

# Bursa Malaysia (BURSA MK)

## 1Q22: In-line

### Valuations have run ahead; D/G to SELL

Bursa's 1Q22 results were in-line with 1Q net profit at 29%/27% of house/street's FY21E. We make no change to our earnings forecasts, expecting lower FY22 net profit by 34% YoY as equity ADV normalises towards pre-pandemic level. Our unchanged MYR6.38 TP is based on 22x PER (10Y mean). D/G to SELL; catalysts are lacking with growth, policy risks and politics impacting sentiment and trading activities. Bursa's current share price implies MYR2.8b equity ADV for 2022E vs. YTD's MYR2.6b.

### Another quarter of normalisation

Bursa's 1Q22 net profit of MYR68m (+5% QoQ) represents another quarter of normalisation as equity ADV sustained at MYR2.68b (+1% QoQ) on 36% trading velocity (+1ppt QoQ). YoY, the 44% fall in net profit was mainly due to lower trading revenue from equity as ADV fell 48% on a 34-ppt fall in trading velocity. At derivative trading, 1Q total contracts rose 7% QoQ contributed by both FCPO (+6%) and FKL1 (+15%). Trading revenue from equity/derivative made up 50%/15% of 1Q22 operating revenue.

### No change to earnings forecasts

Apr 2022 MTD's equity ADV has been slower at MYR2.3b with foreign/DI/retail participation at 23%/49%/28%. Retail participation, which had contributed to high equity ADV during the pandemic, has eased to 27% in 2022 YTD, from a high of 44% in Aug 2020. We retain our MYR2.5b equity ADV forecast for 2022 on 32% trading velocity (pre-pandemic level) while for derivatives, we continue to forecast a 2% growth in contracts in 2022. Our 93% DPR assumption translates into 27sen DPS for FY22E (3.9% DY).

### A more challenging environment ahead

Bursa anticipates a more challenging and competitive environment ahead, amid tightening liquidity and normalisation of trading volumes. Hence, it "expects to register a moderate performance" as compared to FY21. Nonetheless, it will strive to deliver the planned initiatives which include new product and service offerings, as well as the new voluntary carbon trading platform. Its balance sheet remains strong with a net cash balance of MYR415m (51sen/Bursa shr) as of end-1Q22.

FYE Dec (MYR m)	FY20A	FY21A	FY22E	FY23E	FY24E
Revenue	799	768	635	695	729
EBITDA	529	501	358	408	432
Core net profit	378	355	235	280	294
Core EPS (sen)	46.7	43.9	29.0	34.6	36.4
Core EPS growth (%)	103.1	(6.0)	(33.9)	19.1	5.3
Net DPS (sen)	51.0	41.0	27.0	32.5	34.0
Core P/E (x)	17.8	14.9	23.9	20.1	19.1
P/BV (x)	7.5	6.5	7.0	6.6	6.5
Net dividend yield (%)	6.1	6.3	3.9	4.7	4.9
ROAE (%)	45.5	41.4	28.9	33.9	34.4
ROAA (%)	13.6	9.4	5.8	7.3	7.2
EV/EBITDA (x)	11.9	9.6	14.5	12.6	11.9
Net gearing (%) (incl perps)	net cash	net cash	net cash	net cash	net cash
Consensus net profit	-	-	247	262	276
MKE vs. Consensus (%)	-	-	(5.1)	6.9	6.7

Wong Chew Hann  
wchewh@maybank-ib.com  
(603) 2297 8686

# SELL

[Prior:HOLD]

Share Price	MYR 6.93
12m Price Target	MYR 6.38 (-8%)
Previous Price Target	MYR 6.38

### Company Description

Bursa is an exchange holding company.

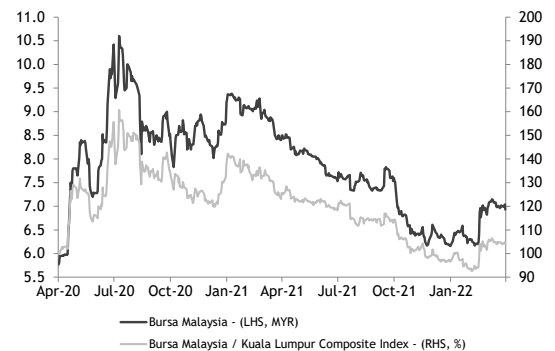
### Statistics

52w high/low (MYR)	8.52/6.16
3m avg turnover (USDm)	1.5
Free float (%)	70.5
Issued shares (m)	809
Market capitalisation	MYR5.6B USD1.3B

### Major shareholders:

Capital Market Development Fund	18.6%
Kumpulan Wang Persaraan	11.0%
Employees Provident Fund	9.2%

### Price Performance



	-1M	-3M	-12M
Absolute (%)	(0)	13	(18)
Relative to index (%)	0	7	(18)

Source: FactSet

### Abbreviation

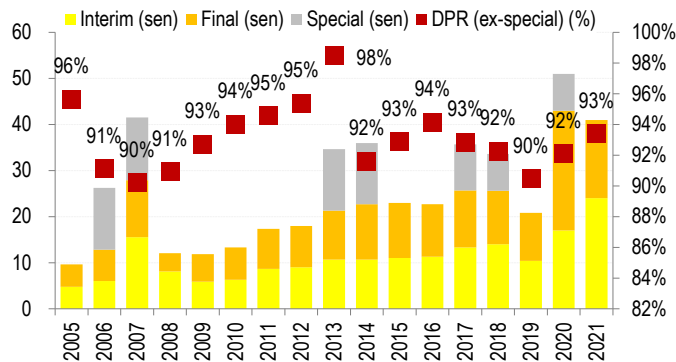
ADV = Average daily value (for equity trading)  
CIR = Cost-to-income ratio  
DI = Domestic institutions

ESG@MAYBANK IBG  
Tear Sheet Insert

## Value Proposition

- One of the largest bourse in ASEAN with 949 PLCs end-2021; also the world's largest palm oil futures trading hub.
- Sustained equity ADV of MYR2.0b-MYR2.1b over 2013-16, MYR2.5b-MYR2.6b in 2017-18, MYR2.15b in 2019. ADV doubled to MYR4.3b in 2020 but down to MYR3.7b in 2021.
- Strong derivative volume CAGR of 18% over 2010-15. Growth was flattish in 2016-19. 2020 saw growth resuming, by 35% YoY, but was flattish again in 2021 (+1% YoY).
- Active capital management with >90% DPR (for normal dividends) since listing in 2005.
- Paid several special dividends since listing on 18 Mar 2005 - from FY06, FY07, FY13, FY14, FY17, FY18, FY20 profits.

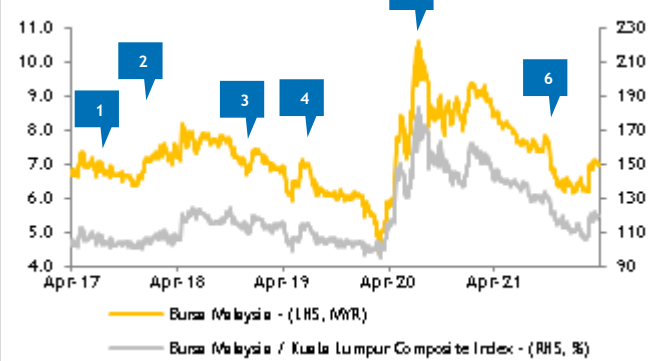
### Dividend history



Source: Company

## Price Drivers

### Historical share price trend



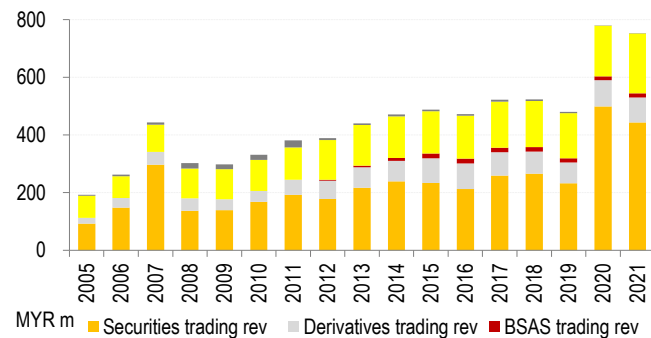
Source: Company, Maybank IBG Research

1. Special DPS of 15sen (before adjusting for a subsequent 1-for-2 bonus issue) announced on 26 Jul 2017.
2. 1-for-2 bonus issue announced on 27 Nov 2017.
3. Special DPS of 8sen announced on 30 Jul 2018.
4. Bursa was added into the Securities Commission's Shariah compliant stock list effective 31 May 2019.
5. Start of M'sia's Movement Control Order on 18 Mar 2020.
6. Equity trades surged above MYR4b in ADV from mid-May 2020 on high retail participation and trading activities on the glove stocks.
7. Budget 2022 on 29 Oct 2021 announced higher stamp duty on contract notes and abolished stamp duty limit.

