nra capital

Uni-Asia Holdings Limited

Company note
11 January 2016

Overweight

Current Price	**S$1.095**
Fair Value	S$1.495
Up / (downside)	36.5%

Stock Statistics

Market cap	S$51.4m
52-low	S$1.075
52-high	S$1.700
Avg daily vol	12,881
No of share	46.98m
Free float	51.54%

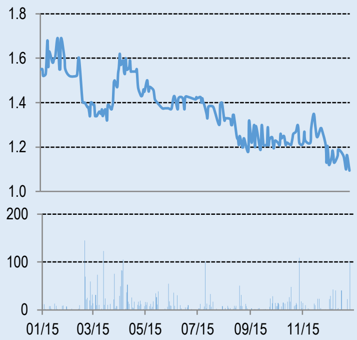
Key Indicators

ROE 15F	2.0%
ROA 15F	1.1%
P/BK	0.26x
Net gearing	94.2%

Major Shareholders

Yamasa Co., Ltd	33.5%
Evergreen Int. S.A.	10.0%

Historical Chart



Source: Bloomberg

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4Q15 to Outperform 3Q15

- **Stable earnings profile outperforms industry.** We recently undertook a cursory review of the dry bulk shipping sector. Uni-Asia Holdings Limited (Uni-Asia) caught our attention for being the only company with more than five consecutive years of profitability from 2010 to 9M2015 – an impressive feat given declining dry bulk rates. In contrast, the average dry bulk company in our peer set has lost 10% to 20% of equity each year since 2012.
- **Investment in niche handysize segment pays off.** Uni-Asia traditionally co-invests in shipping (and other) assets with partners and other investors to earn structured financing and asset management fees. Since 2010, Uni-Asia has been progressively acquiring bulk carriers on its balance sheet to earn charter fees, focusing on only handysize vessels of 37,000 DWT or less. Uni-Asia's strategy is now paying off as the handysize segment has proved to be resilient in this downturn, with the Baltic Exchange Handysize Index dropping by 3.8% points less than the Baltic Exchange Supramax Index during 2015 and the first week of 2016.
- **Diversified services company focused on the shipping and property sectors.** In fact, Uni-Asia is an investment, finance arrangement and management services company focused on the shipping and property sectors. It manages a shipping fund and various joint ship investment companies co-owned with partners, owns and co-invests in properties in Hong Kong, China and Japan, and even operates a chain of hotels in Japan. These non-shipping related businesses generated more than 50% of its revenue in 9M15 and helps to provide overall earnings stability.
- **High cash generation to maintain dividends.** Although Uni-Asia's net gearing is relatively high at 94.2% of common equity, the company has demonstrated strong cash generating ability with positive net operating cash flow over each of the last five years (cumulative net operating cash flow to net profit of 1.7x). As a result, Uni-Asia started paying dividends of 5.0 cents for FY12, and 6.25 cents for each of FY13 and FY14. We expect Uni-Asia to maintain its dividend of 6.25 cents for 2015 to yield 5.7% over its current share price, given strong projected cash flows.
- **Trading at attractive valuation. Likely to revert to profitability for 4Q15.** At S$1.095, Uni-Asia trades at just 0.26x FY15F NAV of US$2.94 per share (@USDSGD rate of 1.44). While some companies trade at as low as 0.1x P/BV, profitable dry bulk peers trade at 0.36x to 0.52x P/BV. We hold the view that Uni-Asia is potentially undervalued. On balance, we see a valuation of 0.353x P/BV or 80% of the profitable dry bulk peer average of 0.441x as reasonable, translating to a value of **S$1.495** per share or 36.5% upside. We also highlight that the company is likely to revert to profitability for 4Q15, versus a loss in 3Q15, on the back of investment gains.

Key Financial Data (Rmb m, FYE Dec)	**2013**	**2014**	**2015F**	**2016F**	**2017F**	**2018F**
Sales	73.88	67.13	75.97	84.85	94.36	101.43
Gross Profit	10.54	5.61	8.06	10.28	12.22	15.67
Net Profit	5.45	2.15	2.71	3.14	3.31	5.43
EPS (cents)	11.60	4.58	5.77	6.69	7.06	11.56
EPS growth (%)	58.8	-60.5	26.1	16.0	5.4	63.9
PER (x)	7.55	18.89	13.82	11.60	11.01	6.72
NTA/share (cents)	2.97	2.92	2.94	2.96	2.99	3.05
DPS (cents)	6.25	6.25	6.25	6.50	7.00	8.00
Div Yield (%)	5.71	5.71	5.71	5.94	6.39	7.31

