

Malaysia

ADD (no change)

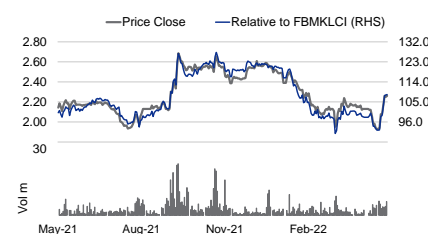
Consensus ratings*: Buy 11 Hold 0 Sell 0

Current price:	RM2.26
Target price:	RM3.26
Previous target:	RM3.95
Up/downside:	44.2%
CGS-CIMB / Consensus:	0.3%
Reuters:	YINS.KL
Bloomberg:	YNS MK
Market cap:	US\$1,250m
	RM5,492m
Average daily turnover:	US\$1.14m
	RM4.85m
Current shares o/s:	2,955m
Free float:	47.0%

*Source: Bloomberg

Key changes in this note

- FY23-25F core EPS forecasts reduced by 18-24% as we incorporate the post-rights enlarged number of shares, partially offset by assuming a stronger US\$ exchange rate against the ringgit.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	5.3	0	5.5
Relative (%)	8.7	3.5	8.2

Major shareholders	% held
Lim Han Weng and family	27.5
EPF	16.1
KWAP	9.2

Analyst(s)



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Yinson Holdings Bhd

Rights issue done; shares set free to lift off

- Yinson's shares are trading ex-rights today and we adjust our SOP-based TP lower to RM3.26, which also reflects the potential dilution from its warrants.
- Reiterate Add as its rights issue is finally out of the way. Re-rating catalysts include the potential listing of its FPSO business in 2HCY22F.
- Prospects in the FPSO business also look strong, with Yinson likely to secure one project award in Angola in 2HCY22F, and another in CY23F.

Completion of rights issue; selling momentum to taper off

Yinson's share price declined by as much as 26% this year after its late-2021 announcement of its rights issue plan. We suspect that this is because fund managers do not want to breach single-stock investment limits, hence they may have had to sell some of the mother shares first, in order to reinvest via the rights issue. Fund managers also want to take advantage of the highly-discounted rights issue price to lower the average cost of their intended investment size. Residual shariah investors likely sold their holdings in 1Q22 after Yinson lost its shariah status in Nov 2021. Yinson has also been the subject of regulated short-selling activity, according to DiBots Bursa; shariah investors do not have to sell immediately after the loss of shariah status if the holdings are underwater. In our view, the completion of Yinson's rights issue has not only cleared out weak shareholders, but will also lead to a cessation of short-selling activities, which may liberate Yinson's share price to finally reflect its underlying intrinsic value.

FPSO business prospects look good; FPSO listing in 4QCY22F?

Yinson expects that the FPSO Anna Nery, which is in its final stages of construction, to sail away from the Cosco Qidong yard towards Brazil next month, up to six months ahead of schedule. Meanwhile, we expect the construction earnings contribution from the FPSO Atlanta (at Dubai's Drydocks World yard) and the FPSO Maria Quiteria (at the Cosco Shangxing yard) to commence from 2QFY23F (the May-Jul 2023F quarter), which will help boost Yinson's quarterly earnings performance. According to Upstream, Yinson, MISC and Bumi Armada (BAB) are all bidding for TotalEnergies's Cameia FPSO project and Eni's Agogo FPSO project, both with capex of more than US\$1bn. Both projects may be awarded in 2HCY22F; Yinson will only have the capacity to take on one due to project management manpower constraints. BAB's limited balance sheet capacity suggests that it can only accept one of the two large projects, while MISC is unlikely to be able to participate as it is likely struggling with Petrobras's FPSO Mero-3 project, in our view. In short, we think Yinson and Bumi Armada may each take one prize. Separately, BP's SE-PAJ FPSO project offshore Angola may be awarded in CY23F, with Yinson in pole position since it is offering a lower-cost redeployment option using BP's preferred FPSO Nganhurra. A potential IPO or strategic sale of c.25% of Yinson's FPSO business, planned for 4QCY22F, could raise c.RM2.2bn (see our [30 Mar report](#)), reducing its gearing and increasing its capacity for growth. Together with likely sizeable upfront capex funding by TotalEnergies and Eni, Yinson is confident it will not need a second rights issue. Downside risks include execution challenges as Yinson takes on more projects.

