

Malaysia

ADD (no change)

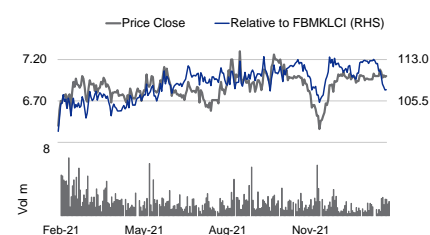
Consensus ratings*: Buy 14 Hold 2 Sell 0

Current price:	RM7.00
Target price:	RM7.99 ▲
Previous target:	RM7.81
Up/downside:	14.1%
CGS-CIMB / Consensus:	3.5%
Reuters:	MISC.KL
Bloomberg:	MISC MK
Market cap:	US\$7,462m
	RM31,246m
Average daily turnover:	US\$1.91m
	RM8.04m
Current shares o/s:	4,464m
Free float:	8.8%

*Source: Bloomberg

Key changes in this note

- FY22-23F core EPS forecasts tweaked up slightly on housekeeping matters.
- FY24F core EPS forecast introduced in this report.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	0.9	1.6	11.1
Relative (%)	-3.1	-3.6	10.5

Major shareholders	% held
Petronas	57.6
EPF	11.1
PNB	8.8

Analyst(s)



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MISC Bhd

Hopes for 2H22F tanker freight rate recovery

- FY21 core net profit was in line at just 1.5% higher than our forecast, but was 11% above consensus as AET (the tanker arm) turned profitable for 4Q21.
- Reiterate Add with higher SOP-based TP of RM7.99 on the back of a stronger US\$; re-rating catalysts include potential rise in tanker freight rates.
- Crude oil production may pick up in 2H22F from non-OPEC countries like the US, Canada and Brazil; shipping demand will benefit from a US-Iran détente.

4Q21 core net profit up 15% sequentially; FY21 down 2.9% yoy

MISC saw its 4Q21 core net profit rise 15% qoq, as the extension of three FPSO contracts resulted in the booking of upfront finance lease profits, while the sequential improvement in crude tanker freight rates helped AET turnaround from a pretax loss in 3Q21 to a pretax profit in 4Q21. The sequential improvement in profits would have been stronger if not for MMHE's provision for foreseeable losses on one of its fabrication projects (due to Covid-19 related delays), and a lumpy accrual for FPSO Mero-3 construction costs after certain milestones were achieved (which MISC claimed was planned and not unexpected). For the same reasons, MISC's 4Q21 core net profit moderated 3.8% yoy, offsetting the positive earnings impact from the commissioning of six VLECs at the start of 2021, and AET's return to profitability. On a full year basis, FY21 core net profit was marginally down by 2.9% yoy, with higher MMHE losses due to provisions for loss-making projects and lower AET profits more than offsetting the contribution from the six VLECs and the rise in FPSO Mero-3 construction profits.

We forecast FY22F core net profit to rise 20% yoy

Looking forward into this year, we think that MISC may be able to deliver 20% core net profit growth from the FY21 base. MISC said that its kitchen-sinking exercise at MMHE for expected loss-making heavy engineering projects was completed last year, and losses should shrink this year. If Malaysia's international borders open to quarantine-free entry for fully-vaccinated travellers by mid-2022F, MMHE's ship repair business may improve. The delivery of five shuttle tankers in 1H22F and one in 2H22F may boost AET's profits, while a tanker freight rate recovery may be possible in 2022F. FPSO Mero-3 construction profits may also pick up this year, as the project was only 33% complete at end-2021 (slightly behind schedule), with delivery earmarked for late-2023F.

Will tanker freight rates have their time in the sun?

Shipbroker Clarksons forecasts crude tanker demand to increase 7.2% in 2022F, after shrinking 2.7% in 2021 on the back of Chinese destocking after it had accumulated substantial inventories in 2020. With Chinese stock levels now low, incremental demand will have to be met from new imports. Meanwhile, Clarksons expects the tanker fleet to rise by 3.9% yoy this year, below the pace of demand growth. Growth in non-OPEC crude production from the US, Canada and Brazil may result in more long-haul tanker shipments to Asia, while Iran may also return to the export market if negotiations with the US on the nuclear deal are successful. Downside risk: delays in Mero-3 construction.

Financial Summary	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Revenue (US\$m)	2,237	2,575	3,028	2,907	2,484
Operating EBITDA (US\$m)	914	848	1,084	1,058	985
Net Profit (US\$m)	(10.7)	434.3	559.2	527.3	469.1
Core EPS (US\$)	0.11	0.10	0.13	0.12	0.11
Core EPS Growth	23.2%	(2.9%)	19.6%	(5.7%)	(11.0%)
FD Core P/E (x)	15.49	15.96	13.35	14.15	15.91
DPS (US\$)	0.079	0.080	0.079	0.079	0.079
Dividend Yield	4.70%	4.77%	4.70%	4.70%	4.70%
EV/EBITDA (x)	9.95	11.28	8.66	8.11	7.64
P/FCFE (x)	15.08	66.43	7.81	5.42	6.24
Net Gearing	19.9%	26.0%	23.9%	14.6%	2.9%
P/BV (x)	0.93	0.91	0.89	0.87	0.86
ROE	5.83%	5.76%	6.73%	6.21%	5.43%
% Change In Core EPS Estimates			0.35%	0.89%	
CGS-CIMB/Consensus EPS (x)			1.18	1.06	

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

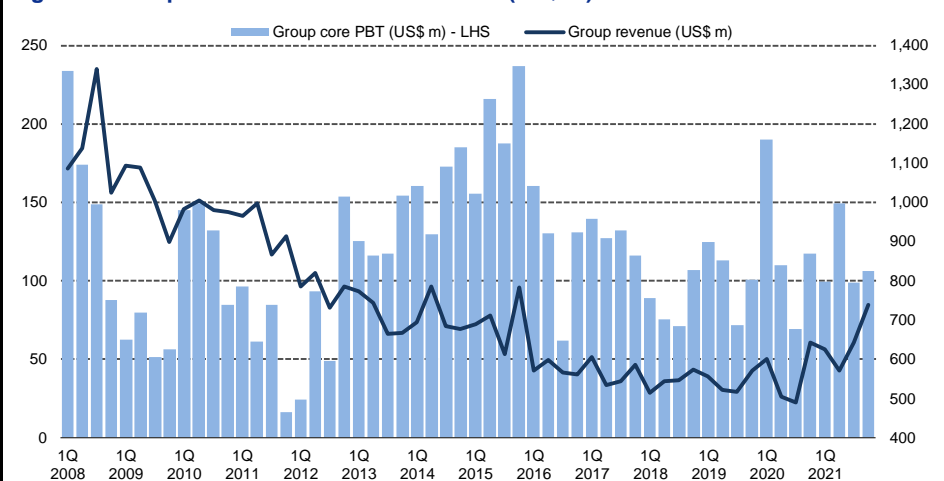
Results comparison table ►

Figure 1: Results comparison

FYE Dec (US\$ m)	4QFY21	4QFY20	yoy % chg	3QFY21	qoq % chg	4QFY21 Cum	4QFY20 Cum	yoy % chg	Prev. FY21F	Comments
Revenue	737.9	641.2	15.1	641.8	15.0	2,575.0	2,237.4	15.1	2,648	4Q21 rev rose qoq due to more construction rev on FPSO Mero-3, and
Operating costs	(543.0)	(452.5)	20.0	(419.1)	29.6	(1,726.7)	(1,323.0)	30.5	(1,735.4)	higher crude tanker freight rates. 4Q21 rev rose yoy due to contribution
EBITDA	194.9	188.7	3.3	222.7	(12.5)	848.3	914.4	(7.2)	912.2	from six VLECs, more Mero-3 construction rev, and higher crude tanker
EBITDA margin (%)	26.4	29.4		34.7		32.9	40.9		34.5	freight rates.
Depn & amort.	(119.2)	(125.7)	(5.2)	(116.4)	2.4	(471.3)	(497.8)	(5.3)	(475.0)	4Q21 EBITDA fell qoq due to cost provisions for the Mero-3 construction
EBIT	75.7	63.0	20.2	106.3	(28.8)	377.0	416.6	(9.5)	437.2	project and provision for foreseeable losses on a particular MMHE
EBIT margin (%)	10.3	9.8		16.6		14.6	18.6		16.5	fabrication project.
Interest expense	(29.3)	(22.9)	27.8	(24.9)	17.5	(100.8)	(87.6)	15.1	(107.6)	Interest exp rose due to borrowings taken to fund FPSO Mero-3.
Interest & invt inc	20.5	15.9	28.7	9.9	106.3	105.1	54.5	92.8	72.2	
Associates' contrib	39.4	61.5	(35.9)	7.3	436.7	72.5	103.3	(29.8)	52.6	Higher assc profits in 4Q21 vs. 3Q21 due to the upfront finance lease
Exceptionals	(3.2)	17.5	(118.5)	(2.2)	49.7	(33.2)	(492.3)	(93.3)	(27.8)	profits from the extension of the FPSO Kikeh and Ruby II contracts.
Pretax profit	103.1	135.1	(23.7)	96.5	6.8	420.6	(5.5)	nm	426.5	Exceptionals in FY21 includes impairment on assets offset by gain on
Tax	(2.3)	0.5	(595.7)	(2.6)	(11.5)	(9.9)	(10.9)	(8.4)	(12.9)	vessel disposals.
Tax rate (%)	2.2	(0.3)		2.7		2.4	(197.6)		(3.0)	
Minority interests	9.3	(0.1)	nm	2.3	nm	23.6	5.6	320.3	15.1	
Net profit	110.2	135.4	(18.6)	96.3	14.5	434.3	(10.7)	nm	428.7	4Q21 core net profit 3.8% lower yoy due to cost provisions for the FPSO
Core net profit	113.4	117.9	(3.8)	98.4	15.2	467.5	481.6	(2.9)	460.3	Mero-3 construction project, MMHE's provision for foreseeable losses
EPS (US cents)	2.5	3.0	(18.6)	2.2	14.5	9.7	(0.2)	nm	9.6	on an ongoing project, and higher interest exp. 4Q21 core net profit
Core EPS (US cts)	2.5	2.6	(3.8)	2.2	15.2	10.5	10.8	(2.9)	10.3	up 15.2% qoq due to upfront finance lease profits for offshore assc.