Source: Company, NRA Capital forecasts

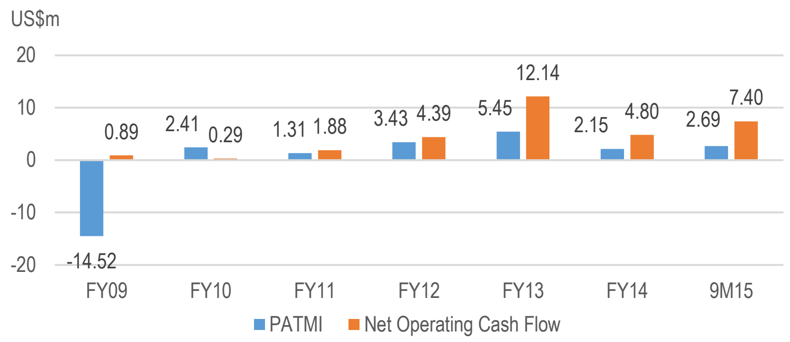
Stable Earnings Profile in Spite of Challenges

Stable earnings and cash flows in spite of challenges in shipping industry. Since suffering two years of losses in FY08 and FY09, Uni-Asia has successfully turned around with close to six consecutive years of profitability from FY10 to 9M15. While return on equity has averaged at 2.5% per annum during the same period, Uni-Asia's earnings profile is impressive given that the average bulk carrier company has been losing money since 2012.

In our sample of 15 peers excluding Uni-Asia, there were 11 companies with positive returns in 2010. By 9M15, only two companies delivered positive return on equity of 1.2% and 3.2% in the latest reported period. In contrast, Uni-Asia's return on equity was a high of 3.8% on average across the last three quarters.

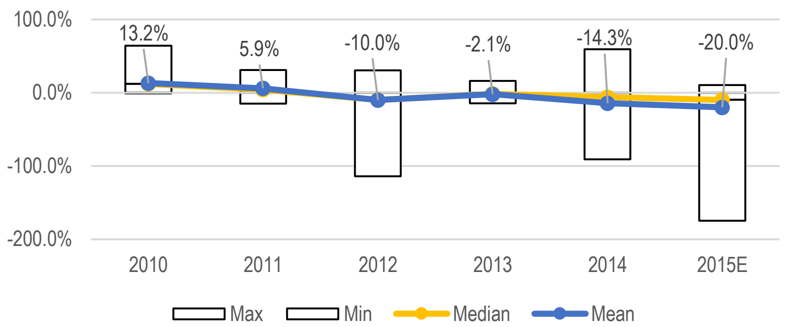
Moreover, Uni-Asia's current share price is not challenging and works out to earnings yield of 7.5% based on 9M15 net profit attributable to shareholders of US$2.7m and market capitalization of about US$35.7m. Hence, the company's return on book value has been factored into its share price.

Profit Attributable to Shareholders and Net Operating Cash Flow, Uni-Asia



Source: Company, NRA Capital

Return on Average Equity of Dry Bulk Peer Set (excl. Uni-Asia)

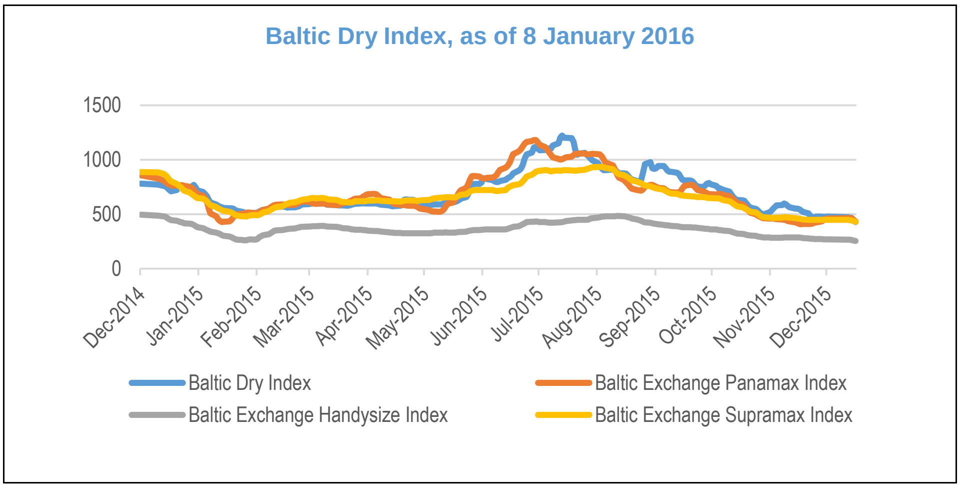


2015E refers to average quarterly or semi-annual ROE in 9M15.