Financial Summary

	Jan-21A	Jan-22A	Jan-23F	Jan-24F	Jan-25F
Revenue (RMm)	4,849	3,607	4,797	5,421	3,700
Operating EBITDA (RMm)	1,406	1,335	1,506	2,206	2,027
Net Profit (RMm)	315	401	591	1,007	842
Core EPS (RM)	0.18	0.12	0.17	0.31	0.26
Core EPS Growth	383%	(33%)	39%	81%	(15%)
FD Core P/E (x)	12.54	18.62	13.14	7.40	8.66
DPS (RM)	0.026	0.026	0.026	0.026	0.026
Dividend Yield	1.15%	1.15%	1.15%	1.15%	1.15%
EV/EBITDA (x)	7.07	8.83	8.63	6.46	7.20
P/FCFE (x)	8.25	26.63	NA	19.26	13.30
Net Gearing	101%	124%	107%	100%	97%
P/BV (x)	1.50	1.30	1.23	1.07	1.04
ROE	12.3%	7.5%	9.6%	15.5%	12.1%
% Change In Core EPS Estimates			(18.2%)	(24.4%)	(24.1%)
CGS-CIMB/Consensus EPS (x)			1.17	1.32	

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Yinson's bonus, rights and warrants issues ►

In order to raise funds for its FPSO Maria Quiteria, which will be deployed in the Parque das Baleias (PDB) fields offshore Brazil by late-CY24F, Yinson announced the following corporate exercises:

- 1-for-1 bonus issue;
- Raise **RM1.2bn** in proceeds from a rights issue of 844m new ordinary shares at RM1.41 each to fund the equity portion of the FPSO Maria Quiteria capex; and
- Issue 361.8m warrants at an exercise price of RM2.29 in order to raise **RM829m**.

Yinson's share price is trading ex-rights today, 26 May 2022.

The rights will be traded on Bursa between 30 May, 9 am and 3 June, 5pm.

The newly-issued ordinary shares arising from the rights issue will be listed on Bursa on 28 June.

Figure 1: Yinson's proposed bonus, rights and warrants issue exercise - impact on the number of shares

	No of shares (m)	Share price (RM)	Market capitalisation (RM m)	Market Notes
No of shares (m) - including treasury shares, after bonus	2,208.1	2.60	5,741.2	Market capitalisation based on Yinson's outstanding number of shares and share price as at 25 May 2022
Less: Treasury shares	-97.6			As at 25 May 2022 (as disclosed to Bursa)
No of shares (m) - excluding treasury shares, after bonus	2,110.5	2.60	5,487.3	Market capitalisation based on Yinson's outstanding number of shares (ex-treasury shares) and share price as at 25 May 2022
Add: Rights issue (2 rights for 5 ordinary shares)	844.2	1.41	1,190.3	Yinson's target is to raise RM1.1bn to RM1.22bn. The issue price of RM1.41 represents a discount of approximately 32.21% to the TERP of Yinson shares of RM2.08, based on the 5-day VWAMP of Yinson shares of RM2.3587 (up to 11 May 2022)
Enlarged no of shares (m) - after bonus and rights issue	2,954.7	2.26	6,677.7	Theoretical ex-rights price (TERP) of RM2.26; market capitalisation of RM6.68bn after rights issue
Add: Assumed full conversion of warrants (based on 3 warrants for 7 rights shares)	361.8	2.29	828.5	The warrants exercise price of RM2.29 set at 10% premium to the TERP of Yinson shares of RM2.08, based on the 5-day VWAMP of YHB Shares of RM2.3587 (up to 11 May 2022). Yinson's target is to raise RM800m-850m from the warrants. The warrants have a validity period of three years
Enlarged no of shares (m) - after bonus and rights issue, and assuming full warrants exercise	3,316.5	2.26	7,506.2	

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

The rights issue price of RM1.41 represented a discount of approximately 32.21% to the theoretical ex-rights price (TERP) of Yinson shares of RM2.08, based on the 5-day volume weighted average market price (VWAMP) of Yinson shares of RM2.3587 (up to 11 May 2022).