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 2: Group revenue and core PBT trends (US\$ m)



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Abbreviations

IEA: International Energy Agency

OPEC: Organization of the Petroleum Exporting Countries

OPEC+: OPEC and its key non-OPEC collaborators, principally Russia

OECD: The Organisation for Economic Co-operation and Development

AET: MISC's wholly-owned petroleum and chemical tanker shipping subsidiary

MMHE: Malaysia Marine and Heavy Engineering Holdings Bhd, MISC's 66%-owned heavy engineering subsidiary

FPSO: Floating Production Storage and Offload vessels

LNG: Liquefied Natural Gas

VLCC: Very Large Crude Carriers

VLEC: Very Large Ethane Carriers

TCE: Time Charter Equivalent rates, expressed in US\$/day

mbpd: million barrels per day

SOP calculation and segmental breakdown ➤

Figure 3: MISC's SOP and target price, end-2022F

	Current portfolio of assets	Value (US\$ m)	Value (RM m)	Per share (RM)	Notes
1	LNG business	3,587.6	15,067.9	3.38	
	- Existing LNG carriers	1,886.1	7,921.7	1.77	DCF, discounted using Ke of 7.3% on 27 LNG vessels; Year 1 WACC of 4.4% on newer LNG ships rising to Ke of 7.3% in Year 13
	- FSU Lekas (x 2)	339.7	1,426.8	0.32	Estimated finance lease receivable on the two FSU Lekas vessels
	- MISC-Mitsubishi JV	107.7	452.4	0.10	Assume 25.5% stake for two 174,000 cbm LNG vessels delivered in 2021
	- MISC-Avenir JV	25.3	106.4	0.02	51% stake for one 7,500 cbm LNG bunkering vessel delivered in 1Q20
	- ExxonMobil charter	327.7	1,376.3	0.31	100% stake for two LNG vessels to be delivered in 1Q23F
	- VLEC tankers	901.1	3,784.4	0.85	DCF on 6 VLEC tankers; Year 1 WACC of 4.4% rising to Ke of 7.3% in 1
2	Offshore business	3,053.0	12,822.6	2.87	
	- Traditional assets	240.8	1,011.5	0.23	DCF, discounted using Ke of 7.3% on six offshore assets
	- FPSO Cendor	166.0	697.3	0.16	Estimated finance lease receivable
	- FPSO Gumusut	1,610.3	6,763.4	1.52	Estimated finance lease receivable
	- FSO Benchamas 2	32.0	134.4	0.03	Estimated finance lease receivable
	- FSO Mekar Bergading	97.8	410.6	0.09	Estimated finance lease receivable
	- FSO Idemitsu	13.4	56.1	0.01	Estimated finance lease receivable
	- FPSO Mero-3	892.6	3,749.1	0.84	DCF, Ke 9.7% on US\$2bn capex, project IRR of c.10% over 22 years contract period
3	Tanker shipping business	3,688.1	15,489.9	3.47	
	- Petroleum tankers	1,388.6	5,832.0	1.31	Expected end-2022F values; assume same as end-2021 values
	- Petroleum tankers under construction	209.2	878.6	0.20	Capex to be spent in 2020-2022F that is not reflected in fleet value
	- Shuttle tankers	2,090.3	8,779.2	1.97	DCF on 17 shuttle tankers; Year 1 WACC of 4.4% rising to Ke of 7.3% in
4	Heavy Engineering	98.8	415.0	0.09	66.5% stake, based on price of RM0.39/share
5	Other fixed assets	453.6	1,905.2	0.43	Book value as at 31 December 2022F
6	Net cash/(debt)	-2,047.9	-8,601.3	-1.93	Forecast as at 31 December 2022F
7	Other net assets/(liabilities)	-342.0	-1,436.5	-0.32	
	SOP of current asset portfolio	8,491.1	35,662.7	7.99	

SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS

Our SOP-based target price of RM7.99 is largely based on the DCF-value of MISC's LNG and offshore businesses, but we have incorporated the value of MISC's petroleum tanker business based on the expected liquidation value of its tanker fleet at the end of 2022F (we keep values unchanged from end-2021 values). We raise our target price from RM7.81 to RM7.99 by using a stronger US\$ exchange rate assumption of RM4.20, from RM4.15 previously.

Potential re-rating catalysts include:

- The potential recovery in tanker rates in 2022F, as China may import more crude this year, and Iran may reenter the export markets if it comes to an agreement with the US on its nuclear programme.
- The planned reopening of Malaysia's international borders sometime in 2022F, as tentatively recommended by some government agencies, could also help boost MMHE's marine service and repair volumes.
- MISC also said that it was working on several FPSO and LNG ship tenders, and that the clients may award the time charter contracts in 2022F; the potential Atlantic Basin FPSO contract (Upstream reported this to be TotalEnergies' Cameia FPSO project in Angola) may involve a capex of US\$1bn-2bn. As FPSO contractors are currently very busy, MISC expects a suppliers' market and better pricing power. MISC is also planning to participate in bids for various LNG and ethane carrier time charter contracts.

Downside risks include the potential for the FPSO Mero-3 project to progress slower than planned, as this is MISC's first major overseas FPSO construction project, on behalf of Brazil's Petrobras. Petrobras had awarded MISC the time charter contract for the FPSO Mero-3 in August 2020, and MISC had awarded the FPSO conversion project to China's CIMC Raffles in January 2021. The FPSO must be delivered to Petrobras by late-2023F, in our estimate. By end-December 2021, which is more than one year since MISC secured the award

from Petrobras, MISC estimates that it will have completed c. 33% of the project, which it admits is slightly behind schedule, due to logistical challenges as a result of port congestion and container shipping capacity shortages (FPSO topside equipment and engineering parts are shipped from around the world). With two more years to go to complete the construction, MISC has the opportunity to catch up, but with limited room for error.

Figure 4: MISC's revenue, PBT and net profit (US\$ m) by division

	2019	2020	2021	2022F	2023F	2024F
Revenue (US\$ m)	2,163.6	2,237.4	2,575.0	3,027.9	2,907.0	2,483.9
LNG	623.3	631.3	695.4	721.9	738.7	599.8
AET	1,039.2	919.5	771.9	817.0	932.7	1,000.8
Offshore subsidiaries	262.3	306.6	732.9	1,117.4	845.4	473.6
Heavy engineering	243.8	373.0	353.9	371.6	390.2	409.7
Liner	0.0	0.0	0.0	0.0	0.0	0.0
Others	-5.0	7.0	20.9	0.0	0.0	0.0
Profit before tax and one-offs (US\$ m)	410.1	486.9	453.8	568.8	536.8	476.6
LNG	251.7	249.5	276.6	300.4	302.5	224.8
AET	37.7	81.7	38.0	40.8	74.6	80.1
Offshore (including JVs) ^	126.6	190.9	222.3	259.8	189.2	202.2
- Offshore subsidiaries	77.0	87.6	149.8	214.9	159.9	183.8
- Offshore associates	49.6	103.3	72.5	44.9	29.3	18.4
Heavy engineering (MMHE) *	-9.5	-24.8	-63.9	-22.3	-19.5	-20.5
Liner	0.0	0.0	0.0	0.0	0.0	0.0
Others	3.5	-10.5	-19.2	-10.0	-10.0	-10.0
Core PBT margin (%)	19.0%	21.8%	17.6%	18.8%	18.5%	19.2%
LNG	40.4%	39.5%	39.8%	41.6%	41.0%	37.5%
AET	3.6%	8.9%	4.9%	5.0%	8.0%	8.0%
Offshore subsidiaries	29.3%	28.6%	20.4%	19.2%	18.9%	38.8%
Heavy engineering (MMHE) *	-3.9%	-6.6%	-18.1%	-6.0%	-5.0%	-5.0%

^ Offshore JVs include FPSO Espirito Santo (49%), FPSO Ruby II (40%), FPSO Kikeh (51%), and FSO Orkid (51%).