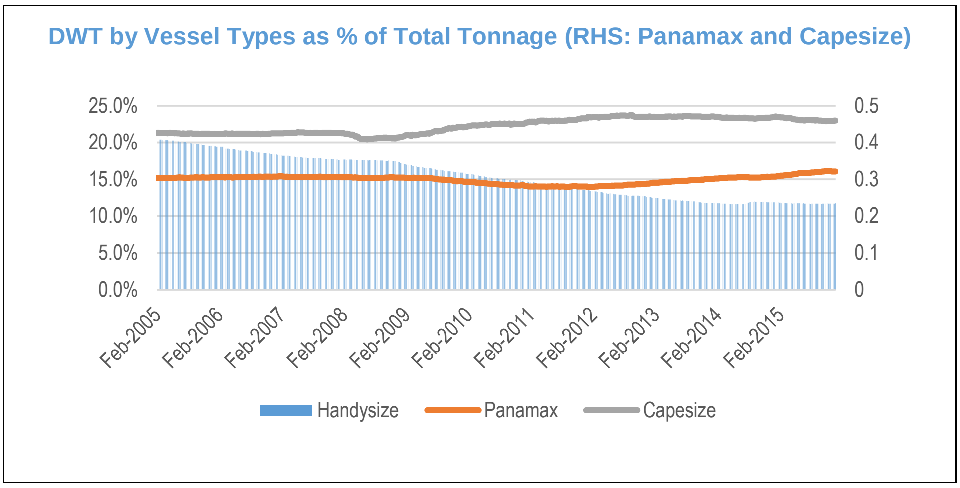
Source: Bloomberg, NRA Capital

Handysize Segment Shows Resilience in Adversity

Handysize vessels less affected by lower rates. Since the beginning of 2015, the Baltic Exchange Supramax Index has fallen by 51.4%, versus 47.5% for the Baltic Exchange Panamax and Handysize Indices. Latest data suggests that the supply of Handysize remains relatively tight, at about 11.7% of total bulk carrier tonnage in service. On the other hand, Panamax and Capesize vessels' DWT amounted to 32.1% and 46.0% of the total DWT in service of 673.7m DWT. Anecdotally, we have also observed that the larger bulk carrier companies are usually selling their Panamax and Capesize vessels. To the contrary, other shippers focused on the handysize segment, such as Pacific Basin, appears to be doing better as rates stay relatively more defensive for this business.



Source: Bloomberg, NRA Capital



Source: Bloomberg, NRA Capital

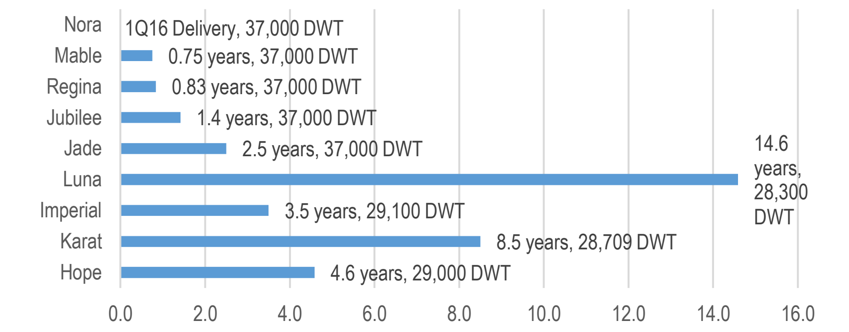
Bigger is no longer better. As early as February 2005, handysize vessels accounted for about 20% of tonnage, versus 30.3% and 42.7% for Panamax and Capesize vessels. As shippers focused on fuel efficiency, larger vessels were increasingly built to replace small vessels during the last decade. The then growing long distance China resources trade also increased demand for large scale bulk carriers designed to call at major ports across oceans. Today, the situation has reversed as global demand has slowed, leading to excess capacity in the larger vessels types.

On the other hand, handysize vessels, being smaller, are typically used to service regional routes, including shipments to smaller and shallower ports that cannot accommodate large vessels. Demand for short distance routes within the rest of Asia is more stable and is less affected by the slowing of demand from China.

Another factor in favour of handysize vessels is that low bunker fuel costs today means that charterers are now more willing to take routes that previously would not have been cost effective using the small load capacity of handysize vessels. For instance, a charterer may charter a handysize vessel to ship directly from source to destination, rather than consolidate cargoes for shipment via a large vessel to a hub for transhipment to the respective destinations.

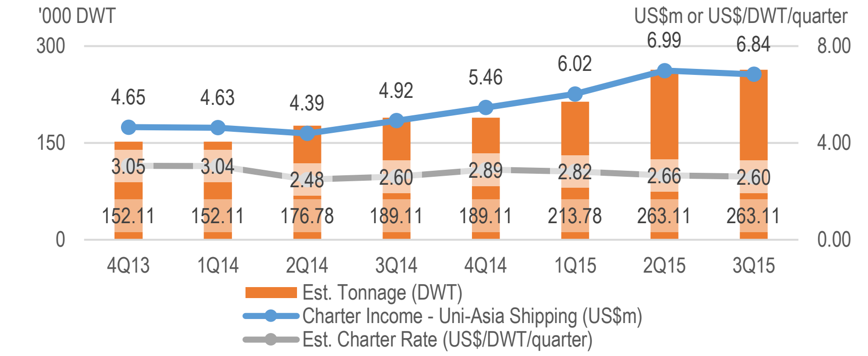
New Japanese built ships likely commanded premium. As of November 2015, all eight of Uni-Asia's bulk carriers have been chartered out. One more vessel is due to be delivered by 1Q16 and its charter has already been fixed. All of these nine ships are built or being built by Japanese shipyards, with the eight ships having a weighted average age of 4.2 years old – six of them are less than five years old. New vessels and ships built by Japanese yards are generally viewed to have higher reliability, longevity, fuel efficiency and value retention, and hence should command a premium over other ships. In addition, Uni-Asia's growing fleet of vessels over time has helped to add scale to its charter income and contribute towards profitability even as rates decline.