The exercise price of the warrants of RM2.29 was set at a 10% premium to the TERP calculated up to 11 May 2022, and the warrants are exercisable to new Yinson ordinary shares over a validity period of three years.

The rights issue and the warrants issue proceeds will be primarily used to directly and indirectly fund the equity portion of the FPSO Maria Quiteria project. Assuming capex of US\$1bn and 30% equity funding for the FPSO Maria Quiteria project, Yinson will need US\$300m or RM1.26bn for the equity portion, which is slightly more than the rights issue proceeds of RM1.2bn, but the warrants have the potential to raise another RM829m, as noted above.

SOP valuation tables ➤

Figure 2: SOP valuation per share (as at end-CY22F) - based on varying levels of contractual exercise of option periods

	Scenario 1	Scenario 2	Scenario 3	Base case	
	Full firm + option period	Full firm + 25% of option	Full firm + 50% of option	Full firm + 75% of option	
	RM/share	RM/share	RM/share	RM/share	
VALUATION OF FPSO BUSINESS					
a	DCF value to equity	3.71	3.11	3.31	3.51
	- FPSO JAK (74% equity stake)	0.48	0.31	0.37	0.42
	- FSO PTSC Bien Dong 01 (49% equity stake)	0.11	0.07	0.09	0.10
	- FPSO PTSC Lam Son (49% equity stake)	0.06	0.05	0.05	0.05
	- FPSO Helang (100% equity stake)	0.41	0.25	0.30	0.36
	- FPSO Abigail-Joseph (100% equity stake)	0.55	0.37	0.43	0.49
	- FPSO Anna Nery (75% equity stake) - FY21-23F	0.00	0.00	0.00	0.00
	- FPSO Anna Nery (66.5% equity stake) - FY24F onwards	0.99	0.99	0.99	0.99
	- FPSO Maria Quiteria (100% equity stake)	0.87	0.87	0.87	0.87
	- FPSO Atlanta (100% equity stake)	0.23	0.19	0.20	0.22
VALUATION OF OSV BUSINESS					
b	Estimated secondhand market value of vessels	0.01	0.01	0.01	0.01
RISING SUN ENERGY					
c	Value of investment at cost	0.04	0.04	0.04	0.04
	- 95% equity stake	0.04	0.04	0.04	0.04
	- Shareholder loan	0.01	0.01	0.01	0.01
d	Capitalised head office costs	-0.20	-0.20	-0.20	-0.20
e	Other net cash/(borrowings)	0.46	0.46	0.46	0.46
f	Perpetual securities (principal and coupon)	-0.43	-0.43	-0.43	-0.43
g	Amount due from JVs	0.00	0.00	0.00	0.00
h = a + b + c + d + e + f + g	SOP based on 'as is' operations (RM/share)	3.59	2.99	3.19	3.39
	Number of shares used to calculate SOP (m)	2,954.7			
	Exchange rate (RM:US\$1)	4.30			
Calculation of fully-diluted SOP					
	Number of shares	SOP / Exercise price	Capitalisation value		
	m	RM	RM		
	Existing no of shares (m) - FY23F	2,954.7	3.39	10,005.8	
	Add: Potential issue of new shares from the exercise of warrants (m)	361.8	2.29	828.5	
	Add: Potential issue of new shares from the exercise of ESOS (m)	15.6	2.61	40.6	
	Fully diluted no of shares (m) - FY23F	3,332.1	3.26	10,874.9	
			Fully-diluted SOP		

SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS

Figure 3: Cost of equity calculation – we have discounted Yinson's in-field producing FPSO contracts at a lower cost of equity than for new under-construction projects to reflect execution risks

	Producing FPSOs	Under-construction FPSOs
Risk-free rate	3.70%	3.70%
Equity risk premium	6.00%	6.00%
Beta	0.80	1.20
Cost of equity (nominal)	8.50%	10.90%

SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS

Our previous cum-rights target price was RM3.95, while our new SOP-based target price is RM3.26, after incorporating the following three changes.