* PBT prior to 33.5% minority interest

SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS

Earnings revisions ➤

Figure 5: Earnings revision

US\$ m	2021A	2022F			2023F			2024F		
		Old	New	chg	Old	New	chg	Old	New	chg
Revenue	2,575	3,027	3,028	0%	2,903	2,907	0%		2,484	
EBITDA	848	1,077	1,084	1%	1,051	1,058	1%		985	
Reported PBT	421	567	569	0%	532	537	1%		477	
Core pretax profit	455	567	569	0%	532	537	1%		477	
Reported net profit	434	557	559	0%	523	527	1%		469	
Reported EPS	0.10	0.12	0.13	0%	0.12	0.12	1%		0.11	
Core net profit	467	557	559	0%	523	527	1%		469	
Core EPS	0.10	0.12	0.13	0%	0.12	0.12	1%		0.11	

SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS

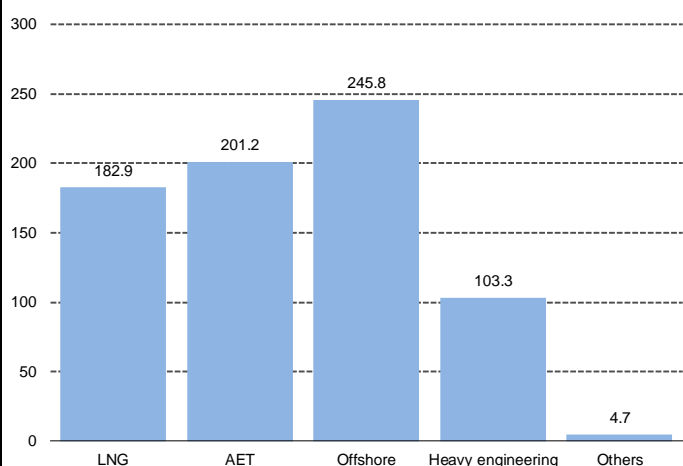
Further information on the results ➔

Figure 6: Segmental earnings

FYE Dec (US\$ m)	4QFY21	4QFY20	yoy % chg	3QFY21	qoq % chg	4QFY21 Cum	4QFY20 Cum	yoy % chg	Comments
Revenue	737.9	641.2	15.1	641.8	15.0	2,575.0	2,237.4	15.1	
- LNG	182.9	158.7	15.2	176.7	3.5	695.4	631.3	10.2	LNG rev rose yoy due to contribution from 6 x VLECs.
- AET	201.2	171.1	17.6	184.7	8.9	771.9	919.5	(16.1)	AET rev rose yoy and qoq due to higher tanker freight rates.
- Offshore subs	245.8	145.2	69.3	178.9	37.4	732.9	306.6	139.0	Offshore rev rose yoy and qoq due to more construction revenue on FPSO
- Heavy engineering	103.3	167.3	(38.3)	92.9	11.2	353.9	373.0	(5.1)	Mero-3.
- Others	4.7	(1.1)	527.3	8.6	(45.3)	20.9	7.0	198.2	MMHE rev fell yoy due to fewer marine jobs and lesser heavy engineering activities.
Core PBT	106.4	117.6	(9.5)	98.7	7.8	453.8	486.9	(6.8)	LNG profits rose yoy due to the 6 x VLECs and write-off of spares in 4Q20.
- LNG	72.8	50.6	43.9	64.9	12.2	276.6	249.5	10.9	AET recovered to profits due to higher freight rates.
- AET	3.6	(23.8)	115.1	(9.5)	137.9	38.0	81.7	(53.5)	
- Offshore	55.4	87.9	(37.0)	55.2	0.4	222.3	190.9	16.4	Offshore profit fell qoq due to provision of additional construction cost on
* Offshore subs	16.0	26.4	(39.4)	47.9	(66.6)	149.8	87.6	70.9	FPSO Mero-3 (subsidiary). Offshore associates benefitted from FPSO
* Offshore assoc	39.4	61.5	(35.9)	7.3	436.7	72.5	103.3	(29.8)	Kikeh and FPSO Ruby II contract extension in 4Q21.
- Heavy engineering	(25.8)	(2.8)	nm	(5.4)	nm	(63.9)	(24.8)	157.7	MMHE registered loss in 4Q21 due to lower contribution from fabrication
- Others	0.4	5.7	(93.6)	(6.5)	105.5	(19.2)	(10.5)	83.8	and engineering projects, and provision for foreseeable losses for an ongoing contract.
Margin (%)	14.4%	18.3%	-3.9%	15.4%	-1.0%	17.6%	21.8%	-4.1%	
- LNG	39.8%	31.9%	7.9%	36.7%	3.1%	39.8%	39.5%	0.3%	
- AET	1.8%	-13.9%	15.7%	-5.1%	6.9%	4.9%	8.9%	-4.0%	
- Offshore subs	6.5%	18.2%	-11.7%	26.7%	-20.3%	20.4%	28.6%	-8.1%	
- Heavy engineering	-25.0%	-1.7%	-23.3%	-5.8%	-19.2%	-18.1%	-6.6%	-11.4%	

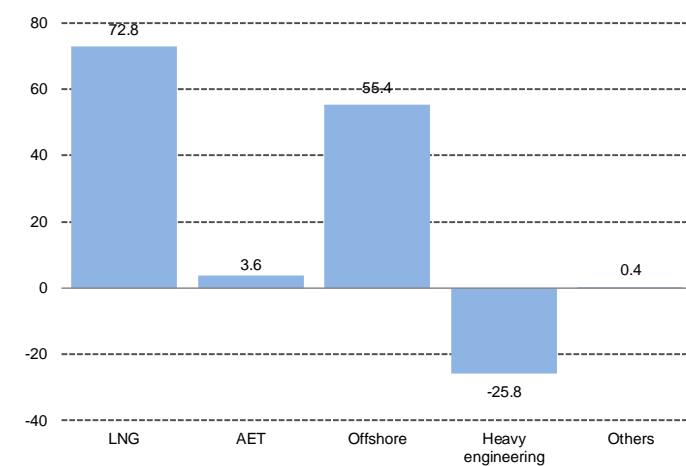
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 7: 4Q21 revenue breakdown (US\$ m)



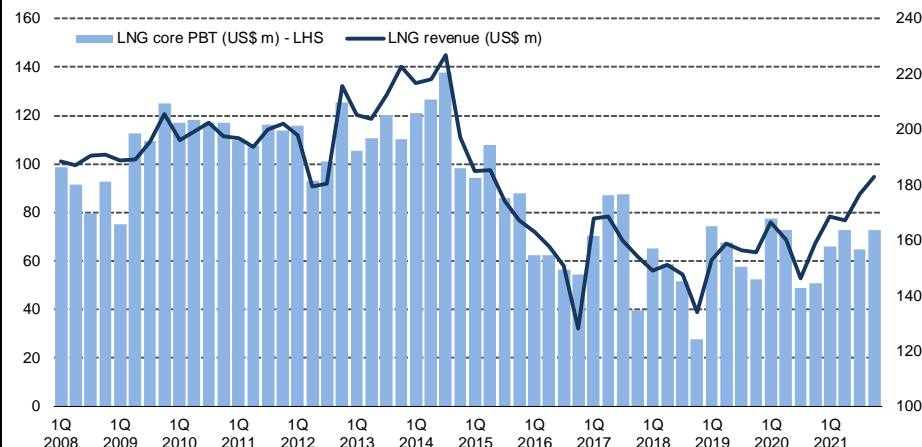
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 8: 4Q21 core PBT breakdown (US\$ m)