List of Bulk Carriers Majority Owned by Uni-Asia, Excluding Co-Investments



Source: Company, NRA Capital

New vessels and resilient charter rates have raised charter income at Uni-Asia



Source: Company, NRA Capital

Uni-Asia Holdings Limited

Diversified Businesses Provide Counter-Cycle Effect

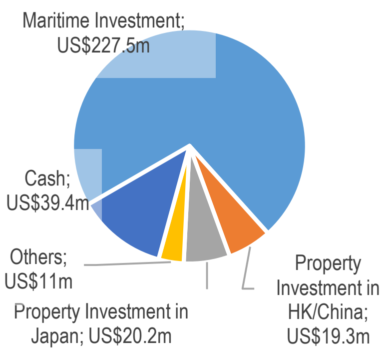
Value-added shipping related services. Uni-Asia has a total of four business units. The shipping business **Uni-Asia Shipping** owns and charters its ships to third parties, and also provides ship commercial management services. Other shipping related services such as brokerage services for the sale and purchase of ships, ship structured finance arrangement services are provided at the corporate level under **Non-Consolidated Uni-Asia** (NCUA).

Investment/asset management (I&AM) of properties. NCUA also provides similar advisory, agency and finance arrangement services for property projects outside of Japan. It currently owns and co-invests in two properties in China and Hong Kong. Corporate overheads are also accounted under NCUA.

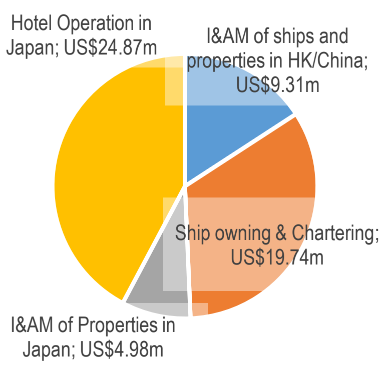
Japan property business. In Japan, Uni-Asia's interests include investments in the development of small residential property projects of ten to 30 units each. Completed projects are either sold or leased out, depending on the capital appreciation potential of each project. This business was started in 2011/2012 and Uni-Asia has since completed 11 such projects and has another six projects pending completion in 2016. This business has been quite profitable for Uni-Asia, with **Uni-Asia Capital (Japan)** contributing net profit of US$3.36m in 9M15. Services provided by Uni-Asia Capital (Japan) include property investment, asset management and project/construction management services.

Hotel operation. Uni-Asia Hotels operates nine hotels in Japan with a total of 1,379 rooms. In 2016, Uni-Asia Hotels is expected to add 238 rooms to its portfolio following the opening of Hotel Vista Sendai in the Tohoku area and 232 rooms in 2017 after the opening of Hotel Vista Premio Yokohama Minato-Mirai.

Uni-Asia's Asset Allocation, 9M15



Revenue Mix, 9M15



Source: Company, NRA Capital

Started off in vessel structured finance arrangement… The above businesses, excluding Uni-Asia Shipping, generated 65% of total revenue in 9M15. However, maritime investments accounted for 72% of Uni-Asia's total assets. This unique mix of businesses can be traced back to Uni-Asia's history. The company was founded in March 1997 to arrange structured finance transactions for companies mainly in the shipping industry. Subsequently, it expanded to include investment in alternative assets such as real estate in 1998. To strengthen its income base and leveraging on its experience in the shipping industry, Uni-Asia expanded from co-investing to owning dry bulk carriers in 2010 with the order of its first 29,000 DWT ship which was delivered in 2011, thus extending the company's presence in the shipping business.

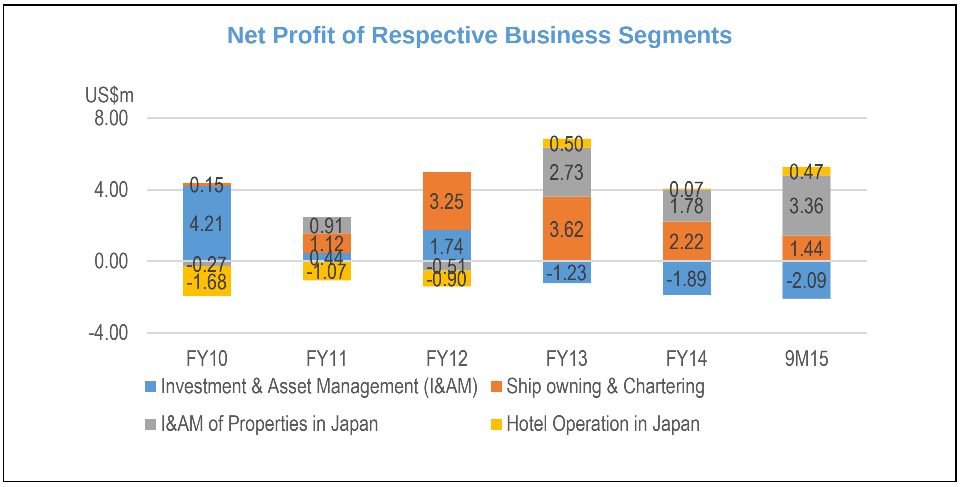
Today, integrated services provider. Viewed holistically, Uni-Asia can be seen as an investment company and integrated services provider. Its ship and property brokerage, structured finance arrangement and management services translate to a one-stop source-finance-invest-and-manage solution for itself and its investor clients.