## Financial Metrics

- The revenue mix shifted in FY20, with 64%/12%/2% of operating revenue from equity/derivative/BSAS trades, and 23% from non-trading revenue (FY19: 49%/15%/3%/33%). Revenue mix was 58%/12%/2%/28% in FY21.
- Active cost management with stable 44-46% CIR in FY14-18, 49% in FY19. FY20 CIR was low at 37% due to the high denominator (FY20 operating revenue: +62% YoY). CIR was 38% in FY21.
- Highly cash generative - MYR415m cash balance (51sen/Bursa shr; no debt) and MYR60m investment securities (7sen/Bursa shr) end-Mar 2022.

### Operating revenue (segmental)



Source: Company

## Swing Factors

### Upside

- Higher-than-expected equity trading activities.
- Increased volatility in palm oil prices and FBM KLCI further driving derivative market activities.

### Downside

- Drying up of liquidity leading to much smaller equity ADV.
- Risk-off mode by retail investors, whom have been driving equity volume from mid-May 2020.
- Derivative market activities falling short.
- Further retracement of foreign funds - market foreign shareholding was 20.3% end-Mar 2022.

wchewh@maybank-ib.com

# ESG@MAYBANK IBG

wchewh@maybank.com

Risk Rating & Score <sup>1</sup>	13.1 (Low)
Score Momentum <sup>2</sup>	-0.4
Last Updated	3 Jul 2021
Controversy Score <sup>3</sup> (Updated: 03 Dec 2011)	0 - No reported incidents

## Business Model & Industry Issues

- As an exchange operator and regulator, Bursa encourages sustainable development by promoting responsible growth while facilitating fund raising, value and wealth creation. Its globally benchmarked FTSE4Good Bursa Malaysia Index was introduced in 2014, and listing criterias have been amended requiring PLCs to report on their sustainability practices.
- As a PLC, Bursa's sustainability and ESG efforts are guided by global best practices. Its Governance Model for Regulation & Conflicts Management is similar to that of the NYSE, HKEX and ASX. Bursa's new Sustainability Roadmap 2021-23 focuses on strengthening its core, driving growth, protecting the environment, empowering its workforce, advancing the communities.
- In our view, Bursa's ESG risks (as a PLC) are low; this is positive for its valuation over the longer term as more investors include ESG considerations in their investment decisions.

## Material E issues

- In 2019, Bursa (the PLC) set up a Climate Action Task Force to coordinate efforts to improve its environmental performance and reporting, towards the adoption of the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations.
- In 2019 too, Bursa (the exchange) became a member of the Joint Committee on Climate Change (JC3), co-chaired by the Securities Commission and Bank Negara; Bursa also chairs a sub-committee on Governance and Disclosure.
- Bursa has reduced its electricity consumption (in MWh) by 11% from 2017 to 2020; its energy intensity (in MWh/m2) has reduced by a higher 14.8%. Its Scope 2 GHG emissions (from grid power consumption) was also down by 11%.
- Bursa's waste management approach includes responsible disposal of e-waste via a licensed operator and recycling. In 2020, it sent 7,170kg of paper and 2,522kg of fabric-based items for recycling.

## Material S issues

- Bursa's staff force is diverse in gender and ethnicity. The male-to-female split was 51%-49% end-2020, with female representation at the managerial level at 53%, while the gender pay ratio was 1-to-1. 58% of Bursa's staff was of Malay ethnicity, 30% Chinese, 10% Indian.
- Bursa had invested MYR1.37m and 20,610 training hours in its employees in 2020, or an average of 32.1 hours for its male, and 35.2 hours for its female employees. GO1, an e-learning platform for employees, was launched in 2018.
- Yayasan Bursa Malaysia (YBM) undertakes Bursa's flagship community investment programmes. Since its inception in 1998, YBM has raised >MYR11.5m to support programmes for children, women, persons with disabilities and *orang asli*. In 2020, Bursa pledged 1% of its profit after tax to corporate social responsibility activities via YBM.
- Bursa's COVID-19 community response in 2020 focused on communities which were disproportionately affected, with MYR737,000 donated/pledged. It also donated medical equipment to 11 hospitals handling COVID-19 cases.

## Key G metrics and issues

- Bursa's Board comprises 10 Directors (as of 12 Jan 2022) - 9 Independent Non-Executive Directors (INED) + 1 Executive Director (also the CEO).
- Sec 10(1)(a) of the Capital Markets and Services Act 2007 provides that 1/3 of Bursa's Board (including the Chairman) shall be Public Interest Directors (PID), appointed by the Minister of Finance in consultation with the Securities Commission. 4 of Bursa's INED (as of 12 Jan 2022) are PIDs, including the Chairman.
- There are 3 women on its Board (30% representation).
- Bursa has an established Governance Model (reviewed in 2020) where specific powers of its Board are delegated to Board Committees and the CEO. There are 9 Board Committees (revised) effective Jan 2021: (i) 3 Governance Committees (Audit, Risk Management, Nomination & Remuneration); (ii) 2 Development Committees (Technology & Cybersecurity, Market & Development); (iii) 4 Regulatory Committees (Regulatory & Conflicts, Appeals, Market Participants, Listing). Also, there are two consultative panels for securities market and derivatives market.
- Bursa has a Whistleblower Policy and Procedures (WPP) for employees and external parties to report on any breaches or suspected breaches of law and regulation, and business principles. In 2019, the Anti-Fraud, Bribery and Corruption Policy replaced a pre-existed Corporate Fraud Policy for more structured, systematic and consistent monitoring. In 2020, an Organisational Anti-Corruption Plan was developed under the oversight of a new Integrity & Governance Unit.
- Bursa provides detailed disclosure on remuneration of directors and key management. In FY20, remuneration to Directors and top 5 senior management made up 1.1% and 1.4% respectively of Bursa's pretax profit.
- Bursa has been audited by Ernst & Young, at least since 2004 (Bursa was listed on 18 Mar 2005).
- Transactions with related parties (including with government-linked and other entities by virtue of substantial shareholding in Bursa) have been on terms and conditions not materially different from those transactions with unrelated parties.

<sup>1</sup>**Risk Rating & Score** - derived by Sustainalytics and assesses the company's exposure to unmanaged ESG risks. Scores range between 0 - 50 in order of increasing severity with low/high scores & ratings representing negligible/significant risk to the company's enterprise value, respectively, from ESG-driven financial impacts. <sup>2</sup>**Score Momentum** - indicates changes to the company's score since the last update - a **negative** integer indicates a company's improving risk score; a **positive** integer indicates a deterioration. <sup>3</sup>**Controversy Score** - reported periodically by Sustainalytics in the event of material ESG-related incident(s), with the impact severity scores of these events ranging from Category 0-5 (0 - no reports; 1 - negligible risks; ...; 5 - poses serious risks & indicative of potential structural deficiencies at the company).