1. We now reflect an average US\$ exchange rate of RM4.30, vs. RM4.20 previously. In recent days, the US\$ exchange rate traded at RM4.39-RM4.40. A stronger US\$ has the effect of raising Yinson's SOP, all else being equal, since Yinson's cashflows from its FPSO business are denominated in US\$.
2. We reflect Yinson's rights issue into our new ex-rights SOP and target price. After incorporating #1 and #2 above, our undiluted SOP of RM3.39 is based on Yinson's post-rights enlarged share base of 2,954.7m shares.
3. We also reflect potential dilution into our target price. With the warrants exercise price of RM2.29 just slightly above Yinson's ex-rights share price of RM2.26, coupled with Yinson's bright prospects, we think the conversion of the warrants into 362m potential new ordinary shares is highly probable. We have also included the conversion of the remaining executive share options scheme (ESOS) at an average exercise price of RM2.61.

After including #3 above, our fully-diluted SOP is **RM3.26**, which is also the basis for our new target price.

Potential re-rating catalysts include future FPSO contract wins and entry into new renewable energy (RE) projects. On the FPSO side:

- Yinson is working on the front-end engineering and design (FEED) for two FPSOs for TotalEnergies, i.e. the Cameia development in Angola and the Maka development in Suriname. The Cameia FPSO contract may be awarded in 2HCY22F, while the Maka FPSO project may be awarded in CY23F, according to Yinson.
- Yinson is bidding for Eni's Agogo project offshore Angola, which may also be awarded in 2HCY22F.
- Yinson is also bidding for BP's Block 31 SE-PAJ development, offshore Angola, which may be awarded in CY23F. For Block 31, Yinson has offered the FPSO Nganhurra (where Yinson has a purchase option) as a redeployment candidate.

On the RE side, Yinson is working with its partners in South America to advance solar and wind projects in Chile and Brazil, among others.

Downside risks include construction and execution challenges that may materialise as Yinson takes on more FPSO projects. Other downside risks include uncertain returns and growth opportunities in renewables as potential returns are compressed with too much global money chasing green energy opportunities.

Abbreviation key:

FPSO: Floating production storage offload vessels

OSV: Offshore support vessels

VLCC: Very large crude carrier

EPCIC: Engineering, procurement, construction, installation and commissioning

O&M: Operations and maintenance

BBC: Bareboat charter

TC: Time charter

DCR: Daily charter rate, expressed in US\$/day

FEED: Front end engineering and design

RE: Renewable energy

PV: Photovoltaics system, or solar power

Figure 4: Companies mentioned in this report

No	Companies mentioned	Bloomberg code	Share price	CGS-CIMB Research	
				Recom.	Target price
1	BP plc	BP/ LN	GBp425	Not rated	N.A.
2	Bumi Armada	BAB MK	RM0.44	Hold	RM0.45
3	COSCO SHIPPING Heavy Industry	Not listed	N.A.	N.A.	N.A.
4	Dubai Drydocks World	Not listed	N.A.	N.A.	N.A.
5	Enauta	ENAT3 BZ	BRL21.53	Not rated	N.A.
6	Eni S.p.A.	ENI IM	€13.96	Not rated	N.A.
7	MISC	MISC MK	RM7.65	Add	RM8.36
8	Petrobras	Not listed	N.A.	N.A.	N.A.
9	TotalEnergies	TTE FP	€53.68	Not rated	N.A.
10	Yinson Holdings	YNS MK	RM2.60	Add	RM3.26