The hotel operation business was actually founded as part of Uni-Asia's hotel asset management business in the earlier years. Except for one hotel with a book value of US$6.8m as of 31 December 2014, Uni-Asia has since harvested its hotel asset investments, thus retaining the hotel operation business with the "Hotel Vista" brand name. Currently, we gather that Uni-Asia plans to scale up the hotel operation business to raise its profitability, before any move can be made to monetize this business.

Future plans focused on shipping and property. Going forward, we expect Uni-Asia to focus on the shipping and property businesses. Brokerage and arrangement fees will continue to provide additional upside for the company, while ship investment and chartering, property development and rental, and management services across both sectors, will provide stable growing recurring income for the group.

We highlight that the company is still expanding its handysize vessel fleet; albeit via joint investment vehicles. In addition to the majority owned Nora bulk ship to be delivered in 1Q16, Uni-Asia will be taking delivery of three co-invested bulk carriers over 2Q16, 1Q18 and 1H19. The co-investment structure will reduce the capital requirements of Uni-Asia and raise returns by having them commercially managed by Uni-Asia.

We also noticed that Uni-Asia has incorporated a new subsidiary Uni-Prosperous Capital Investment Limited in Hong Kong on 2 December 2015, with the purpose of investing in property projects. Hence, a new project may be in the works.



Source: Company, NRA Capital

Financial Highlights

FYE Dec (US$ m)	3Q15	3Q14	yoy % chg	2Q15	qoq % chg	FY14	FY13	yoy % chg
Revenue	19.5	16.4	*18.6*	17.0	*14.5*	61.1	63.7	*-4.1*
Operating costs	(15.0)	(14.4)	*4.3*	(13.8)	*9.1*	(54.7)	(57.1)	*-4.2*
EBITDA	4.5	2.0	*119.7*	3.3	*37.3*	6.4	6.6	*-3.1*
EBITDA margin (%)	*23.0%*	*12.4%*		*19.1%*		*10.5%*	*10.4%*	
Depn & amort.	(2.7)	(1.6)	*70.1*	(2.3)	*16.4*	(6.1)	(5.3)	*15.4*
EBIT	1.8	0.4	*302.1*	0.9	*90.5*	0.3	1.4	*-75.2*
Interest expense	(1.2)	(0.6)	*88.6*	(1.8)	*-32.8*	(2.4)	(4.7)	*-50.1*
Interest & invt inc	(1.6)	0.5	*NM*	4.8	*-133.0*	5.3	9.2	*-42.6*
Associates' contrib	0.0	0.0		0.0		0.0	0.0	
Exceptionals	0.0	0.0		0.0		0.0	0.0	
Pretax profit	**(1.0)**	**0.3**	*NM*	**3.9**	*NM*	**3.2**	**5.8**	*-44.1*
Tax	(0.1)	(0.0)	*NM*	(0.0)	*167.5*	(1.1)	(0.2)	*NM*
Tax rate (%)	NM	-9.0%		-1.0%		NM	NM	
Minority interests	(0.2)	(0.0)	*NM*	(0.1)	*95.6*	0.0	(0.2)	*-121.8*
Net profit	**(1.3)**	**0.2**	*NM*	**3.8**	*NM*	**2.2**	**5.4**	*-60.5*
EPS (cts)	(2.8)	0.6		8.1		4.6	11.6	

Source: Company, NRA Capital

Stripping away investment losses, underlying income show stable growth. Revenue in the context of the table above refers to Uni-Asia's charter, fee and hotel income. Investment returns, interest income and other income have been adjusted to "interest & invt inc", in line with our usual format of analysis. The results show that Uni-Asia has managed to grow its recurring and fee income base by 18.6% year-on-year to US$19.5m in 3Q15.

EBITDA margin doubled. EBITDA margin was also particularly strong in 3Q15, at 23%, versus 12.4% a year ago and 10.5% for the whole of FY14. The high EBITDA margin is evidence of cost saving efforts by the company to increase profitability.

Investment losses dragged on overall profitability. However, the company's reported profit before tax and net profit after non-contributing interests slipped to losses of US$1.0m and US$1.3m respectively after taking into account investment losses of US$1.6m, mainly from fair value losses arising from the company's unlisted interests in ships. Net foreign exchange loss was less than US$0.1m, and no impairment loss on PPE was recorded for the quarter.

Business units generally profitable, except for Non-Consolildated Uni-Asia. According to the 3Q15 results presentation slides, the group was profitable for both Uni-Asia Shipping and Uni-Asia Hotels. Uni-Asia Capital (Japan) and Uni-Asia Investments lost about US$1k in 3Q15, but made US$3.36m for the nine months to September 2015. Hence, all these three units can be viewed as profitable. This is significant as Uni-Asia Hotels has been loss making previously.