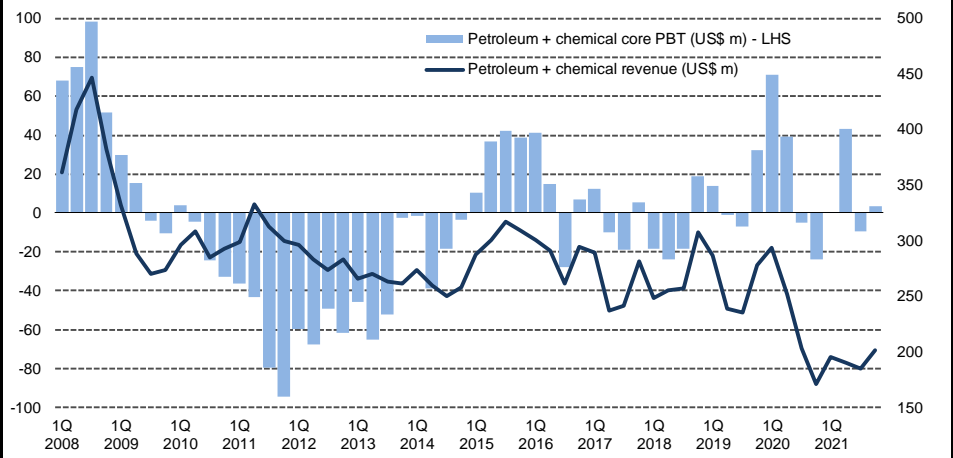
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 9: LNG shipping revenue and core PBT trends (US\$ m)



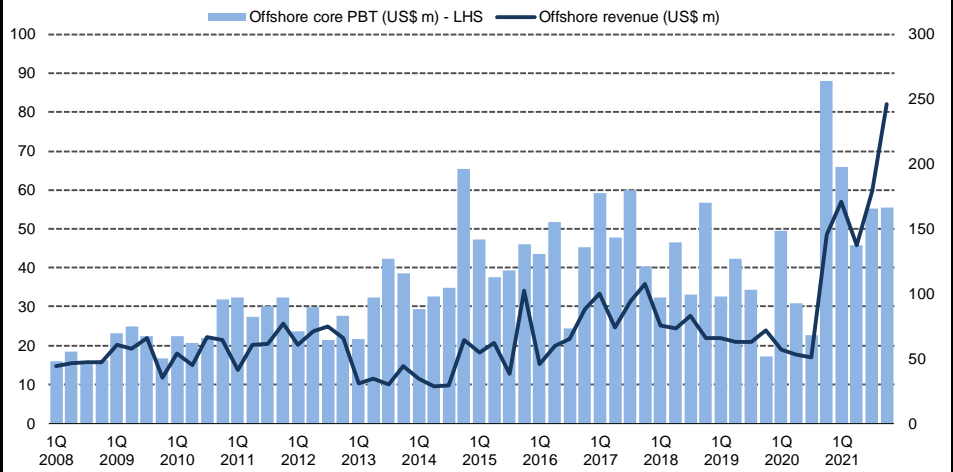
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 10: Petroleum and chemical (AET) shipping revenue and core PBT trends (US\$ m)



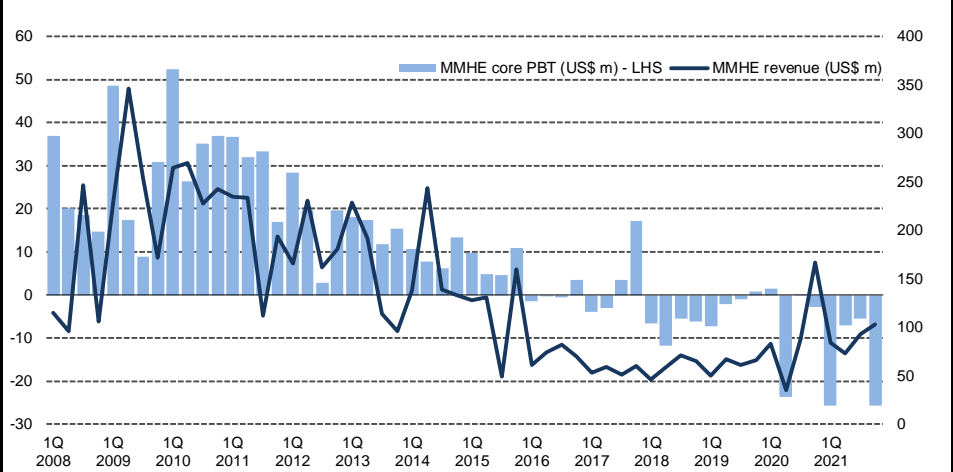
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 11: Offshore revenue and core PBT trends (US\$ m)



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

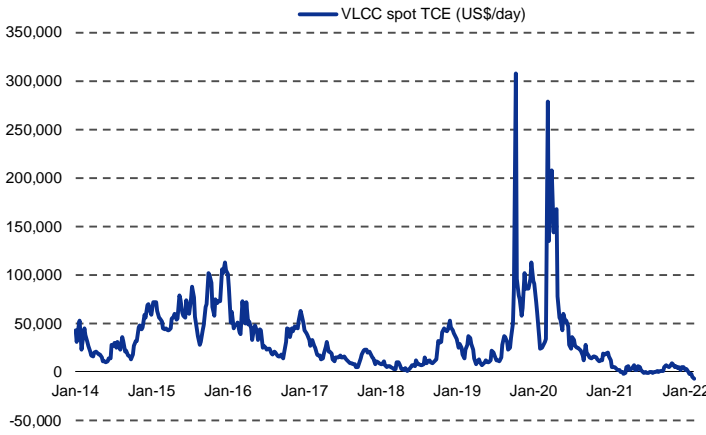
Figure 12: Heavy engineering revenue and core PBT trends (US\$ m)



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

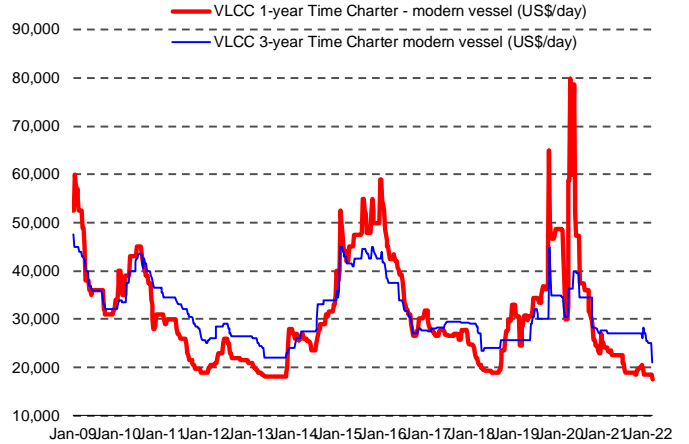
Tanker spot freight rates and time charter rates ➤

Figure 13: VLCC crude tanker spot TCE rates (US\$/day)



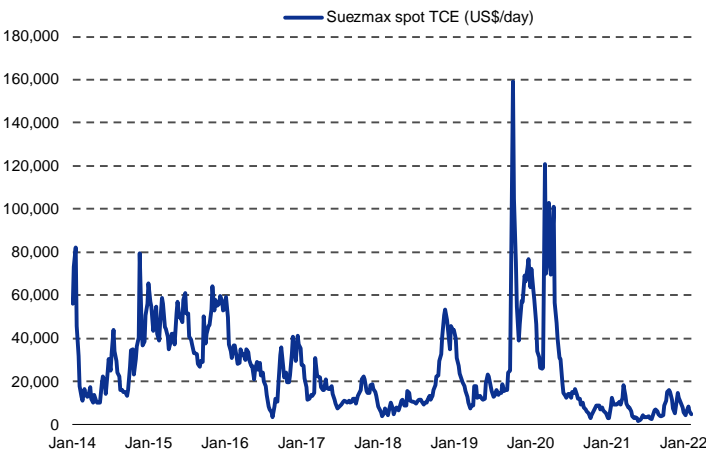
SOURCES: CGS-CIMB RESEARCH, CLARKSON RESEARCH SERVICES

Figure 14: VLCC crude tanker time charter rates (US\$/day)



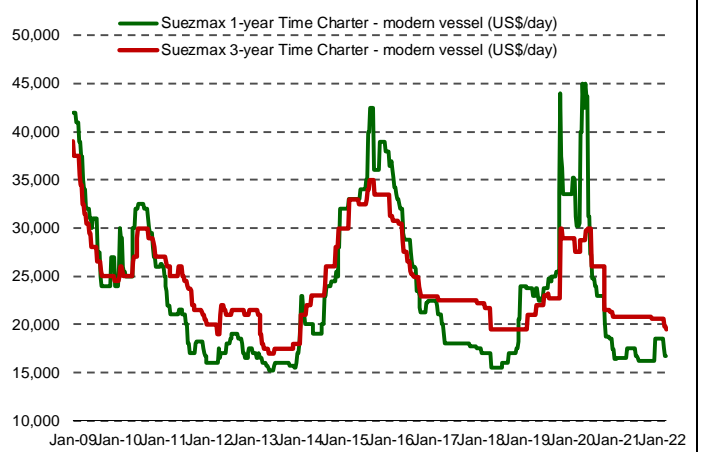
SOURCES: CGS-CIMB RESEARCH, CLARKSON RESEARCH SERVICES

Figure 15: Suezmax crude tanker spot TCE rates (US\$/day)



