2027 and designed throughput capacity of approximately 600,000 tonnes per annum. However, we have not included a meaningful contribution in our base case until there is greater visibility on commissioning and product quality.

**Balance sheet and capital allocation.** Cash increased to US\$14.6m as at FY2026, but total debt remains meaningful and capex requirements across Bukit Besi, Mengapur and Seri Bandi could constrain FCF and dividend growth. More disciplined capex phasing or faster operating cash flow recovery would be positive.

## Financial Summary

FYE February					
<b>Income Statement</b>	<b>2025</b>	<b>2026</b>	<b>2027F</b>	<b>2028F</b>	<b>2029F</b>
<b>Revenues</b>	<b>56.3</b>	<b>64.3</b>	<b>62.6</b>	<b>67.8</b>	<b>69.7</b>
Cost Of Goods Sold	(22.9)	(26.9)	(27.3)	(29.4)	(30.0)
<b>Gross Profit</b>	<b>33.4</b>	<b>37.3</b>	<b>35.4</b>	<b>38.4</b>	<b>39.6</b>
Selling General & Admin Exp.	(7.7)	(9.5)	(9.2)	(10.0)	(10.3)
Other Operating Expense/(Income)	(15.0)	(13.0)	(13.1)	(14.2)	(14.6)
Interest Income and Others	(0.1)	(0.9)	(0.7)	(0.7)	(0.6)
<b>Profit Before Income Tax</b>	<b>10.7</b>	<b>13.9</b>	<b>12.3</b>	<b>13.6</b>	<b>14.2</b>
Income Tax Expense	(4.7)	(4.1)	(3.8)	(4.3)	(4.6)
<b>Net Income</b>	<b>5.9</b>	<b>9.8</b>	<b>8.6</b>	<b>9.3</b>	<b>9.7</b>
<b>Balance Sheet</b>	<b>2025</b>	<b>2026</b>	<b>2027F</b>	<b>2028F</b>	<b>2029F</b>
Cash and cash equivalents	7.9	14.6	12.4	20.2	29.0
Inventories	6.5	10.1	8.4	9.1	9.3
Trade receivables	6.2	2.5	4.3	4.6	4.8
Other receivables, deposits and prepayments	8.0	9.1	8.3	9.0	9.3
Other current assets	1.8	0.6	0.6	0.6	0.6
<b>Total current assets</b>	<b>30.4</b>	<b>37.1</b>	<b>34.1</b>	<b>43.6</b>	<b>52.9</b>
Property, plant and equipment	70.0	95.0	93.2	91.3	89.4
Other non-current assets	3.2	3.8	3.8	3.8	3.9
<b>Total non-current assets</b>	<b>73.2</b>	<b>98.8</b>	<b>97.0</b>	<b>95.2</b>	<b>93.3</b>
<b>Total assets</b>	<b>103.6</b>	<b>135.8</b>	<b>131.2</b>	<b>138.8</b>	<b>146.2</b>
Trade Payables	1.9	1.3	1.6	1.7	1.8
Other Payables and Accruals	10.3	13.9	13.9	13.9	13.9
Bank Borrowings & Lease Liabilities	3.6	11.5	0.7	0.7	0.0
Other current liabilities	0.1	0.1	0.1	0.1	0.1
<b>Total current liabilities</b>	<b>15.8</b>	<b>26.8</b>	<b>16.3</b>	<b>16.4</b>	<b>15.8</b>
Bank Borrowings & Lease Liabilities	2.7	6.8	6.1	5.5	5.5
Other non-current liabilities	5.9	7.2	6.8	7.4	7.7
<b>Total non-current liabilities</b>	<b>8.5</b>	<b>14.0</b>	<b>12.9</b>	<b>12.9</b>	<b>13.2</b>
<b>Total liabilities</b>	<b>24.4</b>	<b>40.8</b>	<b>29.2</b>	<b>29.3</b>	<b>29.0</b>
Share capital	29.0	29.0	29.0	29.0	29.0
Other Reserves	7.7	(1.6)	(1.6)	(1.6)	(1.6)
Retained Earnings	58.3	66.2	73.1	80.7	88.4
<b>Equity Attributable to owners of the Company</b>	<b>79.5</b>	<b>96.8</b>	<b>103.7</b>	<b>111.3</b>	<b>119.0</b>
Non-Controlling Interest	(0.3)	(0.5)	(0.5)	(0.5)	(0.5)
<b>Total Equity</b>	<b>79.2</b>	<b>96.3</b>	<b>103.3</b>	<b>110.8</b>	<b>118.5</b>
<b>Total Liabilities and Equity</b>	<b>103.6</b>	<b>137.2</b>	<b>132.5</b>	<b>140.1</b>	<b>147.5</b>
<b>Cash Flow</b>	<b>2025</b>	<b>2026</b>	<b>2027F</b>	<b>2028F</b>	<b>2029F</b>