Uni-Asia Shipping made only US$10k after tax, due to US$0.4m of fair value losses from interest rate swaps used to hedge against potentially higher rates. On a nine month basis, Uni-Asia Shipping made US$1.4m of net profit.

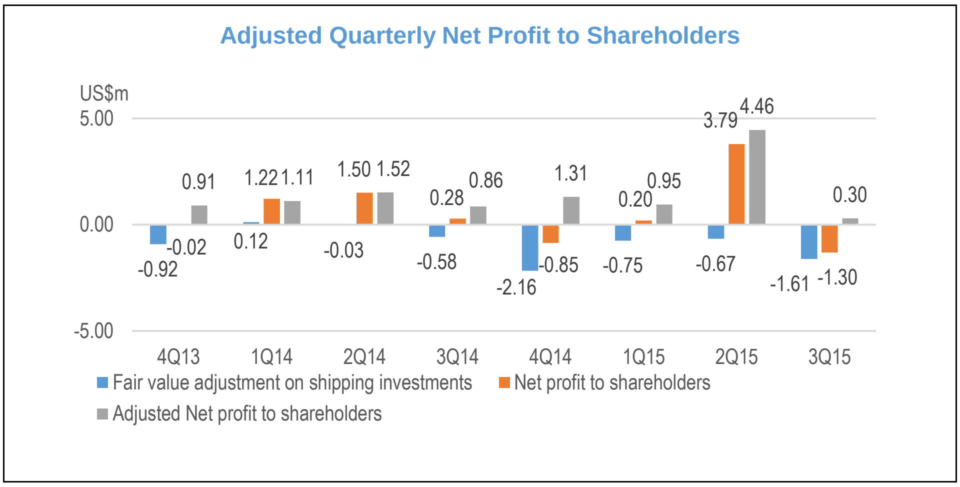
Losses were mainly accrued by Non-Consolidated Uni-Asia which suffered fair value losses from the shipping investments of the group, as well as from the expensing of corporate overheads and other costs to NCUA.

Key Risks

Asset impairment risk, albeit offset by investment gain from property. According to industry sources, the premium between new built and used bulk vessels have widened in 2015. Data compiled in December suggests that a new Chinese built handysize 35,000 DWT ship is priced at about US$19m to US$21m, while a five-year-old Japanese built vessel goes for about US$10m to US$11m. We noted that Uni-Asia incurred impairment charges of US$0.55m and US$0.68m on the book value of its vessels for FY13 and FY14 respectively. In comparison, the Baltic Exchange Handysize Index actually rose by 79.2% in 2013 and fell by 38.2% in 2014. Given that the same index fell by more than 40% in 2015, we arbitrarily assumed an impairment charge of US$0.8m on PPE for FY15 to be conservative. However, full year investment returns of US$4.0m are expected to offset the impairment charge. We expect the sale of completed small residential property projects to result in a net positive investment gain of US$1.6m in 4Q15.

Other than the eight bulk ships and one containerships that are majority or wholly owned by Uni-Asia (and accounted as PPE), the company also invests in securities that represent minority stakes in a number ships including containership ships, product tankers and bulk carriers. From time to time, the company may suffer investment losses from these securities as their fair values are written down with lower charter rates. These investment losses have led to overall losses in certain quarters, even though the company was profitable on a full year basis. Such was the case in 3Q15 even though the company had actually reported stronger underlying profitability.

The chart below shows the net profit attributable to shareholders each quarter for Uni-Asia and fair value adjustment in relation to shipping investments. In the absence of these adjustments, the company is in reality profitable across the quarters shown.



Source: Company, NRA Capital

Ship management fees to offset lower charter rates. Previously, the addition of new vessels have helped to offset lower charter rates for majority owned bulk carriers. Going forward, the company is expected to add only one more majority owned bulkship in 1Q16, with three more co-investment ships to be delivered thereafter. Based on this pipeline, we gathered that charter income is likely to remain stable in 2016, with additional volume offsetting lower rates. However, growth will still be driven by ship management fees from the new ships.

Valuation and Recommendation

Steady pipeline of catalysts for growth. Just to recap, Uni-Asia will take delivery of

1) 1x 100% owned 37,000 DWT newbuilding bulk carrier in 1Q16
2) 1x joint investment 37,000 DWT bulk carrier in 2Q16
3) 1x joint investment 37,600 DWT bulk carrier in 1Q18
4) 1x joint investment 37,600 DWT bulk carrier in 1H19

By the end of 1Q16, Uni-Asia will own a total of 300,109 DWT of dry bulk (9x ships) and 3,500 TEU of containership (1x) capacity. Bulk carrier capacity held under joint investment vehicles and shipping fund will grow from 209,300 DWT (5x) now to 321,500 DWT (8x) by the end of 1H19, in addition to 15,600 TEU of containership (4x) and 97,094 DWT of product tanker (2x) capacity. In all, Uni-Asia will own or have interests in 17 bulk carriers, five containerships and two product tankers. Of the 17 bulk carriers, Uni-Asia will also commercially manage 14 of them.