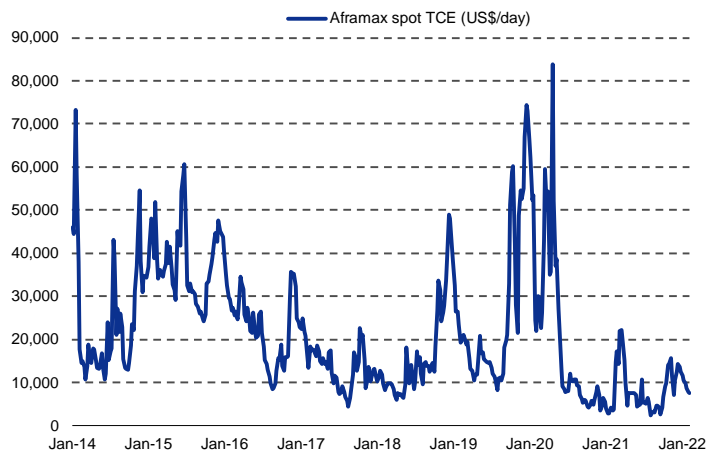
SOURCES: CGS-CIMB RESEARCH, CLARKSON RESEARCH SERVICES

Figure 16: Suezmax crude tanker time charter rates (US\$/day)



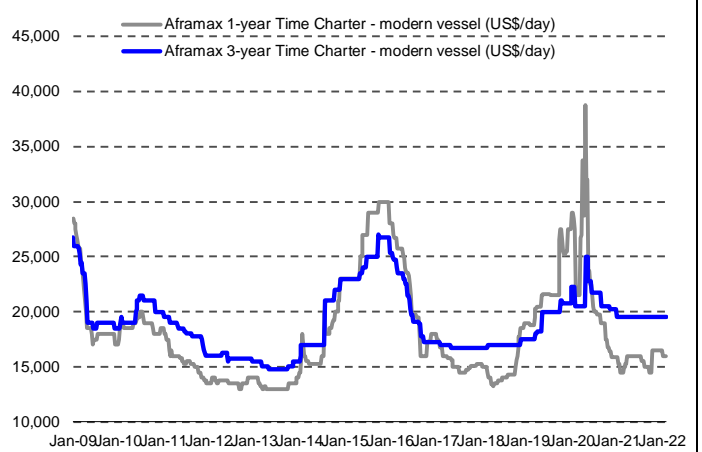
SOURCES: CGS-CIMB RESEARCH, CLARKSON RESEARCH SERVICES

Figure 17: Aframax crude tanker spot TCE rates (US\$/day)



SOURCES: CGS-CIMB RESEARCH, CLARKSON RESEARCH SERVICES

Figure 18: Aframax crude tanker time charter rates (US\$/day)



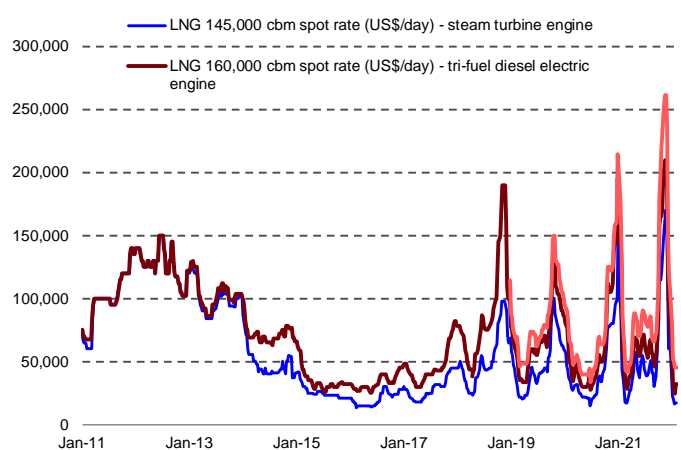
SOURCES: CGS-CIMB RESEARCH, CLARKSON RESEARCH SERVICES

Figure 19: Dirty Tanker Time Charter Equivalent Rates (US\$/day)

	VLCC spot average (US\$/day)					Suezmax spot average (US\$/day)					Aframax spot average (US\$/day)				
	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year
2009	45,134	20,955	16,850	30,799	28,434	38,011	22,703	13,828	28,391	25,733	22,227	12,395	6,401	16,458	14,370
2010	48,964	48,078	19,065	20,132	33,797	33,035	34,799	18,073	25,548	27,820	21,807	21,109	12,333	15,512	17,649
2011	24,680	14,793	7,567	16,119	18,263	24,599	15,728	10,151	23,251	18,154	16,574	10,931	7,252	14,756	12,199
2012	26,194	27,441	4,860	14,942	21,187	24,569	19,782	10,276	13,005	16,908	14,501	14,087	10,359	11,216	12,541
2013	7,115	11,209	11,674	34,870	18,621	14,576	11,987	11,704	23,777	15,511	12,934	12,659	12,612	18,318	14,131
2014	29,398	13,824	22,090	43,948	30,015	31,041	15,940	23,330	40,851	27,791	29,173	15,182	22,386	32,078	24,705
2015	55,239	60,940	55,811	87,395	64,846	50,455	46,923	37,123	52,352	46,713	39,715	42,542	30,006	39,643	37,977
2016	58,367	42,969	19,659	46,639	41,488	37,914	28,222	15,508	29,554	27,567	30,197	24,483	13,741	24,148	22,965
2017	26,518	18,229	10,092	16,334	17,794	19,690	14,452	10,646	16,957	15,436	18,591	13,404	9,238	14,260	13,873
2018	6,701	5,301	9,909	40,331	15,561	6,588	10,364	11,489	37,422	16,466	9,829	9,662	13,562	31,646	16,175
2019	25,625	11,565	25,504	102,761	41,364	21,391	15,425	16,602	72,822	31,560	22,661	14,636	14,748	52,853	26,225
2020	84,557	88,907	23,711	15,404	53,145	55,001	47,275	12,229	6,455	30,240	41,610	32,624	8,698	5,713	22,161
2021	3,989	2,837	503	5,378	3,177	9,156	5,177	4,173	10,547	7,263	10,527	7,648	4,281	11,093	8,387
2022	-2,153				-2,153	5,833				5,833	9,312				9,312
Change yoy (%)															
2010	8.5%	129.4%	13.1%	-34.6%	18.9%	-13.1%	53.3%	30.7%	-10.0%	8.1%	-1.9%	70.3%	92.7%	-5.8%	22.8%
2011	-49.6%	-69.2%	-60.3%	-19.9%	-46.0%	-25.5%	-54.8%	-43.8%	-9.0%	-34.7%	-24.0%	-48.2%	-41.2%	-4.9%	-30.9%
2012	6.1%	85.5%	-35.8%	-7.3%	16.0%	-0.1%	25.8%	1.2%	-44.1%	-6.9%	-12.5%	28.9%	42.8%	-24.0%	2.8%
2013	-72.8%	-59.2%	140.2%	133.4%	-12.1%	-40.7%	-39.4%	13.9%	82.8%	-8.3%	-10.8%	-10.1%	21.8%	63.3%	12.7%
2014	313.2%	23.3%	89.2%	26.0%	61.2%	113.0%	33.0%	99.3%	71.8%	79.2%	125.5%	19.9%	77.5%	75.1%	74.8%
2015	87.9%	340.8%	152.7%	98.9%	116.0%	62.5%	194.4%	59.1%	28.2%	68.1%	36.1%	180.2%	34.0%	23.6%	53.7%
2016	5.7%	-29.5%	-64.8%	-46.6%	-36.0%	-24.9%	-39.9%	-58.2%	-43.5%	-41.0%	-24.0%	-42.5%	-54.2%	-39.1%	-39.5%
2017	-54.6%	-57.6%	-48.7%	-65.0%	-57.1%	-48.1%	-48.8%	-31.3%	-42.6%	-44.0%	-38.4%	-45.2%	-32.8%	-40.9%	-39.6%
2018	-74.7%	-70.9%	-1.8%	146.9%	-12.5%	-66.5%	-28.3%	7.9%	120.7%	6.7%	-47.1%	-27.9%	46.8%	121.9%	16.6%
2019	282.4%	118.2%	157.4%	154.8%	165.8%	224.7%	48.8%	44.5%	94.6%	91.7%	130.5%	51.5%	8.7%	67.0%	62.1%
2020	230.0%	668.8%	-7.0%	-85.0%	28.5%	157.1%	206.5%	-26.3%	-91.1%	-4.2%	83.6%	122.9%	-41.0%	-89.2%	-15.5%
2021	-95.3%	-96.8%	-97.9%	-65.1%	-94.0%	-83.4%	-89.0%	-65.9%	63.4%	-76.0%	-74.7%	-76.6%	-50.8%	94.2%	-62.2%
2022	-154.0%				-167.8%	-36.3%				-19.7%	-11.5%				11.0%

