

Malaysia

ADD (no change)

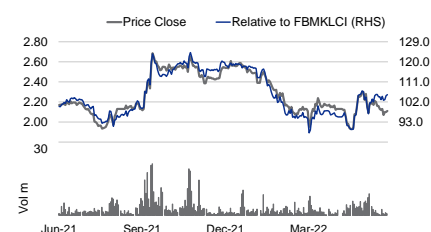
Consensus ratings*: Buy 11 Hold 0 Sell 0

Current price:	RM2.11
Target price:	RM3.18
Previous target:	RM3.26
Up/downside:	50.7%
CGS-CIMB / Consensus:	-8.7%
Reuters:	YINS.KL
Bloomberg:	YNS MK
Market cap:	US\$1,179m
	RM5,193m
Average daily turnover:	US\$1.23m
	RM5.35m
Current shares o/s:	2,955m
Free float:	47.0%

*Source: Bloomberg

Key changes in this note

- FY24-25F core EPS forecasts reduced by 2-6% on account of an upward revision to the assumed interest rate that Yinson is expected to take to fund the capex for the FPSO Maria Quiteria project.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-6.6	-0.5	-2.7
Relative (%)	0.6	10	5.9

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

Looking forward to uptrend in quarterly profits

- 1QFY23 core net profit made up 18% of our full-year forecast, broadly in line as future quarters' profits should pick up as we think EPCIC profits will rise.
- With Yinson's reported 1QFY23 at 37% of Bloomberg consensus, the street will likely have to up their numbers significantly, in our view.
- Reiterate Add with reduced SOP-based TP of RM3.18; potential re-rating catalysts include a possible FPSO contract win in the next six months.

Sequentially strong 44% rise in 1QFY23 core net profit

1QFY1/23 core net profit of RM86m was RM26m higher qoq (+44%), due to: 1) an RM8m qoq increase in EPCIC profits arising from the maiden contribution from the FPSO Maria Quiteria (Parque das Baleias) project, that was partially offset by lower EPCIC profits from the almost-completed FPSO Anna Nery (Marlim-2); 2) stronger US\$ vs. the ringgit that resulted in RM10m more forex gains qoq; 3) the capitalisation of Maria Quiteria project management costs into the balance sheet as 'Contract Assets' from 1QFY23 onwards, whereas in previous quarters those costs were expensed into the P&L as the project had not yet officially started; 4) certain administrative expenses that were particularly heavy in 4QFY22 but which did not recur in 1QFY23, partially offset by 5) qoq reduction in other income that was boosted in 4QFY22 by certain one-off items. Against the 1QFY22, the 1QFY23 core net profit was 6% higher yoy, due to much of the same reasons, but partially offset by higher interest expense due to the rise in bank borrowings taken to fund the construction of the FPSO Anna Nery, as well as the RM1bn sukuk issued on 7 Dec 2021. Overall, Yinson delivered a good set of results, and the street may have to start factoring in higher EPCIC contributions, in our view.

Two Angolan FPSO projects may be awarded in the next six months

Yinson expects Eni's Agogo FPSO project to be awarded soon at a capex of c.US\$1.2bn as commercial bids had already been submitted by Yinson and two competitors. The same trio had also bid for TotalEnergies's Cameia FPSO project, which may be awarded shortly after Agogo. Our analysis suggests that Yinson is likely to win one of the two projects. Yinson was banking on an Oslo-listing of its FPSO holding company by year-end to help it finance the equity portion of one of the above projects, but if this does not materialise due to the weak global equity markets currently, Yinson plans to raise bridging finance from banks, or issue additional sukuk bonds, or sell down stakes in existing FPSOs to trade buyers; a second rights issue has been ruled out by Yinson.

Quarterly earnings likely to see sequential uptrend

We expect the FPSO Maria Quiteria project, which was 5% completed at end-Apr 2022, to contribute even higher EPCIC revenues and profits in the coming quarters. Meanwhile, the FPSO Atlanta project will begin its maiden EPCIC revenue and profit contribution from 2QFY23F (May-Jul 2022F). The FPSO Anna Nery will sail to Brazil in Jul 2022, be positioned in the offshore field by late-Oct, and begin contributing leasing profits by late-CY22F or early-CY23F. In short, we expect quarterly earnings to trend higher. Downside risks: capex cost inflation and overruns; project execution delays.