Property business to drive investment upside. Total realized and fair value gains from office and small residential property projects were relatively low in 2015, at US$0.3m in 9M15. While Uni-Asia completed five small residential property projects in 2014, of which two of them were sold in 2Q15. Only two projects were completed in 2015 and are currently being leased. However, pace is expected to pick up in 2016, with five projects scheduled for completion in 2Q16 and 3Q16. As mentioned, we expect some investment gains from this business in 4Q15.

More upside in 2016/2017…Uni-Asia also owns 13.3% of a commercial office building project in Hong Kong, slated for completion in 2017. We can expect around US$5m to US$10m of gains from this project by then, based on the investment cost of US$10.4m and the returns from Uni-Asia's last project in Hong Kong.

The hotel operation business will also add 238 rooms in 2Q 2016 (or Spring 2016) following the opening of Hotel Vista Sendai. A second hotel Hotel Vista Premio Yokohama Minato-Mirai will open in Spring 2017 and thus add another 232 rooms to Uni-Asia Hotels' portfolio.

Recommendation. Based on the above catalysts, we form the view that Uni-Asia will most likely show stronger performance in 2016 and 2017. We expect the company to remain profitable for the whole of 2015, with marginal profitability in 4Q15 as operating profits and investment gains offset losses arising from the write down of shipping investments and ship values. Looking beyond the immediate results, we assign Uni-Asia a rating of Overweight. Pegging its valuation at 0.353x FY15F book value based on 80% of selected peer average of 0.441x, we derive a value of S$1.495 per share.

This company note provides a quick overview of our findings and on Uni-Asia. In a subsequent initiation report, we will take a closer look at the shipping industry and Uni-Asia's property and hotel operation businesses, as well as explain more about our forecasts.

Peer Comparison

Company Name	Primary Exchange	Mkt Cap (S$m)	P/BV	T12 Return on Common Equity	Net Income (S$m)*	Net Op Cash Flow (S$m)*
Uni-Asia Holdings Limited	**SG**	51.44	**0.26**	**2.5%**	**-7.3**	**28.32**
D/S Norden A/S	DK	962.35	0.52	-15.7%	56.0	-19.09
Pacific Basin Shipping Ltd	HK	520.47	0.36	-17.1%	15.5	122.35
Average (Norden&Pacfic Basin)		**741.4**	**0.44**	**-16.4%**	**35.8**	**51.6**
Diana Shipping Inc	US	411.68	0.24	-4.3%	-96.8	45.55
Scorpio Bulkers Inc	US	202.18	0.11	-23.9%	-100.5	-29.57
Golden Ocean Group Ltd	US	181.72	0.10	-13.9%	-226.4	12.74
Malaysian Bulk Carriers Bhd	MY	257.69	0.34	-3.6%	-19.5	-29.40
Star Bulk Carriers Corp	US	138.96	0.07	-12.7%	-233.6	7.91
Navios Maritime Holdings Inc	US	154.50	0.09	-7.8%	-122.8	114.85
Eagle Bulk Shipping Inc	US	146.59	0.17	-98.2%	-113.4	-36.06
Genco Shipping & Trading Ltd	US	132.39	0.08	-28.1%	-370.7	-53.22
Safe Bulkers Inc	US	55.39	0.06	-4.7%	-42.0	NA
Jinhui Shipping & Transportation Ltd	NO	91.98	0.08	-13.5%	-180.2	131.84
DryShips Inc	US	118.09	0.12	-141.5%	-4562.8	NA
Western Bulk ASA	NO	35.86	0.76	-85.4%	-96.9	-102.12
Goldenport Holdings Inc	LN	5.63	0.03	-25.6%	-39.6	2.40
Average (Diana – Goldenport)		**148.7**	**0.17**	**-35.6%**	**-477.3**	**5.90**

**Based on latest reported quarter or semi-annual period, annualized. Updated on 8 January 2016, except for Uni-Asia's market cap and P/BV which were extracted on 11 January 2016.*

Source: Bloomberg, NRA Capital

Uni-Asia Holdings Limited

Profit & Loss (US$ m, FYE Dec)	**2013**	**2014**	**2015F**	**2016F**	**2017F**	**2018F**
Revenue (total income less invt ret, interest & other income)	63.69	61.10	70.53	76.04	84.61	90.58
Operating expenses	-57.27	-54.66	-56.82	-61.36	-68.80	-73.36
EBITDA	6.43	6.43	13.71	14.68	15.81	17.22
Depreciation & amortisation	-5.28	-6.10	-9.73	-13.21	-13.33	-12.40
EBIT	1.15	0.34	3.98	1.47	2.47	4.82
Net interest & invt income	4.45	2.91	-0.76	2.89	2.12	2.69
Associates' contribution	0.00	0.00	0.00	0.00	0.00	0.00
Exceptional items	0.21	0.00	0.00	0.00	0.00	0.00
Pretax profit	**5.81**	**3.25**	**3.22**	**4.35**	**4.59**	**7.52**
Tax	-0.17	-1.14	-0.15	-0.65	-0.69	-1.13
Minority interests	-0.19	0.04	-0.35	-0.55	-0.58	-0.96
Net profit	**5.45**	**2.15**	**2.71**	**3.14**	**3.31**	**5.43**
Shares at year-end (m), based on post 10-1 consolidation	46.98	46.98	46.98	46.98	46.98	46.98