Fig 1: Results summary

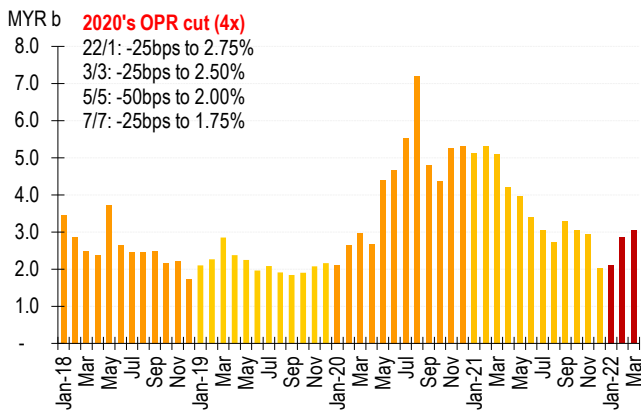
	Quarterly					Cumulative			Comments
	1Q22	1Q21	% YoY	4Q21	% QoQ	3M22	3M21	% YoY	
<b>FY Dec (MYR m)</b>									
Operating revenue	161.0	228.0	(29.4)	161.6	(0.3)	161.0	228.0	(29.4)	Lower YoY largely due to lower trading revenue from equity (see segmental below for details).
Other income	4.3	4.3	(0.3)	3.6	18.8	4.3	4.3	(0.3)	
<b>Total revenue</b>	<b>165.3</b>	<b>232.3</b>	<b>(28.8)</b>	<b>165.2</b>	<b>0.1</b>	<b>165.3</b>	<b>232.3</b>	<b>(28.8)</b>	
Operating expenses	(66.2)	(64.2)	3.1	(69.3)	(4.5)	(66.2)	(64.2)	3.1	Higher business development expenses in 1Q22.
<b>EBITDA</b>	<b>99.1</b>	<b>168.1</b>	<b>(41.0)</b>	<b>95.9</b>	<b>3.4</b>	<b>99.1</b>	<b>168.1</b>	<b>(41.0)</b>	
Depreciation	(6.4)	(5.2)	23.0	(6.1)	4.3	(6.4)	(5.2)	23.0	
<b>EBIT</b>	<b>92.8</b>	<b>162.9</b>	<b>(43.1)</b>	<b>89.8</b>	<b>3.3</b>	<b>92.8</b>	<b>162.9</b>	<b>(43.1)</b>	
Interest expense	(0.1)	(0.1)	-	(0.1)	-	(0.1)	(0.1)	-	
<b>Pre-tax profit</b>	<b>92.6</b>	<b>162.8</b>	<b>(43.1)</b>	<b>89.6</b>	<b>3.3</b>	<b>92.6</b>	<b>162.8</b>	<b>(43.1)</b>	
Tax	(24.7)	(41.4)	(40.4)	(24.7)	(0.1)	(24.7)	(41.4)	(40.4)	
Minorities	-	-	NM	-	NM	-	-	NM	
<b>Net profit</b>	<b>68.0</b>	<b>121.4</b>	<b>(44.0)</b>	<b>65.0</b>	<b>4.6</b>	<b>68.0</b>	<b>121.4</b>	<b>(44.0)</b>	
<b>Core net profit</b>	<b>68.0</b>	<b>121.4</b>	<b>(44.0)</b>	<b>65.0</b>	<b>4.6</b>	<b>68.0</b>	<b>121.4</b>	<b>(44.0)</b>	
EPS (sen)	8.4	15.0	(44.0)	8.0	5.0	8.4	15.0	(44.0)	
DPS (sen) - net	-	-	NM	17.0	NM	-	-	NM	
	<b>1Q22</b>	<b>1Q21</b>	<b>+/- ppt</b>	<b>4Q21</b>	<b>+/- ppt</b>	<b>3M22</b>	<b>3M21</b>	<b>+/-ppt</b>	
Cost-to-income (%)	44.0	29.9	14.0	45.7	(1.8)	44.0	29.9	14.0	Higher YoY due to the denominator.
EBITDA margin (%)	60.0	72.4	(12.4)	58.0	1.9	60.0	72.4	(12.4)	
EBIT margin (%)	56.1	70.1	(14.0)	54.4	1.8	56.1	70.1	(14.0)	
Tax rate (%)	26.6	25.4	1.2	27.5	(0.9)	26.6	25.4	1.2	
<b>Segmental (MYR m)</b>	<b>1Q22</b>	<b>1Q21</b>	<b>% YoY</b>	<b>4Q21</b>	<b>% QoQ</b>	<b>3M22</b>	<b>3M21</b>	<b>% YoY</b>	
Trading revenue fr equity	80.4	150.9	(46.7)	83.0	(3.1)	80.4	150.9	(46.7)	ADV fell 48% YoY (flattish QoQ) with trading velocity down 34ppts YoY (+1ppt QoQ) to 36% - see details below.
- Equity clearing fees	64.6	127.5	(49.3)	67.1	(3.7)	64.6	127.5	(49.3)	
Trading revenue fr derivative	23.3	22.6	3.4	21.5	8.5	23.3	22.6	3.4	Higher mainly due to higher collateral management fee earned.
BSAS trading revenue	3.8	3.4	12.2	3.9	(1.4)	3.8	3.4	12.2	
Non-trading revenue	53.5	51.2	4.5	53.2	0.4	53.5	51.2	4.5	Higher YoY mainly due to the 50% rebate on annual listing fee in 2021 to aid targeted listed issuers.
- Listing & issuer services	16.9	15.8	7.2	18.5	(8.6)	16.9	15.8	7.2	
- Depository services	14.4	15.5	(7.3)	13.9	3.2	14.4	15.5	(7.3)	Lower YoY on lower record of depositors fees and additional issue fees earned.
- Market data	14.8	14.1	4.8	14.5	1.7	14.8	14.1	4.8	
- Member services & connectivity	5.9	5.8	2.4	6.3	(6.9)	5.9	5.8	2.4	
- Conference fees, exhibition inc	1.5	0.1	NM	-	NM	1.5	0.1	NM	Resumption of the physical POC 2022 held in Mar 2022.
<b>Total operating revenue</b>	<b>161.0</b>	<b>228.0</b>	<b>(29.4)</b>	<b>161.6</b>	<b>(0.3)</b>	<b>161.0</b>	<b>228.0</b>	<b>(29.4)</b>	
<b>Equity market</b>									
Trading velocity (%)	36.0	70.0	(34.0)	35.0	1.0	36.0	70.0	(34.0)	See Fig. 4 & 5.
Ave daily trading value (MYR b)	2.68	5.17	(48.2)	2.66	0.8	2.68	5.17	(48.2)	
Total trade value (MYR b)	163.3	310.2	(47.4)	167.8	(2.7)	163.3	310.2	(47.4)	
Effective clearing fee (bps)	2.57	2.69	(0.12)	2.66	(0.09)	2.57	2.69	(0.12)	
<b>Derivative market</b>									
Ave daily contracts (no.)	77,513	80,338	(3.5)	70,389	10.1	77,513	80,338	(3.5)	See Fig. 12 & 13.
Total contracts (m)	4.73	4.82	(1.9)	4.43	6.6	4.73	4.82	(1.9)	
- FCPO contracts (m)	4.02	4.03	(0.3)	3.80	5.8	4.02	4.03	(0.3)	See Fig. 13.
- FKLl contracts (m)	0.69	0.77	(9.9)	0.60	14.6	0.69	0.77	(9.9)	See Fig. 13.

Sources: Company, Maybank IBG Research

April 28, 2022

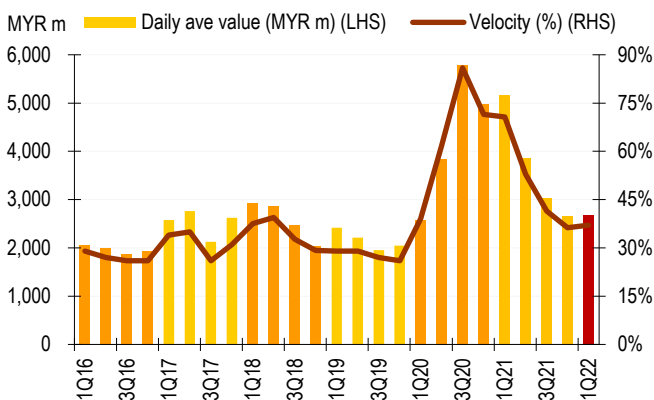
# Equity trades at Bursa

**Fig 2: Monthly average daily value**



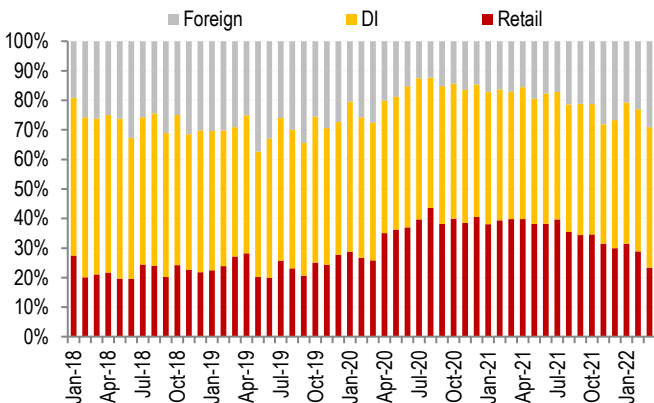
Source: Company, Maybank IBG Research

**Fig 4: Quarterly average daily value (1Q22: MYR2.68b, -48% YoY, +0.8% QoQ)**



Source: Company, Maybank IBG Research

**Fig 6: Monthly trade participation (1Q22: Retail 27.2%, Domestic Insti 47.8%, Foreign 25.1%)**



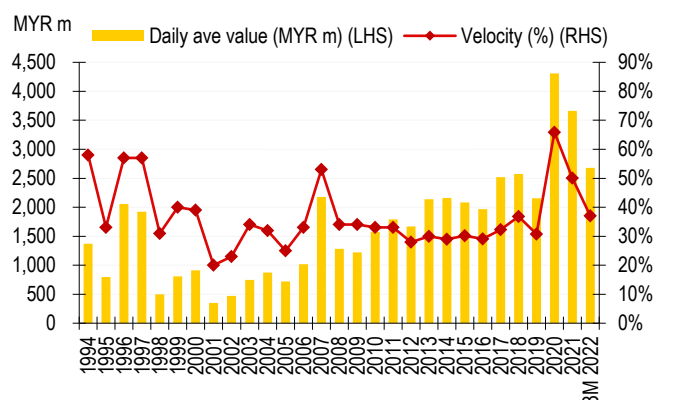
Source: Company, Maybank IBG Research

**Fig 3: Monthly average daily value**

(MYR b)	2018	2019	2020	2021	2022
Jan	3.46	2.10	2.11	5.11	2,103
Feb	2.88	2.26	2.64	5.31	2,853
Mar	2.48	2.85	2.98	5.11	3,038
Apr	2.37	2.38	2.66	4.22	* 2,294
May	3.74	2.25	4.40	3.98	
Jun	2.64	1.96	4.67	3.40	
Jul	2.47	2.09	5.54	3.06	
Aug	2.45	1.91	7.21	2.72	
Sep	2.50	1.84	4.79	3.28	
Oct	2.15	1.90	4.37	3.06	
Nov	2.23	2.08	5.25	2.95	
Dec	1.74	2.16	5.32	2.04	