<b>Profit Before Income Tax</b>	<b>10.7</b>	<b>13.9</b>	<b>12.3</b>	<b>13.6</b>	<b>14.2</b>
Depreciation & Amort.	5.3	5.1	5.1	5.5	5.6
Other Operating Cash Flows Adjustments	2.3	(0.8)	0.2	0.1	0.1
<b>Operating cash flows before WC changes</b>	<b>18.2</b>	<b>18.2</b>	<b>17.6</b>	<b>19.2</b>	<b>19.9</b>
Change in working capital	(0.6)	4.2	1.0	(1.6)	(0.5)
<b>Cash Generated from Operations</b>	<b>17.6</b>	<b>22.4</b>	<b>18.6</b>	<b>17.7</b>	<b>19.4</b>
Income tax paid	(4.4)	(3.4)	(3.8)	(4.3)	(4.6)
Income tax refunded	0.0	0.1	–	–	–
<b>Cash flows from operations</b>	<b>13.2</b>	<b>19.1</b>	<b>14.9</b>	<b>13.4</b>	<b>14.8</b>
Capital expenditure	(3.4)	(10.9)	(3.3)	(3.6)	(3.7)
Acquisition of a subsidiary	–	(2.5)	–	–	–
Proceeds from disposal of plant and equipment	0.5	0.3	–	–	–
Other investing cashflow	0.8	1.3	0.3	0.3	0.3
<b>Cash flows from investing</b>	<b>(2.1)</b>	<b>(11.8)</b>	<b>(3.1)</b>	<b>(3.3)</b>	<b>(3.4)</b>
Repayment of bank borrowings	(7.3)	(4.4)	(11.4)	(0.6)	(0.6)
Interest paid on bank borrowings	(0.6)	(0.6)	(0.4)	(0.4)	(0.4)
Repayment of principal portion of lease liabilities	(1.0)	(0.1)	(0.1)	(0.0)	(0.0)
Repayment of interest portion of lease liabilities	–	–	–	–	–
Dividends paid	(2.4)	(1.9)	(1.6)	(1.8)	(2.0)
Other financing cashflow	2.0	6.8	(0.4)	0.6	0.3
<b>Cash flows from financing</b>	<b>(9.3)</b>	<b>(0.2)</b>	<b>(14.0)</b>	<b>(2.2)</b>	<b>(2.7)</b>
<b>Net increase in cash</b>	<b>1.8</b>	<b>7.2</b>	<b>(2.2)</b>	<b>7.8</b>	<b>8.7</b>
Effect of Exchange Rate Changes	0.3	0.8	–	–	–
Cash and Cash Balance BOP	5.7	7.9	14.6	12.4	20.2
<b>Cash and Cash Balance EOP</b>	<b>7.9</b>	<b>14.6</b>	<b>12.4</b>	<b>20.2</b>	<b>29.0</b>
<b>KEY RATIOS</b>	<b>2025</b>	<b>2026</b>	<b>2027F</b>	<b>2028F</b>	<b>2029F</b>
DPS (SGD cents)	0.46	0.36	0.39	0.43	0.48
Dividend yield (%)	1.8%	1.4%	1.5%	1.7%	1.8%
NAV per share (SGD cents)	19.2	23.4	25.1	26.9	28.8
Price/NAV (x)	1.4	1.1	1.0	1.0	0.9
<b>Profitability</b>					
EBITDA Margin (%)	29.1%	30.2%	28.1%	28.4%	28.6%
Gross Profit Margin (%)	59.3%	58.1%	56.4%	56.7%	56.9%
Net Profit Margin (%)	10.6%	15.2%	13.7%	13.8%	13.9%
ROE (ex. Property FV gain) (%)	7.5%	10.2%	8.3%	8.4%	8.2%
ROA (ex. Property FV gain) (%)	5.7%	7.1%	6.5%	6.7%	6.5%
<b>Financial Structure</b>					
Interest Coverage Ratio (x)	18.8	24.6	28.9	35.1	40.7
Net Debt/ (Net Cash) Gearing Ratio (%)	(2.1%)	3.8%	(5.5%)	(12.7%)	(19.8%)

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<b>Rating</b>	<b>Definition</b>
<b>Outperform (OP)</b>	We take a positive view on the stock. The stock is expected to outperform the expected total return of the KGI coverage universe in the related market over a 12-month investment horizon.
<b>Neutral (N)</b>	We take a neutral view on the stock. The stock is expected to perform in line with the expected total return of the KGI coverage universe in the related market over a 12-month investment horizon.
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<b>Not Rated (NR)</b>	The stock is not rated by KGI Securities.
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