Balance Sheet (US$ m, as at Dec)	**2013**	**2014**	**2015F**	**2016F**	**2017F**	**2018F**
PPE	111.92	130.44	188.70	190.49	177.16	164.76
Intangible assets	0.07	0.07	0.07	0.07	0.07	0.07
Investments and other long-term assets	58.88	78.46	83.03	88.52	98.52	108.52
Total non-current assets	**170.88**	**208.97**	**271.80**	**279.08**	**275.75**	**273.35**
Cash and equivalents	54.94	41.51	35.79	31.14	38.05	49.10
Trade debtors	3.14	2.97	4.98	4.65	5.17	5.56
Prepayments, deposits and other receivables	2.50	2.84	4.45	4.45	4.45	4.45
Investments and other current assets	4.69	2.60	0.63	0.63	0.63	0.63
Total current assets	**65.27**	**49.92**	**45.84**	**40.87**	**48.30**	**59.74**
Trade creditors	2.46	2.42	2.54	3.06	3.38	3.52
Short-term borrowings	23.39	22.94	65.20	67.82	68.65	70.59
Other current liabilities	6.58	4.98	4.05	4.05	4.05	4.05
Total current liabilities	**32.43**	**30.34**	**71.79**	**74.93**	**76.07**	**78.16**
Long-term borrowings	62.74	87.87	104.16	101.73	102.97	105.88
Other long-term liabilities	0.76	2.26	2.00	2.00	2.00	2.00
Total long-term liabilities	**63.50**	**90.13**	**106.17**	**103.73**	**104.96**	**107.87**
Shareholders' funds	**139.70**	**137.41**	**138.06**	**139.11**	**140.24**	**143.32**
Minority interests	0.51	1.00	1.63	2.18	2.77	3.73
NTA/share (US$)	2.97	2.92	2.94	2.96	2.99	3.05
Total Assets	236.15	258.88	317.65	319.95	324.04	333.08
Total Liabilities + S'holders' funds	236.15	258.88	317.65	319.95	324.04	333.08

Cash Flow (US$ m, FYE Dec)	**2013**	**2014**	**2015F**	**2016F**	**2017F**	**2018F**
Pretax profit	5.81	3.25	3.22	4.35	4.59	7.52
Depreciation & non-cash adjustments	2.73	3.90	11.10	11.46	12.35	10.96
Working capital changes	3.81	-1.41	-5.13	0.86	-0.21	-0.24
Cash tax paid	-0.21	-0.94	-0.08	-0.65	-0.69	-1.13
Cash flow from operations	**12.14**	**4.80**	**9.10**	**16.01**	**16.04**	**17.11**
Capex	-32.58	-33.22	-59.40	-10.49	0.00	0.00
Net investments & sale of FA	22.03	-8.81	-8.05	-2.65	-1.65	-0.65
Others	15.02	5.87	-1.78	0.33	0.26	0.25
Cash flow from investing	**4.47**	**-36.17**	**-69.23**	**-12.81**	**-1.39**	**-0.40**
Debt raised/(repaid)	-11.06	24.68	58.56	0.18	2.06	4.85
Equity raised/(repaid)	0.00	0.00	0.00	0.00	0.00	0.00
Dividends paid	-1.90	-2.34	-2.22	-2.10	-2.18	-2.35
Others & exchange rate effects	0.65	-2.22	-4.41	-5.93	-7.63	-8.15
Cash flow from financing	**-12.31**	**20.12**	**51.93**	**-7.84**	**-7.75**	**-5.65**
Change in cash	4.30	-11.25	-8.19	-4.64	6.91	11.05
Change in net cash/(debt)	6.67	-38.12	-64.28	-4.83	4.84	6.20
Ending net cash/(debt)	-31.2	-69.3	-133.6	-138.4	-133.6	-127.4

KEY RATIOS (FYE Dec)	**2013**	**2014**	**2015F**	**2016F**	**2017F**	**2018F**
Revenue growth (%)	-17.6	-4.1	15.4	7.8	11.3	7.1
EBITDA growth (%)	-109.2	0.1	113.1	7.1	7.7	9.0
Pretax margins (% of Revenue)	9.1	5.3	4.6	5.7	5.4	8.3
Net profit margins (% of Revenue)	8.6	3.5	3.8	4.1	3.9	6.0
Effective tax rates (%)	-2.9	-35.1	-4.8	-15.0	-15.0	-15.0
Net dividend payout (%)	42.9	103.2	77.3	69.4	70.9	48.1
ROE (%)	3.9	1.6	2.0	2.3	2.4	3.8
Free cash flow yield (%)	46.5	-87.8	-168.3	9.0	41.0	46.8

Source: Company, NRA Capital forecasts