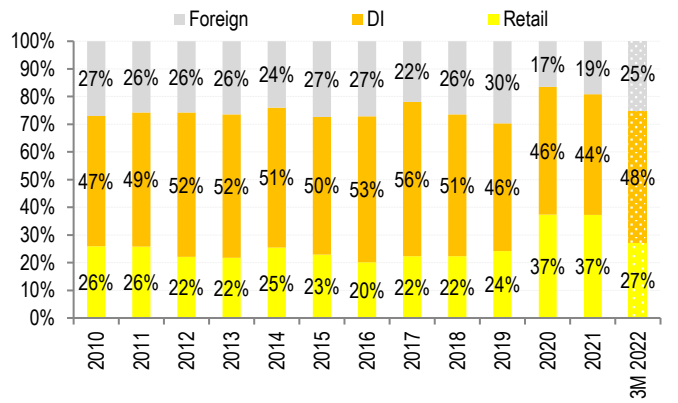
\* MTD till 27 Apr; Source: Company, Maybank IBG Research

**Fig 5: Yearly average daily value (3M22: MYR2.68b, -48% YoY)**



Source: Company, Maybank IBG Research

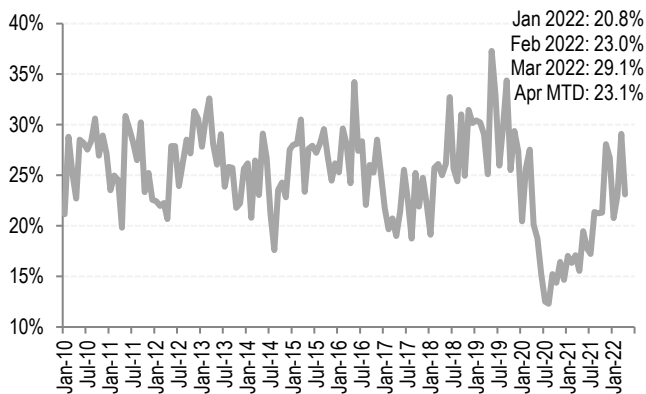
**Fig 7: Yearly trade participation (3M22: Retail 27.2%, Domestic Insti 47.8%, Foreign 25.1%)**



Source: Company, Maybank IBG Research

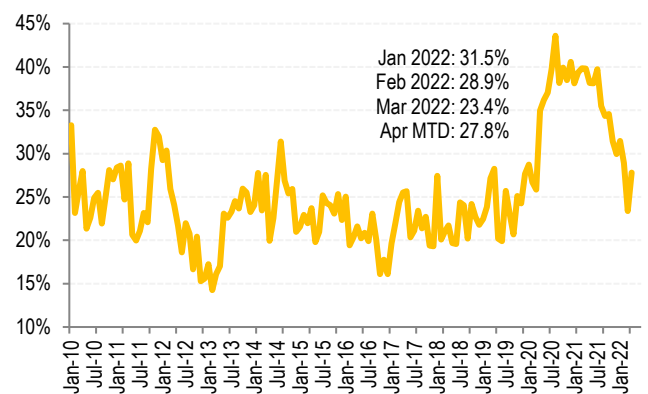


**Fig 8: Foreign participation in equity trades (%)**



Source: Company, Maybank IBG Research

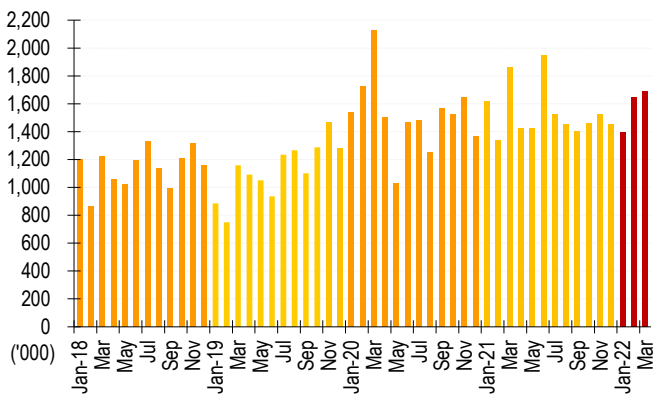
**Fig 9: Domestic retail participation in equity trades (%)**



Source: Company, Maybank IBG Research

## Derivative volume at Bursa

**Fig 10: Monthly contracts**



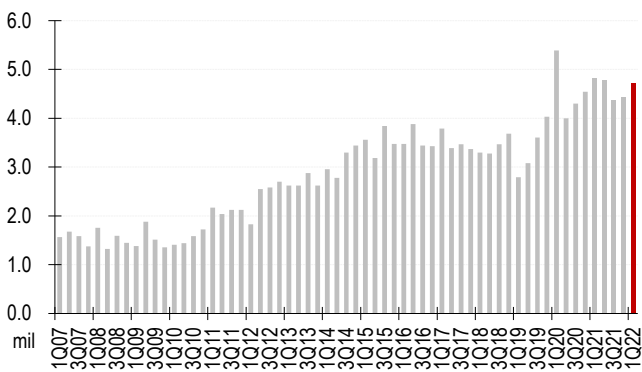
Source: Company, Maybank IBG Research

**Fig 11: Monthly contracts**

(mil)	2018	2019	2020	2021	2022
Jan	1.20	0.89	1.54	1.62	1.39
Feb	0.87	0.75	1.73	1.34	1.64
Mar	1.23	1.16	2.13	1.86	1.69
Apr	1.06	1.09	1.50	1.42	
May	1.02	1.05	1.03	1.42	
Jun	1.20	0.94	1.47	1.94	
Jul	1.33	1.24	1.48	1.52	
Aug	1.14	1.27	1.25	1.45	
Sep	0.99	1.10	1.56	1.40	
Oct	1.21	1.29	1.53	1.46	
Nov	1.32	1.47	1.65	1.52	
Dec	1.16	1.28	1.37	1.45	

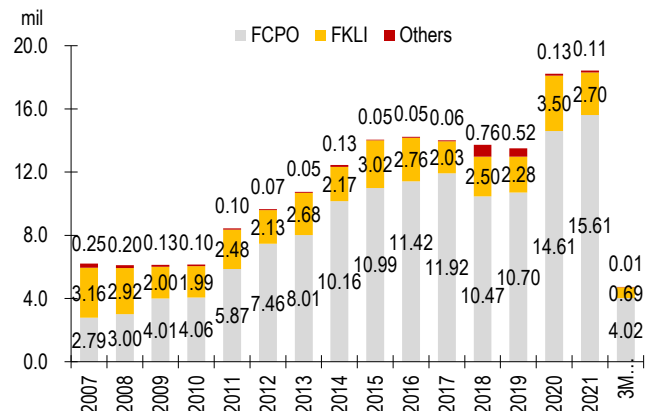
Source: Company, Maybank IBG Research

**Fig 12: Quarterly contracts**  
(1Q22: 4.73m, -2% YoY, +7% QoQ)



Source: Company, Maybank IBG Research

**Fig 13: Yearly contracts**  
(3M 2022: 4.73m, -2% YoY; comprising FCPO: 4.02m, -0.3% YoY, FKLI: 0.69m, -10% YoY)



Source: Company, Maybank IBG Research

## Our key assumptions

Fig 14: Our key assumptions

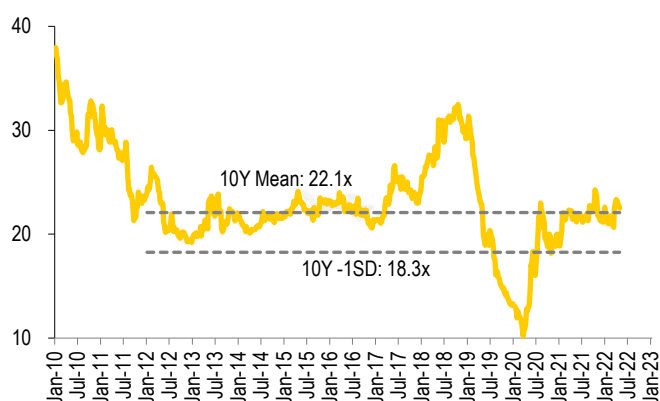
	FY20A	FY21A	FY22E	FY23E
Equity ADV (MYR b)	4.3	3.66	2.5	3.0
Equity velocity (%)	64%	49%	32%	36%
Derivative contracts (YoY, %)	+35%	+1%	+2%	+2%

Source: Company, Maybank IBG Research

**Sensitivity analysis:** Every MYR0.1b equity ADV deviation from our base case for 2022 impacts our FY22E net profit by MYR8m (or 3.5%).