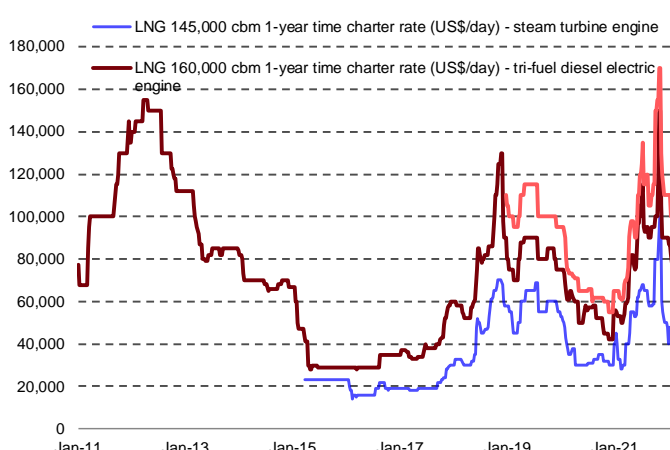
SOURCES: CGS-CIMB RESEARCH, BALTIC EXCHANGE, CLARKSON RESEARCH SERVICES

Figure 20: LNG spot rates (US\$/day)



SOURCES: CGS-CIMB RESEARCH, CLARKSON RESEARCH SERVICES

Figure 21: LNG 1-year time charter rates (US\$/day)



SOURCES: CGS-CIMB RESEARCH, CLARKSON RESEARCH SERVICES

Figure 22: LNG Tanker Time Charter Equivalent Rates (US\$/day)

	LNG 160,000 cbm spot rate (US\$/day) <i>Tri-fuel diesel electric engine</i>					LNG 145,000 cbm spot rate (US\$/day) <i>Steam turbine engine</i>					LNG 174,000 cbm spot rate (US\$/day)				
	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year
2011	72,292	100,000	101,250	126,538	100,577	68,125	100,000	101,286	126,538	99,625					
2012	132,692	132,692	133,462	110,654	127,375	132,692	132,692	134,000	110,231	127,404					
2013	119,154	90,154	106,769	101,308	104,346	114,538	87,385	101,462	97,077	100,115					
2014	77,769	68,462	67,846	73,692	71,942	65,615	43,500	41,423	46,731	49,317					
2015	50,615	32,154	29,538	31,846	36,038	34,077	25,154	23,308	21,462	26,000					
2016	29,308	28,615	36,571	39,385	33,528	17,154	14,846	23,429	24,923	20,151					
2017	40,846	34,462	42,538	66,385	46,058	23,385	21,000	29,615	40,385	28,596					
2018	65,385	58,000	82,000	149,385	88,692	39,385	36,692	48,846	83,077	52,000					
2019	55,615	48,577	65,269	107,885	69,337	37,397	32,731	42,769	77,885	47,695	67,851	61,192	74,808	123,808	81,915
2020	56,923	34,615	41,115	104,423	59,269	39,923	23,269	27,923	73,077	41,048	70,192	43,500	52,500	118,500	71,173
2021	84,423	57,962	58,788	150,804	89,179	59,962	44,654	41,692	109,000	64,679	101,500	74,327	77,942	189,429	112,283
2022	34,813				34,813	22,125				22,125	53,125				53,125
<i>Change yoy (%)</i>															
2012	83.6%	32.7%	31.8%	-12.6%	26.6%	94.8%	32.7%	32.3%	-12.9%	27.9%					
2013	-10.2%	-32.1%	-20.0%	-8.4%	-18.1%	-13.7%	-34.1%	-24.3%	-11.9%	-21.4%					
2014	-34.7%	-24.1%	-36.5%	-27.3%	-31.1%	-42.7%	-50.2%	-59.2%	-51.9%	-50.7%					
2015	-34.9%	-53.0%	-56.5%	-56.8%	-49.9%	-48.1%	-42.2%	-43.7%	-54.1%	-47.3%					
2016	-42.1%	-11.0%	23.8%	23.7%	-7.0%	-49.7%	-41.0%	0.5%	16.1%	-22.5%					
2017	39.4%	20.4%	16.3%	68.6%	37.4%	36.3%	41.5%	26.4%	62.0%	41.9%					
2018	60.1%	68.3%	92.8%	125.0%	92.6%	68.4%	74.7%	64.9%	105.7%	81.8%					
2019	-14.9%	-16.2%	-20.4%	-27.8%	-21.8%	-5.0%	-10.8%	-12.4%	-6.3%	-8.3%					
2020	2.4%	-28.7%	-37.0%	-3.2%	-14.5%	6.8%	-28.9%	-34.7%	-6.2%	-13.9%	3.4%	-28.9%	-29.8%	-4.3%	-13.1%
2021	48.3%	67.4%	43.0%	44.4%	50.5%	50.2%	91.9%	49.3%	49.2%	57.6%	44.6%	70.9%	48.5%	59.9%	57.8%
2022	-58.8%				-61.0%	-63.1%				-65.8%	-47.7%				-52.7%

SOURCES: CGS-CIMB RESEARCH, CLARKSON RESEARCH SERVICES

Sequential quarterly tables ►

Figure 23: Quarterly results


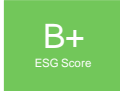
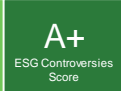
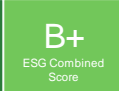



FYE Dec (US\$ m)	4QFY19	1QFY20	2QFY20	3QFY20	4QFY20	1QFY21	2QFY21	3QFY21	4QFY21
Revenue	570.3	601.1	504.8	490.3	641.2	625.0	570.3	641.8	737.9
Operating costs	(321.3)	(301.0)	(268.7)	(300.8)	(452.5)	(416.9)	(347.7)	(419.1)	(543.0)
EBITDA	249.0	300.1	236.1	189.5	188.7	208.1	222.6	222.7	194.9
<i>EBITDA margin (%)</i>	43.7	49.9	46.8	38.7	29.4	33.3	39.0	34.7	26.4
Depn & amort.	(136.3)	(125.0)	(123.1)	(123.9)	(125.7)	(122.0)	(113.8)	(116.4)	(119.2)
EBIT	112.7	175.1	112.9	65.6	63.0	86.1	108.8	106.3	75.7
EBITmargin (%)	19.8	29.1	22.4	13.4	9.8	13.8	19.1	16.6	10.3
Interest expense	(28.4)	(22.9)	(23.3)	(18.5)	(22.9)	(22.9)	(23.7)	(24.9)	(29.3)
Interest & invt inc	10.7	16.4	9.2	13.0	15.9	21.6	53.1	9.9	20.5
Associates' contrib	5.7	21.5	11.1	9.2	61.5	14.6	11.2	7.3	39.4
Exceptionals	(36.2)	(464.3)	(43.2)	(2.3)	17.5	(8.0)	(19.8)	(2.2)	(3.2)
Pretax profit	64.5	(274.2)	66.7	66.9	135.1	91.4	129.5	96.5	103.1
Tax	(3.9)	(1.3)	(5.0)	(5.0)	0.5	(2.5)	(2.6)	(2.6)	(2.3)
Tax rate (%)	6.1	(0.5)	7.5	7.4	(0.3)	2.7	2.0	2.7	2.2
Minority interests	(0.6)	(1.4)	7.6	(0.5)	(0.1)	8.4	3.6	2.3	9.3
Net profit	60.0	(276.9)	69.3	61.5	135.4	97.3	130.5	96.3	110.2
Core net profit	96.2	187.4	112.6	63.8	117.9	105.3	150.4	98.4	113.4
EPS (sen)	1.3	(6.2)	1.6	1.4	3.0	2.2	2.9	2.2	2.5
Core EPS (sen)	2.2	4.2	2.5	1.4	2.6	2.4	3.4	2.2	2.5