SOURCES: CGS-CIMB RESEARCH, BLOOMBERG; NOTE: SHARE PRICE AS AT 25 MAY 2022

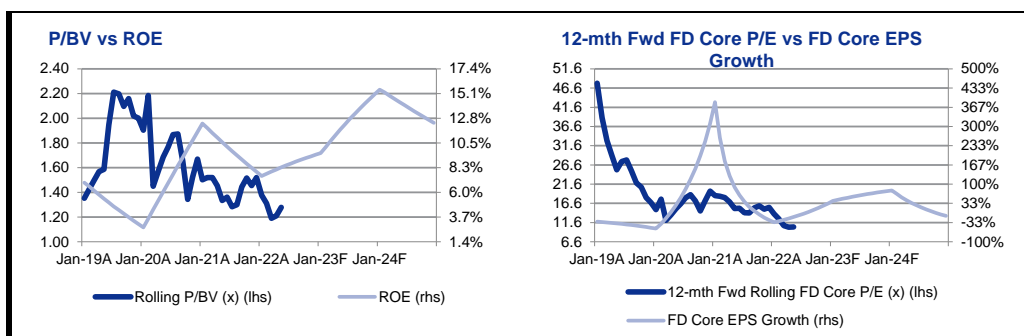


ESG in a nutshell

While Yinson is an oil and gas company involved in the production of non-renewable fossil fuels via FPSOs, it is also planning rapid growth in its renewable energy (RE) and green technologies (GT) divisions. As such, it is likely to be able to substantially offset its Scope 1 carbon emissions and potentially produce more carbon offsets than the carbon it generates. Furthermore, its RE and GT divisions will offer longer-term growth in a world that is transitioning away from fossil fuels to renewable sources of energy.

Keep your eye on	Implications
<p>Yinson is an oil and gas service provider via the provision of FPSO services. It is also planning rapid expansion into RE via investments in solar and wind farms in India, Europe, North and South America, Australia and New Zealand, as well as in Southeast Asia.</p> <p>Yinson's climate goals are to be carbon neutral by 2030F (carbon offsetting permitted) and to be net zero carbon by 2050F (without the use of carbon offsets).</p>	<p>Yinson is gearing up its business model to not only survive the energy transition but to thrive. The company has young leaders and has recruited talent from abroad to spearhead its RE push.</p>
ESG highlights	Implications
<p>Yinson's existing fleet of FPSOs (excluding the FPSO Anna Nery, which has not yet commenced operations) released 576,616 tonnes of CO₂ in FY21 (year ended 31 January 2021), with another 47,313 tonnes of CO₂ released by its fleet of four OSVs.</p> <p>Yinson's 95%-owned 140MW solar power plant in Bhadla, India, generates 240,000 tonnes p.a. of carbon credits while its upcoming 80%-owned 190MW solar power plant at Nokh, India (originally to be commissioned in April 2022F but delayed for reasons beyond Yinson's control) will be capable of generating almost 325,000 tonnes p.a. of carbon credits. The carbon credits from these two solar power plants are hypothetically capable of offsetting more than 90% of Yinson's CO₂ emissions in FY21.</p>	<p>The carbon credits generated by the Indian solar power plants are sold to external third parties by Yinson via an international non-profit organisation, CDP, at up to US\$2/tonne of CO₂. By selling the carbon credits outside the group, its FPSOs' carbon emissions are effectively no longer being offset.</p> <p>As Yinson grows its fleet of FPSOs, starting with FPSO Anna Nery, which should be operational by early-2023F, followed by FPSO Atlanta by mid-2024F, it will require more carbon credits to offset the CO₂ emissions from the FPSOs. Considering Yinson's plans to expand into the RE space, this may not be difficult to achieve but Yinson will have to 'save' the carbon credits for itself rather than sell them externally.</p>
Trends	Implications
<p>Yinson will pay close attention to the ESG credentials of its future FPSO fleet, potentially declining participation in FPSOs where its gas is flared (therefore increasing greenhouse gas emissions) and consider electrification where possible. Yinson currently has invested in 330MW of solar power in India and plans to increase its RE power generation capacity to between 3GW and 5GW over 2022-25F and to set up its presence in three markets.</p> <p>Yinson's participation in Oyika (US\$5m investment for 20.8% interest), MooVita (S\$5m for 5.36%), and Lift Ocean (NOK2m for 10.4%) under its GT division may be able to generate carbon credits in terms of CO₂ emissions avoided, in addition to the carbon credits generated by its RE push.</p>	<p>It may be difficult for Yinson to reduce the carbon emissions of its existing FPSO fleet but it is working towards zero carbon emission FPSOs by 2030F with the use of carbon-capture technologies.</p> <p>As Yinson's RE portfolio increases in size, it can sell the resulting carbon credits and use the proceeds to boost the returns from its RE activities. Alternatively, Yinson can use the carbon credits to offset the emissions from its oil and gas activities and sell the excess.</p> <p>We have not factored Yinson's improving ESG credentials into our valuation or target price and we do expect that Yinson will remain attractive to investors who are sensitive to ESG considerations in the years to come.</p>