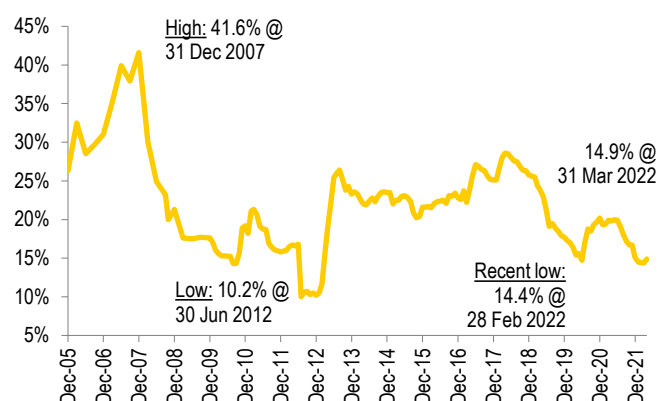
## Valuation & foreign shareholding

Fig 15: FY22E PER at 23.9x presently vs. 10Y mean of 22x



Source: Bloomberg, Maybank IBG Research

Fig 16: Foreign shareholding - 14.9% @ end-Mar 2022 (+0.4 pts YTD)



Source: Company, Maybank IBG Research

Fig 17: BURSA now trades at 23.9x CY22E PER vs. peers' average of 23.4x

	Ticker	P/E (x)			P/BV (x)			ROE (%)			Div Yield (%)		
		CY21	CY22E	CY23E	CY21	CY22E	CY23E	CY21	CY22E	CY23E	CY21	CY22E	CY23E
ASX Ltd	ASX AU	32.3	30.7	29.2	4.2	4.2	4.1	13.1	13.6	14.1	2.8	2.9	3.1
NZX Ltd	NZX NZ	24.0	23.1	19.5	5.1	3.6	3.8	21.7	18.6	18.8	4.7	4.8	5.4
Singapore Exch Ltd	SGX SP	23.8	23.0	21.1	7.2	6.7	6.2	32.0	30.7	31.0	3.3	3.4	3.6
Hong Kong Exch & Clear	388 HK	32.5	30.9	26.3	8.2	7.6	7.2	25.4	25.7	27.8	2.8	2.9	3.4
Japan Exchange Grp Inc	8697 JP	19.8	19.3	18.9	3.1	2.9	2.7	16.0	16.4	16.2	3.8	3.4	3.3
London Stock Exch Grp	LSE LN	27.8	26.2	22.9	1.9	1.8	1.7	22.9	7.1	7.7	1.2	1.3	1.4
Deutsche Boerse AG	DB1 GR	24.7	22.1	20.0	4.2	3.8	3.4	18.1	18.3	18.0	2.0	2.2	2.3
Euronext NV	ENX FP	14.2	14.8	13.9	2.2	2.1	1.9	17.6	13.6	13.4	2.5	2.9	3.1
Nasdaq Inc	NDAQ US	21.2	20.3	18.8	4.2	4.0	3.7	18.5	20.0	20.3	1.3	1.4	1.5
<b>Simple ave (ex-Bursa)</b>		<b>24.5</b>	<b>23.4</b>	<b>21.2</b>	<b>4.5</b>	<b>4.1</b>	<b>3.9</b>	<b>20.6</b>	<b>18.2</b>	<b>18.6</b>	<b>2.7</b>	<b>2.8</b>	<b>3.0</b>
Bursa Malaysia	BURSA MK	15.8	23.9	20.1	6.9	7.0	6.6	41.4	28.9	33.9	5.9	3.9	4.7

Sources: Bloomberg, Maybank IBG Research

FYE 31 Dec	FY20A	FY21A	FY22E	FY23E	FY24E
<b>Key Metrics</b>					
P/E (reported) (x)	16.0	18.0	23.9	20.1	19.1
Core P/E (x)	17.8	14.9	23.9	20.1	19.1
P/BV (x)	7.5	6.5	7.0	6.6	6.5
P/NTA (x)	7.8	6.8	7.4	7.0	6.8
Net dividend yield (%)	6.1	6.3	3.9	4.7	4.9
FCF yield (%)	7.1	6.9	2.8	5.1	5.2
EV/EBITDA (x)	11.9	9.6	14.5	12.6	11.9
EV/EBIT (x)	12.4	10.0	15.7	13.6	12.9
<b>INCOME STATEMENT (MYR m)</b>					
Revenue	799.0	767.5	634.7	695.3	729.5
EBITDA	528.6	501.0	357.5	408.3	432.1
Depreciation	(21.4)	(22.0)	(27.2)	(31.2)	(35.2)
Amortisation	0.0	0.0	0.0	0.0	0.0
EBIT	507.2	479.0	330.3	377.1	396.9
Net interest income / (exp)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Associates & JV	0.0	0.0	0.0	0.0	0.0
Exceptionals	0.0	0.0	0.0	0.0	0.0
Other pretax income	0.0	0.0	0.0	0.0	0.0
Pretax profit	506.6	478.4	329.8	376.6	396.4
Income tax	(128.9)	(123.2)	(95.1)	(97.0)	(102.1)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued operations	0.0	0.0	0.0	0.0	0.0
Reported net profit	377.7	355.3	234.7	279.6	294.3
Core net profit	377.7	355.3	234.7	279.6	294.3
<b>BALANCE SHEET (MYR m)</b>					
Cash & Short Term Investments	439.0	499.1	432.7	463.1	481.1
Accounts receivable	104.6	62.1	51.4	56.3	59.1
Inventory	0.0	0.0	0.0	0.0	0.0
Reinsurance assets	0.0	0.0	0.0	0.0	0.0
Property, Plant & Equip (net)	164.1	173.7	211.5	230.3	245.1
Intangible assets	43.0	43.0	43.0	43.0	43.0
Investment in Associates & JVs	0.0	0.0	0.0	0.0	0.0
Other assets	2,482.2	3,564.1	2,955.4	3,226.8	3,377.7
<b>Total assets</b>	<b>3,232.9</b>	<b>4,342.0</b>	<b>3,693.9</b>	<b>4,019.5</b>	<b>4,205.9</b>
ST interest bearing debt	0.0	0.0	0.0	0.0	0.0
Accounts payable	2,231.1	3,431.5	2,796.6	3,084.1	3,245.1
Insurance contract liabilities	0.0	0.0	0.0	0.0	0.0
LT interest bearing debt	0.0	0.0	0.0	0.0	0.0
Other liabilities	101.0	93.0	92.0	92.0	92.0
<b>Total Liabilities</b>	<b>2,332.1</b>	<b>3,524.9</b>	<b>2,888.9</b>	<b>3,175.7</b>	<b>3,336.8</b>
Shareholders Equity	900.8	817.1	805.0	843.8	869.1
Minority Interest	0.0	0.0	0.0	0.0	0.0
<b>Total shareholder equity</b>	<b>900.8</b>	<b>817.1</b>	<b>805.0</b>	<b>843.8</b>	<b>869.1</b>
<b>Total liabilities and equity</b>	<b>3,232.9</b>	<b>4,342.0</b>	<b>3,693.9</b>	<b>4,019.5</b>	<b>4,205.9</b>
<b>CASH FLOW (MYR m)</b>					
Pretax profit	506.6	478.4	329.8	376.6	396.4
Depreciation & amortisation	21.4	22.0	27.2	31.2	35.2
Adj net interest (income)/exp	0.0	0.0	0.0	0.0	0.0
Change in working capital	16.7	40.7	(18.3)	8.3	4.7
Cash taxes paid	(50.3)	(142.2)	(124.3)	(85.6)	(96.9)
Other operating cash flow	0.0	0.0	0.0	0.0	0.0
Cash flow from operations	494.4	398.9	214.5	330.5	339.4
Capex	(17.9)	(31.0)	(59.8)	(46.0)	(46.0)
Free cash flow	476.5	367.9	154.7	284.5	293.4
Dividends paid	(412.6)	(331.8)	(246.8)	(240.8)	(269.1)
Equity raised / (purchased)	0.0	0.0	0.0	0.0	0.0
Change in Debt	0.0	0.0	0.0	0.0	0.0
Other invest/financing cash flow	123.3	24.1	25.7	(13.3)	(6.4)
Effect of exch rate changes	0.0	0.0	0.0	0.0	0.0
<b>Net cash flow</b>	<b>187.2</b>	<b>60.2</b>	<b>(66.5)</b>	<b>30.4</b>	<b>17.9</b>