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 24: Segmental breakdown

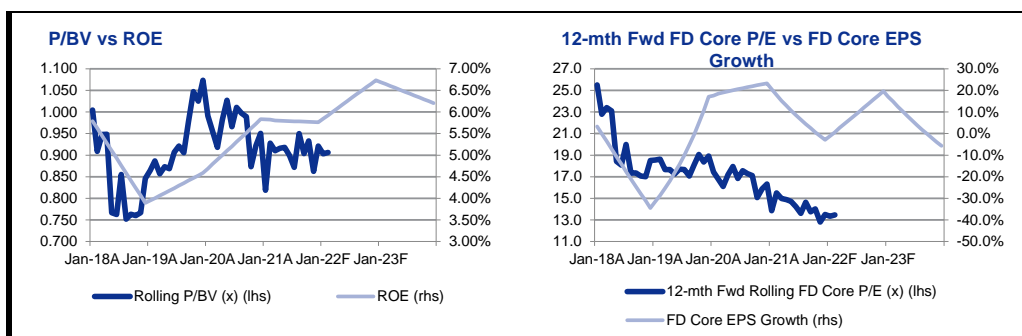
FYE Dec (US\$ m)	4QFY19	1QFY20	2QFY20	3QFY20	4QFY20	1QFY21	2QFY21	3QFY21	4QFY21
Revenue	570.3	601.1	504.8	490.3	641.2	625.0	570.3	641.8	737.9
- LNG	155.6	166.4	160.2	146.0	158.7	168.6	167.2	176.7	182.9
- AET	278.2	293.7	251.8	202.9	171.1	195.4	190.6	184.7	201.2
- Offshore subs	71.4	56.9	53.4	51.1	145.2	171.1	137.1	178.9	245.8
- Heavy engineering	66.2	82.8	35.2	87.7	167.3	84.5	73.2	92.9	103.3
- Liner logistics	-	-	-	-	-	-	-	-	-
- Others	(1.1)	1.3	4.2	2.6	(1.1)	5.4	2.2	8.6	4.7
Core PBT	100.7	190.1	109.9	69.2	117.6	99.4	149.4	98.7	106.4
- LNG	52.5	77.5	72.8	48.6	50.6	66.0	72.9	64.9	72.8
- AET	32.3	71.0	39.4	(4.9)	(23.8)	0.7	43.2	(9.5)	3.6
- Offshore	17.1	49.6	30.8	22.6	87.9	65.9	45.8	55.2	55.4
* Offshore subs	11.4	28.1	19.7	13.4	26.4	51.3	34.6	47.9	16.0
* Offshore assoc	5.7	21.5	11.1	9.2	61.5	14.6	11.2	7.3	39.4
- Heavy engineering	0.8	1.4	(23.6)	0.2	(2.8)	(25.7)	(7.0)	(5.4)	(25.8)
- Liner logistics	-	-	-	-	-	-	-	-	-
- Tank terminals	-	-	-	-	-	-	-	-	-
- Others	(2.0)	(9.4)	(9.5)	2.7	5.7	(7.5)	(5.6)	(6.5)	0.4
Margin (%)	17.7%	31.6%	21.8%	14.1%	18.3%	15.9%	26.2%	15.4%	14.4%
- LNG	33.7%	46.6%	45.4%	33.3%	31.9%	39.1%	43.6%	36.7%	39.8%
- AET	11.6%	24.2%	15.6%	-2.4%	-13.9%	0.4%	22.7%	-5.1%	1.8%
- Offshore subs	16.0%	49.4%	36.9%	26.2%	18.2%	30.0%	25.2%	26.7%	6.5%
- Heavy engineering	1.2%	1.7%	-67.0%	0.2%	-1.7%	-30.4%	-9.6%	-5.8%	-25.0%
- Liner logistics	na	na	na	na	na	na	na	na	na

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Refinitiv ESG Scores	
	
     	
ESG in a nutshell	
<p>MISC may be doubly impacted by the energy transition. In the short term, the International Maritime Organization (IMO) has set in motion the Energy Efficiency Existing Ship Index (EEXI) and the Carbon Intensity Index (CII) regulations to come into effect from 1 January 2023F, which may require MISC to take measures to progressively improve its shipping fleet's energy efficiency. While we believe that MISC's petroleum tanker fleet is likely to outperform its competitors once the EEXI/CII rules come into effect, MISC may be forced to accept discounts on the time charter rates of its ageing fuel-inefficient steam turbine LNG tanker fleet. Potential carbon taxes and a longer-term decline in fossil fuel demand may require MISC to revamp its business model in the transportation of fossil fuels and ownership of floating production assets. With a strong balance sheet and Petronas' target for net zero carbon emissions by 2050F, MISC is well-positioned to tap into these opportunities.</p>	
<p>Keep your eye on</p> <p>The IMO's EEXI and CII regulations will come into effect from 1 January 2023F, with the requirements to be tightened gradually to meet the IMO's goal of a 40% reduction in shipping's carbon intensity by 2030F.</p> <p>MISC has signed up to own a zero-carbon, ammonia fuelled ship by 2025F, or 2030F at the latest.</p>	<p>Implications</p> <p>Most of MISC's petroleum tanker vessels will have no problem meeting the challenges of the incoming rules, with lower carbon intensity than global averages. MISC stands to benefit from higher petroleum tanker freight rates if its competitors are forced to reduce sailing speeds. Conversely, steam turbine LNG tankers face greater challenges to meet the future requirements and MISC may have to slow down their sailing speeds materially, which could negatively impact its time charter rates. MISC's future ammonia-fuelled ship could help bolster its ESG credentials, as well as outperform regulatory requirements in the next decade.</p>
<p>ESG highlights</p> <p>MISC has some of the best ESG disclosures among shipping companies, in our view, with disclosures improving significantly in Annual Report 2019 and Annual Report 2020. Notably, MISC discloses operating carbon intensity data for its petroleum and LNG tanker vessels with significantly more detail than we have seen from its peers.</p>	<p>Implications</p> <p>We expect MISC to improve its ESG disclosures further in Annual Report 2021, which is likely to be released in April 2022F, with a sharper focus on key environmental and regulatory issues. The transparency of MISC's disclosures should hopefully translate into better investor confidence.</p>
<p>Trends</p> <p>MISC faces an existential threat from the world's effort to decarbonise, as it is a transporter of fossil fuels like crude oil and LNG and also an owner of floating production assets.</p>	<p>Implications</p> <p>MISC has time to respond to the existential threat, as global oil demand may continue to grow in the 2020s and plateau in the 2030Fs, before declining in the 2040s. MISC has already ventured into very large ethane carrier (VLEC) and LNG bunker vessel (LBV) segments; we expect these ship types to be resilient amid the energy transition.</p>

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

(US\$m)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Total Net Revenues	2,237	2,575	3,028	2,907	2,484
Gross Profit	914	848	1,084	1,058	985
Operating EBITDA	914	848	1,084	1,058	985
Depreciation And Amortisation	-498	-471	-462	-452	-439
Operating EBIT	417	377	622	606	547
Financial Income/(Expense)	-61	-76	-98	-98	-88
Pretax Income/(Loss) from Assoc.	103	73	45	29	18
Non-Operating Income/(Expense)	28	80	0	0	0
Profit Before Tax (pre-EI)	487	454	569	537	477
Exceptional Items	-492	-33	0	0	0
Pre-tax Profit	-5	421	569	537	477
Taxation	-11	-10	-17	-16	-14
Exceptional Income - post-tax					
Profit After Tax	-16	411	552	521	462
Minority Interests	6	24	7	7	7
Preferred Dividends	0	0	0	0	0
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	-11	434	559	527	469
Recurring Net Profit	482	467	559	527	469
Fully Diluted Recurring Net Profit	482	467	559	527	469

Cash Flow

(US\$m)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
EBITDA	914	848	1,084	1,058	985
Cash Flow from Invt. & Assoc.					
Change In Working Capital	371	-235	-310	250	558
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	167	103	314	327	318
Net Interest (Paid)/Received	-108	-2	-98	-98	-88
Tax Paid	-15	-11	-17	-16	-14
Cashflow From Operations	1,330	703	972	1,521	1,758
Capex	-1,152	-1,472	-393	-300	-300
Disposals Of FAs/subsidiaries	118	132	0	0	0
Acq. Of Subsidiaries/investments	0	0	0	0	0
Other Investing Cashflow	70	22	0	0	0
Cash Flow From Investing	-964	-1,317	-393	-300	-300
Debt Raised/(repaid)	128	726	377	156	-263
Proceeds From Issue Of Shares	0	0	0	0	0
Shares Repurchased	0	0	0	0	0
Dividends Paid	-351	-362	-351	-351	-351
Preferred Dividends					
Other Financing Cashflow	-108	-2	-98	-98	-88
Cash Flow From Financing	-331	362	-72	-293	-702
Total Cash Generated	36	-252	507	928	756
Free Cashflow To Equity	495	112	956	1,377	1,196
Free Cashflow To Firm	474	-612	677	1,319	1,547

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

BY THE NUMBERS... cont'd

Balance Sheet

(US\$m)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Total Cash And Equivalents	1,705	1,909	2,416	3,344	4,100
Total Debtors	1,303	1,129	1,271	1,233	1,100
Inventories	23	29	32	31	25
Total Other Current Assets	43	16	16	16	16
Total Current Assets	3,074	3,082	3,735	4,623	5,241
Fixed Assets	5,798	6,212	6,428	6,013	5,260
Total Investments	393	552	597	626	644
Intangible Assets	204	255	255	255	255
Total Other Non-Current Assets	3,421	3,706	3,490	3,261	3,032
Total Non-current Assets	9,816	10,724	10,770	10,155	9,190
Short-term Debt	499	1,994	1,994	1,994	1,994
Current Portion of Long-Term Debt					
Total Creditors	852	960	1,080	1,028	833
Other Current Liabilities	29	29	29	29	29
Total Current Liabilities	1,380	2,983	3,104	3,051	2,856
Total Long-term Debt	2,844	2,093	2,469	2,626	2,363
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	419	348	348	348	348
Total Non-current Liabilities	3,263	2,441	2,817	2,974	2,711
Total Provisions	0	0	0	0	0
Total Liabilities	4,644	5,423	5,921	6,024	5,567
Shareholders' Equity	8,028	8,199	8,408	8,584	8,703
Minority Interests	218	183	175	169	162
Total Equity	8,246	8,382	8,583	8,753	8,865