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

BY THE NUMBERS

Profit & Loss

(RMm)	Jan-21A	Jan-22A	Jan-23F	Jan-24F	Jan-25F
Total Net Revenues	4,849	3,607	4,797	5,421	3,700
Gross Profit	1,406	1,335	1,506	2,206	2,027
Operating EBITDA	1,406	1,335	1,506	2,206	2,027
Depreciation And Amortisation	-306	-305	-306	-288	-287
Operating EBIT	1,100	1,030	1,200	1,917	1,740
Financial Income/(Expense)	-252	-287	-441	-406	-433
Pretax Income/(Loss) from Assoc.	-3	7	5	-15	5
Non-Operating Income/(Expense)	0	0	0	0	0
Profit Before Tax (pre-EI)	845	750	764	1,497	1,312
Exceptional Items	-265	-34	0	0	0
Pre-tax Profit	580	716	764	1,497	1,312
Taxation	-168	-192	-158	-297	-275
Exceptional Income - post-tax					
Profit After Tax	413	524	606	1,200	1,036
Minority Interests	-98	-123	-15	-193	-195
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax	0	0	0	0	0
Net Profit	315	401	591	1,007	842
Recurring Net Profit	443	298	465	903	771
Fully Diluted Recurring Net Profit	443	298	465	903	771

Cash Flow

(RMm)	Jan-21A	Jan-22A	Jan-23F	Jan-24F	Jan-25F
EBITDA	1,406	1,335	1,506	2,206	2,027
Cash Flow from Inv. & Assoc.					
Change In Working Capital	-2,033	-2,346	-1,897	-2,001	-747
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	-35	48	20	20	20
Net Interest (Paid)/Received	-358	-258	-461	-426	-453
Tax Paid	-149	-94	-158	-297	-275
Cashflow From Operations	-1,169	-1,315	-990	-499	571
Capex	-282	-63	-100	-100	-100
Disposals Of FAs/subsidiaries	304	313	19	190	0
Acq. Of Subsidiaries/investments	-32	-140	0	0	0
Other Investing Cashflow	-252	-910	0	0	0
Cash Flow From Investing	-262	-800	-81	90	-100
Debt Raised/(repaid)	2,104	2,323	520	756	30
Proceeds From Issue Of Shares	-33	2	776	0	-490
Shares Repurchased					
Dividends Paid	-203	-201	-199	-181	-148
Preferred Dividends					
Other Financing Cashflow	122	171	0	0	0
Cash Flow From Financing	1,990	2,295	1,098	575	-607
Total Cash Generated	559	180	27	166	-136
Free Cashflow To Equity	673	208	-551	347	502
Free Cashflow To Firm	-1,056	-1,834	-578	49	957

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

BY THE NUMBERS... cont'd
Balance Sheet

(RMm)	Jan-21A	Jan-22A	Jan-23F	Jan-24F	Jan-25F
Total Cash And Equivalents	2,050	2,873	2,900	3,066	2,930
Total Debtors	575	644	389	389	389
Inventories	3	1	1	1	1
Total Other Current Assets	50	78	78	78	78
Total Current Assets	2,678	3,596	3,368	3,534	3,398
Fixed Assets	8,301	10,421	12,513	14,168	14,781
Total Investments	429	544	549	535	539
Intangible Assets	338	297	242	188	136
Total Other Non-Current Assets	140	347	347	347	347
Total Non-current Assets	9,208	11,609	13,651	15,238	15,803
Short-term Debt	794	648	649	676	552
Current Portion of Long-Term Debt					
Total Creditors	817	809	900	900	900
Other Current Liabilities	241	167	167	167	167
Total Current Liabilities	1,852	1,624	1,716	1,743	1,619
Total Long-term Debt	5,312	8,110	8,629	9,359	9,512
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	696	732	732	711	711
Total Non-current Liabilities	6,008	8,842	9,361	10,069	10,223
Total Provisions	0	0	0	0	0
Total Liabilities	7,860	10,466	11,077	11,812	11,842
Shareholders' Equity	3,687	4,253	5,421	6,246	6,451
Minority Interests	339	486	520	721	916
Total Equity	4,026	4,739	5,941	6,968	7,367