FYE 31 Dec	FY20A	FY21A	FY22E	FY23E	FY24E
<b>Key Ratios</b>					
<b>Growth ratios (%)</b>					
Revenue growth	59.0	(3.9)	(17.3)	9.6	4.9
EBITDA growth	90.8	(5.2)	(28.6)	14.2	5.8
EBIT growth	97.9	(5.6)	(31.0)	14.2	5.3
Pretax growth	98.1	(5.6)	(31.1)	14.2	5.3
Reported net profit growth	103.2	(6.0)	(33.9)	19.1	5.3
Core net profit growth	103.2	(6.0)	(33.9)	19.1	5.3
<b>Profitability ratios (%)</b>					
EBITDA margin	66.2	65.3	56.3	58.7	59.2
EBIT margin	63.5	62.4	52.0	54.2	54.4
Pretax profit margin	63.4	62.3	52.0	54.2	54.3
Payout ratio	109.2	93.4	93.1	94.1	93.5
<b>DuPont analysis</b>					
Net profit margin (%)	47.3	46.3	37.0	40.2	40.3
Revenue/Assets (x)	0.2	0.2	0.2	0.2	0.2
Assets/Equity (x)	3.6	5.3	4.6	4.8	4.8
ROAE (%)	45.5	41.4	28.9	33.9	34.4
ROAA (%)	13.6	9.4	5.8	7.3	7.2
<b>Liquidity &amp; Efficiency</b>					
Cash conversion cycle	nm	nm	nm	nm	nm
Days receivable outstanding	37.2	39.1	32.2	27.9	28.5
Days inventory outstanding	nm	nm	nm	nm	nm
Days payables outstanding	nm	nm	nm	nm	nm
Dividend cover (x)	0.9	1.1	1.1	1.1	1.1
Current ratio (x)	1.2	1.1	1.2	1.2	1.2
<b>Leverage &amp; Expense Analysis</b>					
Asset/Liability (x)	1.4	1.2	1.3	1.3	1.3
Net gearing (%) (incl perps)	net cash	net cash	net cash	net cash	net cash
Net gearing (%) (excl. perps)	net cash	net cash	net cash	net cash	net cash
Net interest cover (x)	nm	nm	nm	nm	nm
Debt/EBITDA (x)	0.0	0.0	0.0	0.0	0.0
Capex/revenue (%)	2.2	4.0	9.4	6.6	6.3
Net debt/ (net cash)	(439.0)	(499.1)	(432.7)	(463.1)	(481.1)

Source: Company; Maybank IBG Research

## Research Offices

### ECONOMICS

**Suhaimi ILIAS**  
Chief Economist  
Malaysia | Philippines | Global  
(603) 2297 8682  
suhaimi\_ilias@maybank-ib.com

**CHUA Hak Bin**  
Regional Thematic Macroeconomist  
(65) 6231 5830  
chuahb@maybank.com

**LEE Ju Ye**  
Singapore | Thailand | Indonesia  
(65) 6231 5844  
leejuye@maybank.com

**Dr Zamros DZULKAFLI**  
(603) 2082 6818  
zamros.d@maybank-ib.com

**Fatin Nabila MOHD ZAINI**  
(603) 2297 8685  
fatinnabila.mohdzaini@maybank-ib.com

**Brian LEE Shun Rong**  
(65) 6231 5846  
brian.lee1@maybank.com

**Luong Thu Huong**  
(65) 62315 8467  
hana.thuhoang@maybank.com

### FX

**Saktiandi SUPAAT**  
Head of FX Research  
(65) 6320 1379  
saktiandi@maybank.com.sg

**Christopher WONG**  
(65) 6320 1347  
wongkl@maybank.com.sg

**TAN Yanxi**  
(65) 6320 1378  
tanyx@maybank.com.sg

**Fiona LIM**  
(65) 6320 1374  
fionalim@maybank.com.sg

### STRATEGY

**Anand PATHMAKANTHAN**  
ASEAN  
(603) 2297 8783  
anand.pathmakanthan@maybank-ib.com

### FIXED INCOME

**Winson PHOON, FCA**  
(65) 6340 1079  
winsonphoon@maybank.com

**SE THO Mun Yi, CFA**  
(603) 2074 7606  
munyi.st@maybank-ib.com

### REGIONAL EQUITIES

**Anand PATHMAKANTHAN**  
Head of Regional Equity Research  
(603) 2297 8783  
anand.pathmakanthan@maybank-ib.com

**WONG Chew Hann, CA**  
Head of ASEAN Equity Research  
(603) 2297 8686  
wchewh@maybank-ib.com

**ONG Seng Yeow**  
Research, Technology & Innovation  
(65) 6231 5839  
ongsengyeow@maybank.com

### MALAYSIA

**Anand PATHMAKANTHAN** *Head of Research*  
(603) 2297 8783  
anand.pathmakanthan@maybank-ib.com  
• Strategy

**WONG Chew Hann, CA**  
(603) 2297 8686  
wchewh@maybank-ib.com  
• Non-Bank Financials (stock exchange)  
• Construction & Infrastructure

**Desmond CH'NG, BFP, FCA**  
(603) 2297 8680  
desmond.chng@maybank-ib.com  
• Banking & Finance

**LIAW Thong Jung**  
(603) 2297 8688 tjliaw@maybank-ib.com  
• Oil & Gas Services- Regional  
• Automotive

**ONG Chee Ting, CA**  
(603) 2297 8678 ct.ong@maybank-ib.com  
• Plantations - Regional

**YIN Shao Yang, CPA**  
(603) 2297 8916 samuel.y@maybank-ib.com  
• Gaming - Regional  
• Media • Aviation • Non-Bank Financials

**TAN Chi Wei, CFA**  
(603) 2297 8690 chiwei.t@maybank-ib.com  
• Power • Telcos

**WONG Wei Sum, CFA**  
(603) 2297 8679 weisum@maybank-ib.com  
• Property • Glove

**Jade TAM**  
(603) 2297 8687 jade.tam@maybank-ib.com  
• Consumer Staples & Discretionary

**Nur Farah SYIFAA**  
(603) 2297 8675  
nurfarahsyifaa.mohamadfuad@maybank-ib.com  
• Construction • Renewable Energy • REITs

**Arvind JAYARATNAM**  
(603) 2297 8692  
arvind.jayaratnam@maybank.com  
• Petrochemicals • Technology

**Shafiq KADIR**  
(603) 2297 8691  
msshafiqk.abkadir@maybank-ib.com  
• Healthcare • Software

**LOH Yan Jin**  
(603) 2297 8687  
lohyanjin.loh@maybank-ib.com  
• Ports • Shipping

**TEE Sze Chiah** *Head of Retail Research*  
(603) 2082 6858 szechiah.t@maybank-ib.com  
• Retail Research

**Nik Ihsan RAJA ABDULLAH, MSTA, CFTe**  
(603) 2297 8694  
nikmohdihsan.ra@maybank-ib.com  
• Chartist

**Amirah AZMI**  
(603) 2082 8769 amirah.azmi@maybank-ib.com  
• Retail Research

### SINGAPORE

**Thilan WICKRAMASINGHE** *Head of Research*  
(65) 6231 5840 thilanw@maybank.com  
• Banking & Finance - Regional  
• Consumer

**CHUA Su Tye**  
(65) 6231 5842 chuasutye@maybank.com  
• REITs - Regional

**LAI Gene Lih, CFA**  
(65) 6231 5832 laigenelih@maybank.com  
• Technology

**Eric ONG**  
(65) 6231 5924 ericong@maybank.com  
• Healthcare • Transport • SMIDs

**Kelvin TAN**  
(65) 6231 5837 kelvintan1@maybank.com  
• Telcos

**Samuel TAN**  
(65) 6231 5843 samuel.tan@maybank.com  
• Technology

### PHILIPPINES

**Jacqui de JESUS** *Head of Research*  
(63) 2 8849 8840  
jacqui.dejesus@maybank.com  
• Strategy • Conglomerates

**Rachelleen RODRIGUEZ, CFA**  
(63) 2 8849 8843  
rachelleen.rodriguez@maybank.com  
• Banking & Finance • Transport • Telcos

**Daphne SZE**  
(63) 2 8849 8847  
daphne.sze@maybank.com  
• Consumer

**Miguel SEVIDAL**  
(63) 2 8849 8844  
miguel.sevidal@maybank.com  
• REITs • Property

**Fiorenzo de JESUS**  
(63) 2 8849 8846  
fiorenzo.dejesus@maybank.com  
• Utilities

### VIETNAM

**Quan Trong Thanh** *Head of Research*  
(84 28) 44 555 888 ext 8184  
thanh.quan@maybank.com  
• Banks

**Hoang Huy, CFA**  
(84 28) 44 555 888 ext 8181  
hoanghuy@maybank.com  
• Strategy • Technology • Industrials

**Le Nguyen Nhat Chuyen**  
(84 28) 44 555 888 ext 8082  
chuyen.le@maybank.com  
• Oil & Gas • Logistics

**Nguyen Thi Sony Tra Mi**  
(84 28) 44 555 888 ext 8084  
trami.nguyen@maybank.com  
• Consumer

**Tyler Manh Dung Nguyen**  
(84 28) 44 555 888 ext 8085  
manhdung.nguyen@maybank.com  
• Utilities • Property

**Tran Thi Thanh Nhan**  
(84 28) 44 555 888 ext 8088  
nhan.tran@maybank.com  
• Consumer

**Nguyen Thi Ngan Tuyen**  
*Head of Retail Research*  
(84 28) 44 555 888 ext 8081  
tuyen.nguyen@maybank.com  
• Retail Research