Key Ratios

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Revenue Growth	3.4%	15.1%	17.6%	(4.0%)	(14.6%)
Operating EBITDA Growth	(6.2%)	(7.2%)	27.8%	(2.4%)	(6.8%)
Operating EBITDA Margin	40.9%	32.9%	35.8%	36.4%	39.7%
Net Cash Per Share (US\$)	-0.37	-0.49	-0.46	-0.29	-0.06
BVPS (US\$)	1.80	1.84	1.88	1.92	1.95
Gross Interest Cover	4.76	3.74	5.20	4.76	4.35
Effective Tax Rate	0.00%	2.36%	3.00%	3.00%	3.00%
Net Dividend Payout Ratio	71.2%	74.6%	60.9%	64.5%	72.6%
Accounts Receivables Days	129.3	126.8	105.6	116.5	124.2
Inventory Days	8.74	5.45	5.75	6.25	6.82
Accounts Payables Days	189.2	191.5	191.5	208.0	227.2
ROIC (%)	3.11%	2.85%	4.50%	4.38%	4.20%
ROCE (%)	3.77%	3.34%	5.04%	4.80%	4.39%
Return On Average Assets	4.16%	3.83%	4.54%	4.17%	3.72%

Key Drivers

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
LNG vessels (no)	33.0	39.0	39.0	41.0	41.0
Petroleum and chemical vessels (no)	66.0	59.0	67.0	70.0	70.0

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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Description:	Excellent	Very Good	Good	N/A	N/A

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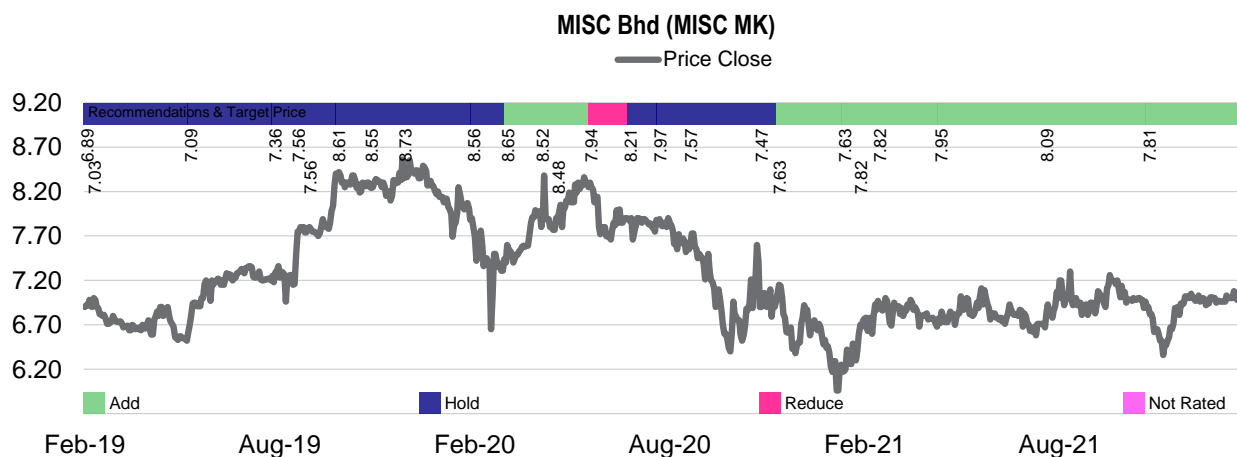
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Distribution of stock ratings and investment banking clients for quarter ended on 31 December 2021		
619 companies under coverage for quarter ended on 31 December 2021		
	Rating Distribution (%)	Investment Banking clients (%)
Add	71.1%	1.5%
Hold	21.8%	0.0%
Reduce	7.1%	0.0%

Spitzer Chart for stock being researched (2 year data)



Corporate Governance Report of Thai Listed Companies (CGR). CG Rating by the Thai Institute of Directors Association (Thai IOD) in 2021, Anti-Corruption 2021

ADVANC – Excellent, Certified, AMATA – Excellent, Certified, ANAN – Excellent, n/a, AOT – Excellent, n/a, AP – Excellent, Certified, ASP – Excellent, n/a, AWC – Excellent, Declared, AU – Good, n/a, BAM – Very Good, Certified, BAY – Excellent, Certified, BBL – Excellent, Certified, BCH – Very Good, Certified, BCP - Excellent, Certified, BCPG – Excellent, Certified, BDMS – Excellent, n/a, BEAUTY – Good, n/a, BEM – Excellent, n/a, BH - Good, n/a, BJC – Very Good, n/a, BLA – Very Good, Certified, BTS - Excellent, Certified, CBG – Very Good, n/a, CCET – n/a, n/a, CENTEL – Excellent, Certified, CHAYO – Very Good, n/a, CHG – Very Good, n/a, CK – Excellent, n/a, COM7 – Excellent, Certified, CPALL – Excellent, Certified, CPF – Excellent, Certified, CPN - Excellent, Certified, CPNREIT – n/a, n/a, CRC – Excellent, Declared, DELTA - Excellent, Certified, DDD – Excellent, n/a, DIF – n/a, n/a, DOHOME – Very Good, Declared, DREIT – n/a, n/a, DTAC – Excellent, Certified, ECL – Excellent, Certified, EGCO - Excellent, Certified, EPG – Excellent, Certified, ERW – Very Good, Certified, GFPT - Excellent, Certified, GGC – Excellent, Certified, GLOBAL – Excellent, n/a, HANA - Excellent, Certified, HMPRO - Excellent, Certified, HUMAN – Good, n/a, ICHI – Excellent, Certified, III – Excellent, Declared, INTUCH - Excellent, Certified, IRPC – Excellent, Certified, ITD – Very Good, n/a, IVL - Excellent, Certified, JASIF – n/a, n/a, JKN – n/a, Certified, JMT – Very Good, n/a, KBANK - Excellent, Certified, KCE - Excellent, Certified, KEX – Very Good, Declared, KKP – Excellent, Certified, KSL – Excellent, Certified, KTB - Excellent, Certified, KTC – Excellent, Certified, LH - Excellent, n/a, LPN – Excellent, Certified, M – Very Good, Certified, MAKRO – Excellent, Certified, MC – Excellent, Certified, MEGA – Very Good, n/a, MINT - Excellent, Certified, MTC – Excellent, Certified, NETBAY – Very Good, n/a, NRF – Very Good, Declared, OR – Excellent, n/a, ORI – Excellent, Certified, OSP – Excellent, n/a, PLANB – Excellent, Certified, PRINC – Very Good, Certified, PR9 – Excellent, Declared, PSH – Excellent, Certified, PTT - Excellent, Certified, PTTEP - Excellent, n/a, PTTGC - Excellent, Certified, QH – Excellent, Certified, RAM – n/a, n/a, RBF – Very Good, n/a, RS – Excellent, Declared, RSP – Good, n/a, S – Excellent, n/a, SAK – Very Good, Declared, SAPPE – Very Good, Certified, SAWAD – Very Good, n/a, SCB - Excellent, Certified, SCC – Excellent, Certified, SCGP – Excellent, Declared, SECURE – n/a, n/a, SHR – Excellent, n/a, SIRI – Excellent, Certified, SPA – Very Good, n/a, SPALI - Excellent, Certified, SPRC – Excellent, Certified, SSP - Good, Certified, STEC – Excellent, n/a, SVI – Excellent, Certified, SYNEX – Very Good, Certified, TCAP – Excellent, Certified, THANI – Excellent, Certified, TIDLOR – n/a, Certified, TISCO - Excellent, Certified, TKN – Very Good, n/a, TOP - Excellent, Certified, TRUE – Excellent, Certified, TTB - Excellent, Certified, TU – Excellent, Certified, TVO – Excellent, Certified, VGI – Excellent, Certified, WHA – Excellent, Certified, WHART – n/a, n/a, WICE – Excellent, Certified, WORK – Good, n/a.

- CG Score 2021 from Thai Institute of Directors Association (IOD)

- Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of August 5, 2021) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.

Recommendation Framework	
Stock Ratings	Definition:
Add	The stock's total return is expected to exceed 10% over the next 12 months.
Hold	The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
Reduce	The stock's total return is expected to fall below 0% or more over the next 12 months.
<i>The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.</i>	
Sector Ratings	Definition:
Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.
Country Ratings	Definition:
Overweight	An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
Neutral	A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
Underweight	An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.