Key Ratios

	Jan-21A	Jan-22A	Jan-23F	Jan-24F	Jan-25F
Revenue Growth	92.5%	(25.6%)	33.0%	13.0%	(31.7%)
Operating EBITDA Growth	93.1%	(5.0%)	12.8%	46.5%	(8.1%)
Operating EBITDA Margin	29.0%	37.0%	31.4%	40.7%	54.8%
Net Cash Per Share (RM)	-1.65	-2.40	-2.16	-2.36	-2.41
BVPS (RM)	1.50	1.74	1.83	2.11	2.18
Gross Interest Cover	3.44	2.65	2.43	4.18	3.58
Effective Tax Rate	28.9%	26.8%	20.6%	19.9%	21.0%
Net Dividend Payout Ratio	11.0%	14.7%	13.0%	7.7%	9.2%
Accounts Receivables Days	42.39	61.68	39.30	26.19	38.48
Inventory Days	1.33	0.32	0.11	0.11	0.22
Accounts Payables Days	69.7	130.6	94.8	102.2	196.9
ROIC (%)	16.8%	12.3%	11.1%	15.3%	12.3%
ROCE (%)	12.6%	8.9%	8.6%	12.1%	10.3%
Return On Average Assets	8.69%	6.24%	6.50%	8.97%	7.74%

Key Drivers

	Jan-21A	Jan-22A	Jan-23F	Jan-24F	Jan-25F
Average no of working FPSO assets	4.4	6.0	5.7	6.0	5.6
Average FPSO bareboat charter rate (US\$/day)	212,001.6	154,893.9	148,830.3	217,367.3	254,452.9

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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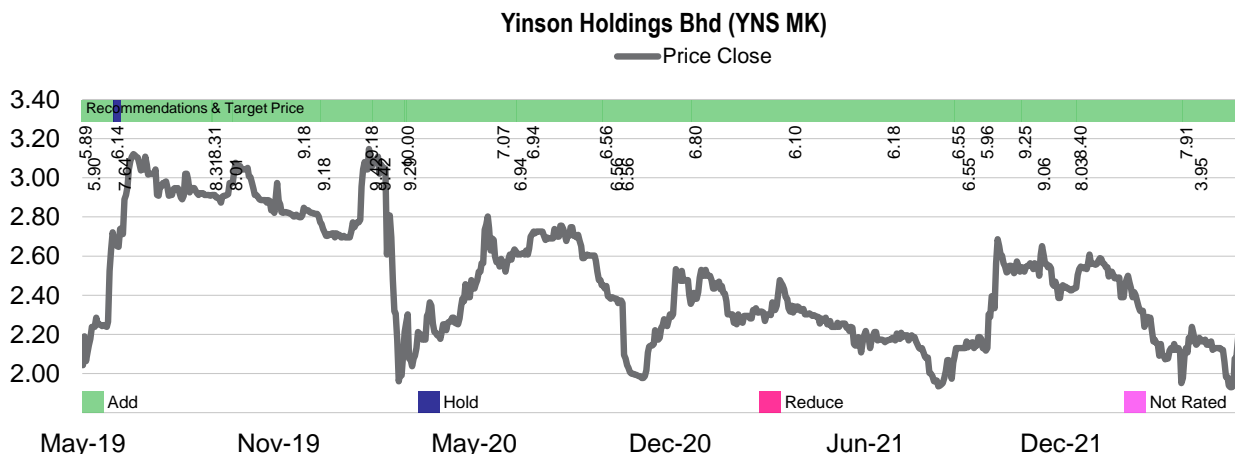
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Distribution of stock ratings and investment banking clients for quarter ended on 31 March 2022		
632 companies under coverage for quarter ended on 31 March 2022		
	Rating Distribution (%)	Investment Banking clients (%)
Add	70.3%	0.8%
Hold	22.0%	0.0%
Reduce	7.8%	0.2%

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, **CENDEL** – 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.