**Nguyen Thanh Lam**  
(84 28) 44 555 888 ext 8086  
thanhlam.nguyen@maybank.com  
• Chartist

### INDIA

**Jigar SHAH** *Head of Research*  
(91) 22 4223 2632 jigars@maybank.com  
• Strategy • Oil & Gas • Automobile • Cement

**Neerav DALAL**  
(91) 22 4223 2606 neerav@maybank.com  
• Software Technology • Telcos

**Vikram RAMALINGAM**  
(91) 22 4223 2607  
vikram@maybank.com  
• Automobile • Media

### INDONESIA

**Rahmi MARINA**  
(62) 21 8066 8689  
rahmi.marina@maybank.com  
• Banking & Finance

**Willy GOUTAMA**  
(62) 21 8066 8500  
willygoutama@maybank.com  
• Consumer

**Satriawan, CTA**  
(62) 21 8066 8682  
satriawan@maybank.com  
• Chartist

### THAILAND

**Maria LAPIZ** *Head of Institutional Research*  
Dir (66) 2257 0250 | (66) 2658 6300 ext 1399  
Maria.L@maybank.com  
• Strategy • Consumer • Materials • Services

**Jesada TECHAHUSDIN, CFA**  
(66) 2658 6300 ext 1395  
jesada.t@maybank.com  
• Banking & Finance

**Vanida GEISLER, CPA**  
(66) 2658 6300 ext 1394  
Vanida.G@maybank.com  
• Property • REITs

**Yuwanee PROMMAPORN**  
(66) 2658 6300 ext 1393  
Yuwanee.P@maybank.com  
• Services • Healthcare

**Surachai PRAMUALCHAROENKIT**  
(66) 2658 5000 ext 1470  
Surachai.p@maybank.com  
• Auto • Conmat • Contractor • Steel

**Suttatip PEERASUB**  
(66) 2658 5000 ext 1430  
suttatip.p@maybank.com  
• Food & Beverage • Commerce

**Jarooppan WATTANAWONG**  
(66) 2658 5000 ext 1404  
jarooppan.w@maybank.com  
• Transportation • Small cap

**Thanatphat SUKSRICHAVALIT**  
(66) 2658 5000 ext 1401  
thanatphat.s@maybank.com  
• Media • Electronics

## APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLAIMERS AND DISCLOSURES

### DISCLAIMERS

This research report is prepared for general circulation and for information purposes only and under no circumstances should it be considered or intended as an offer to sell or a solicitation of an offer to buy the securities referred to herein. Investors should note that values of such securities, if any, may fluctuate and that each security's price or value may rise or fall. Opinions or recommendations contained herein are in form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from the relevant jurisdiction's stock exchange in the equity analysis. Accordingly, investors' returns may be less than the original sum invested. Past performance is not necessarily a guide to future performance. This report is not intended to provide personal investment advice and does not take into account the specific investment objectives, the financial situation and the particular needs of persons who may receive or read this report. Investors should therefore seek financial, legal and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

The information contained herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Maybank Investment Bank Berhad, its subsidiary and affiliates (collectively, "Maybank IBG") and consequently no representation is made as to the accuracy or completeness of this report by Maybank IBG and it should not be relied upon as such. Accordingly, Maybank IBG and its officers, directors, associates, connected parties and/or employees (collectively, "Representatives") shall not be liable for any direct, indirect or consequential losses or damages that may arise from the use or reliance of this report. Any information, opinions or recommendations contained herein are subject to change at any time, without prior notice.

This report may contain forward looking statements which are often but not always identified by the use of words such as "anticipate", "believe", "estimate", "intend", "plan", "expect", "forecast", "predict" and "project" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made and information currently available to us and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Readers are cautioned not to place undue relevance on these forward-looking statements. Maybank IBG expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Maybank IBG and its officers, directors and employees, including persons involved in the preparation or issuance of this report, may, to the extent permitted by law, from time to time participate or invest in financing transactions with the issuer(s) of the securities mentioned in this report, perform services for or solicit business from such issuers, and/or have a position or holding, or other material interest, or effect transactions, in such securities or options thereon, or other investments related thereto. In addition, it may make markets in the securities mentioned in the material presented in this report. One or more directors, officers and/or employees of Maybank IBG may be a director of the issuers of the securities mentioned in this report to the extent permitted by law.

This report is prepared for the use of Maybank IBG's clients and may not be reproduced, altered in any way, transmitted to, copied or distributed to any other party in whole or in part in any form or manner without the prior express written consent of Maybank IBG and Maybank IBG and its Representatives accepts no liability whatsoever for the actions of third parties in this respect.

This report is not directed to or intended for distribution to or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for distribution only under such circumstances as may be permitted by applicable law. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

#### Malaysia

Opinions or recommendations contained herein are in the form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from Bursa Malaysia Securities Berhad in the equity analysis.

#### Singapore

This report has been produced as of the date hereof and the information herein may be subject to change. Maybank Research Pte. Ltd. ("MRPL") in Singapore has no obligation to update such information for any recipient. For distribution in Singapore, recipients of this report are to contact MRPL in Singapore in respect of any matters arising from, or in connection with, this report. If the recipient of this report is not an accredited investor, expert investor or institutional investor (as defined under Section 4A of the Singapore Securities and Futures Act), MRPL shall be legally liable for the contents of this report, with such liability being limited to the extent (if any) as permitted by law.

#### Thailand

Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of Maybank Securities (Thailand) Public Company Limited. Maybank Securities (Thailand) Public Company Limited ("MST") accepts no liability whatsoever for the actions of third parties in this respect.

Due to different characteristics, objectives and strategies of institutional and retail investors, the research products of MST Institutional and Retail Research departments may differ in either recommendation or target price, or both. MST reserves the rights to disseminate MST Retail Research reports to institutional investors who have requested to receive it. If you are an authorised recipient, you hereby tacitly acknowledge that the research reports from MST Retail Research are first produced in Thai and there is a time lag in the release of the translated English version.

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey may be changed after that date. MST does not confirm nor certify the accuracy of such survey result.

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, MST does not confirm, verify, or certify the accuracy and completeness of the assessment result.

#### US

This third-party research report is distributed in the United States ("US") to Major US Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended) only by Maybank Securities USA Inc ("MSUS"), a broker-dealer registered in the US (registered under Section 15 of the Securities Exchange Act of 1934, as amended). All responsibility for the distribution of this report by MSUS in the US shall be borne by MSUS. This report is not directed at you if Maybank IBG is prohibited or restricted by any legislation or regulation in any jurisdiction from making it available to you. You should satisfy yourself before reading it that MSUS is permitted to provide research material concerning investments to you under relevant legislation and regulations. All U.S. persons receiving and/or accessing this report and wishing to effect transactions in any security mentioned within must do so with: Maybank Securities USA Inc. 400 Park Avenue, 11th Floor, New York, New York 10022, 1-(212) 688-8886 and not with, the issuer of this report.

## UK

This document is being distributed by Maybank Securities (London) Ltd (“MSUK”) which is authorized and regulated, by the Financial Conduct Authority and is for Informational Purposes only. This document is not intended for distribution to anyone defined as a Retail Client under the Financial Services and Markets Act 2000 within the UK. Any inclusion of a third party link is for the recipients convenience only, and that the firm does not take any responsibility for its comments or accuracy, and that access to such links is at the individuals own risk. Nothing in this report should be considered as constituting legal, accounting or tax advice, and that for accurate guidance recipients should consult with their own independent tax advisers.

## DISCLOSURES

### Legal Entities Disclosures

**Malaysia:** This report is issued and distributed in Malaysia by Maybank Investment Bank Berhad (15938- H) which is a Participating Organization of Bursa Malaysia Berhad and a holder of Capital Markets and Services License issued by the Securities Commission in Malaysia. **Singapore:** This report is distributed in Singapore by MRPL (Co. Reg No 198700034E) which is regulated by the Monetary Authority of Singapore. **Indonesia:** PT Maybank Sekuritas Indonesia (“PTMSI”) (Reg. No. KEP-251/PM/1992) is a member of the Indonesia Stock Exchange and is regulated by the Financial Services Authority (Indonesia). **Thailand:** MST (Reg. No.0107545000314) is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. **Philippines:** Maybank Securities Inc (Reg. No.01-2004-00019) is a member of the Philippines Stock Exchange and is regulated by the Securities and Exchange Commission. **Vietnam:** Maybank Securities Limited (License Number: 117/GP-UBCK) is licensed under the State Securities Commission of Vietnam. **Hong Kong:** MIB Securities (Hong Kong) Limited (Central Entity No AAD284) is regulated by the Securities and Futures Commission. **India:** MIB Securities India Private Limited (“MIBSI”) is a participant of the National Stock Exchange of India Limited and the Bombay Stock Exchange and is regulated by Securities and Exchange Board of India (“SEBI”) (Reg. No. INZ000010538). MIBSI is also registered with SEBI as Category 1 Merchant Banker (Reg. No. INM 000011708) and as Research Analyst (Reg No: INH000000057) **US:** Maybank Securities USA Inc is a member of/and is authorized and regulated by the FINRA - Broker ID 27861. **UK:** Maybank Securities (London) Ltd (Reg No 2377538) is authorized and regulated by the Financial Conduct Authority.

### Disclosure of Interest

**Malaysia:** Maybank IBG and its Representatives may from time to time have positions or be materially interested in the securities referred to herein and may further act as market maker or may have assumed an underwriting commitment or deal with such securities and may also perform or seek to perform investment banking services, advisory and other services for or relating to those companies.

**Singapore:** As of 28 April 2022, Maybank Research Pte. Ltd. and the covering analyst do not have any interest in any companies recommended in this research report.

**Thailand:** MST may have a business relationship with or may possibly be an issuer of derivative warrants on the securities /companies mentioned in the research report. Therefore, Investors should exercise their own judgment before making any investment decisions. MST, its associates, directors, connected parties and/or employees may from time to time have interests and/or underwriting commitments in the securities mentioned in this report.

**Hong Kong:** As of 28 April 2022, MIB Securities (Hong Kong) Limited and the authoring analyst do not have any interest in any companies recommended in this research report.

**India:** As of 28 April 2022, and at the end of the month immediately preceding the date of publication of the research report, MIBSI, authoring analyst or their associate / relative does not hold any financial interest or any actual or beneficial ownership in any shares or having any conflict of interest in the subject companies except as otherwise disclosed in the research report.

In the past twelve months MIBSI and authoring analyst or their associate did not receive any compensation or other benefits from the subject companies or third party in connection with the research report on any account what so ever except as otherwise disclosed in the research report.

Maybank IBG may have, within the last three years, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all of the entities mentioned in this report or may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investment concerned or a related investment and may receive compensation for the services provided from the companies covered in this report.

## OTHERS

### Analyst Certification of Independence

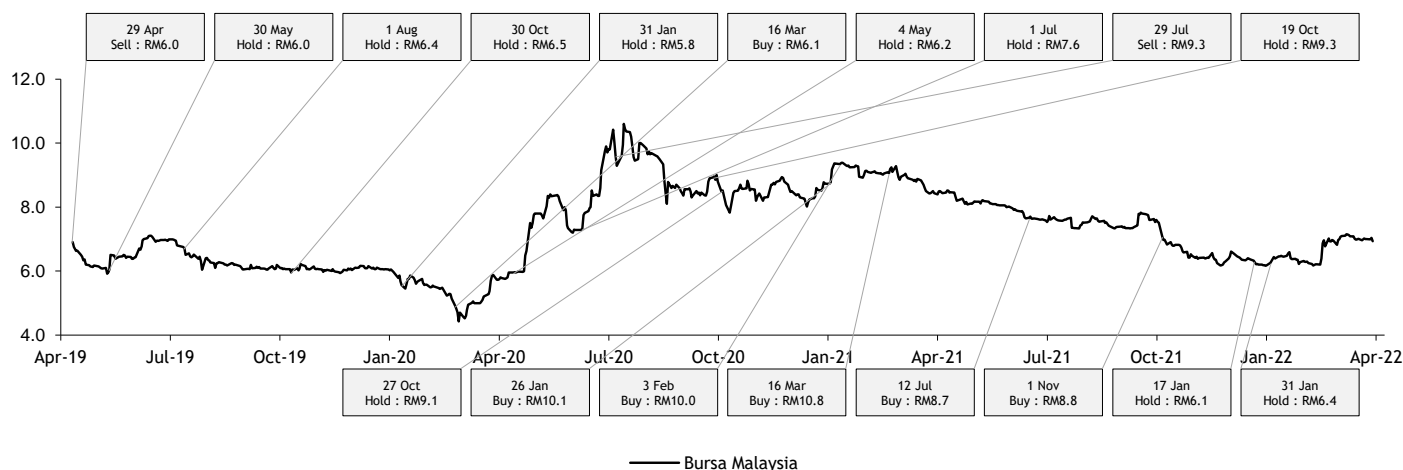
The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

### Reminder

Structured securities are complex instruments, typically involve a high degree of risk and are intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. The market value of any structured security may be affected by changes in economic, financial and political factors (including, but not limited to, spot and forward interest and exchange rates), time to maturity, market conditions and volatility and the credit quality of any issuer or reference issuer. Any investor interested in purchasing a structured product should conduct its own analysis of the product and consult with its own professional advisers as to the risks involved in making such a purchase.

No part of this material may be copied, photocopied or duplicated in any form by any means or redistributed without the prior consent of Maybank IBG.

### Historical recommendations and target price: Bursa Malaysia (BURSA MK)



#### Definition of Ratings

Maybank IBG Research uses the following rating system

- BUY** Return is expected to be above 10% in the next 12 months (including dividends)
- HOLD** Return is expected to be between 0% to 10% in the next 12 months (including dividends)
- SELL** Return is expected to be below 0% in the next 12 months (including dividends)

#### Applicability of Ratings

The respective analyst maintains a coverage universe of stocks, the list of which may be adjusted according to needs. Investment ratings are only applicable to the stocks which form part of the coverage universe. Reports on companies which are not part of the coverage do not carry investment ratings as we do not actively follow developments in these companies.

### Malaysia

Maybank Investment Bank Berhad  
(A Participating Organisation of  
Bursa Malaysia Securities Berhad)  
33rd Floor, Menara Maybank,  
100 Jalan Tun Perak,  
50050 Kuala Lumpur  
Tel: (603) 2059 1888;  
Fax: (603) 2078 4194  
Stockbroking Business:  
Level 8, Tower C, Dataran Maybank,  
No.1, Jalan Maarof  
59000 Kuala Lumpur  
Tel: (603) 2297 8888  
Fax: (603) 2282 5136

### Singapore

Maybank Securities Pte Ltd  
Maybank Research Pte Ltd  
50 North Canal Road  
Singapore 059304

Tel: (65) 6336 9090

### Hong Kong

MIB Securities (Hong Kong) Limited  
28/F, Lee Garden Three,  
1 Sunning Road, Causeway Bay,  
Hong Kong

Tel: (852) 2268 0800  
Fax: (852) 2877 0104

### London

Maybank Securities (London) Ltd  
PNB House  
77 Queen Victoria Street  
London EC4V 4AY, UK

Tel: (44) 20 7332 0221  
Fax: (44) 20 7332 0302

### Indonesia

PT Maybank Sekuritas Indonesia  
Sentral Senayan III, 22<sup>nd</sup> Floor  
Jl. Asia Afrika No. 8  
Gelora Bung Karno, Senayan  
Jakarta 10270, Indonesia

Tel: (62) 21 2557 1188  
Fax: (62) 21 2557 1189

### New York

Maybank Securities USA Inc  
400 Park Avenue, 11th Floor  
New York, New York 10022,  
U.S.A.

Tel: (212) 688 8886  
Fax: (212) 688 3500

### India

MIB Securities India Pte Ltd  
1101, 11<sup>th</sup> floor, A Wing, Kanakia  
Wall Street, Chakala, Andheri -  
Kurla Road, Andheri East,  
Mumbai City - 400 093, India

Tel: (91) 22 6623 2600  
Fax: (91) 22 6623 2604

### Philippines

Maybank Securities Inc  
17/F, Tower One & Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City, Philippines 1200

Tel: (63) 2 8849 8888  
Fax: (63) 2 8848 5738

### Thailand

Maybank Securities (Thailand) PCL  
999/9 The Offices at Central World,  
20<sup>th</sup> - 21<sup>st</sup> Floor,  
Rama 1 Road Pathumwan,  
Bangkok 10330, Thailand

Tel: (66) 2 658 6817 (sales)  
Tel: (66) 2 658 6801 (research)

### Vietnam

Maybank Securities Limited  
4A-15+16 Floor Vincom Center Dong  
Khoi, 72 Le Thanh Ton St. District 1  
Ho Chi Minh City, Vietnam

Tel : (84) 844 555 888  
Fax : (84) 8 38 271 030

### Sales Trading

Kevin Foy  
Regional Head Sales Trading  
kevinfoy@maybank.com  
Tel: (65) 6636-3620  
US Toll Free: 1-866-406-7447

#### Indonesia

Helen Widjaja  
helen.widjaja@maybank.com  
(62) 21 2557 1188

#### New York

James Lynch  
jlynch@maybank-keusa.com  
Tel: (212) 688 8886

#### Philippines

Keith Roy  
keith\_roy@maybank.com  
Tel: (63) 2 848-5288

#### London

Greg Smith  
gsmith@maybank.co.uk  
Tel: (44) 207-332-0221

#### India

Sanjay Makhija  
sanjaymakhija@maybank.com  
Tel: (91)-22-6623-2629