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)	314.8	401.0	591.6	986.1	798.9
Core EPS (RM)	0.18	0.12	0.17	0.30	0.25
Core EPS Growth	383%	(33%)	39%	77%	(17%)
FD Core P/E (x)	11.71	17.38	12.24	7.07	8.56
DPS (RM)	0.026	0.026	0.026	0.026	0.026
Dividend Yield	1.24%	1.24%	1.24%	1.24%	1.24%
EV/EBITDA (x)	6.81	8.55	8.36	6.26	7.02
P/FCFE (x)	7.70	24.86	NA	18.11	13.54
Net Gearing	101%	124%	107%	101%	99%
P/BV (x)	1.40	1.22	1.15	1.00	0.98
ROE	12.3%	7.5%	9.6%	15.1%	11.5%
% Change In Core EPS Estimates			0.21%	(2.27%)	(5.57%)
CGS-CIMB/Consensus EPS (x)			1.29	1.45	0.93

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Results comparison table ➤

Figure 1: Results comparison

FYE Jan (RM m)	1QFY23	1QFY22	yoy %	4QFY22	qoq %	Prev.	
			chg		chg	FY23F	Comments
Revenue	1,005.0	992.0	1.3	741.0	35.6	4,797	1QFY23 rev rose qoq due to maiden EPCIC rev recognition
Operating costs	(641.0)	(661.0)	(3.0)	(416.0)	nm	(3,291)	on the FPSO Maria Quiteria project, offset by lower EPCIC
EBITDA	364.0	331.0	10.0	325.0	12.0	1,506	rev on FPSO Anna Nery which is nearing full completion.
EBITDA margin (%)	36.2	33.4		43.9		31.4	EBITDA rose qoq due to higher overall EPCIC profits, higher
Depn & amort.	(83.0)	(72.0)	15.3	(81.0)	2.5	(306.0)	forex gains, stronger US\$, and the capitalisation of opex
EBIT	281.0	259.0	8.5	244.0	15.2	1,199.7	related to the FPSO Maria Quiteria from 1QFY23 onwards.
Interest expense	(111.0)	(84.0)	32.1	(112.0)	(0.9)	(493.0)	Interest expense rose yoy due to higher bank debts taken to
Interest & invt inc	23.0	13.0	nm	56.0	(58.9)	51.8	fund the construction of FPSO Anna Nery, as well as the
Associates' contrib	(3.0)	2.0	(250.0)	(4.0)	nm	5.1	RM1bn sukuk issued on 7 Dec 2021.
Exceptionals	-	(3.0)	(100.0)	(29.0)	nm	-	Excep in 4QFY22 is a US\$7m provision for losses on a
Pretax profit	190.0	187.0	1.6	155.0	22.6	763.6	Treasury cash investment, but insurance compensation may
Tax	(51.0)	(42.0)	21.4	(61.0)	(16.4)	(157.6)	come in the following quarters and Yinson may reverse this
Tax rate (%)	26.8	22.5		39.4		20.6	provision in the future.
Minority interests	(19.0)	(33.0)	(42.4)	(29.0)	(34.5)	(15.5)	Minority interest from 24% share of FPSO JAK's profits and
Net profit	120.0	112.0	7.1	65.0	84.6	590.6	25% share of EPCIC profits for FPSO Anna Nery. MI fell
Core net profit	85.6	80.6	6.2	59.6	43.6	464.8	qoq due to lower EPCIC profits on FPSO Anna Nery.
EPS (sen)	4.9	4.6	7.5	2.7	84.7	23.4	1QFY23 core net profit rose 44% qoq due to higher EBITDA,
Core EPS (sen)	3.5	3.3	6.5	2.4	43.6	18.4	partially offset by lower other income.
Reconciliation of reported net profit to core net profit							
Net profit	120.0	112.0	7.1	65.0	84.6		
Remove:	-	3.0	(100.0)	29.0	nm		
Exceptionals							
Deduct: Perpetual securities coupon	(34.4)	(34.4)	-	(34.4)	-		Outstanding perpetual securities stands at RM1,847.6m.
Core net profit	85.6	80.6	6.2	59.6	43.6		

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Note on calculation of CGS-CIMB's measure of core net profit

For the purposes of calculating core net profit, we have treated the perpetual securities issued by Yinson as debt and the costs associated with the perpetuals, i.e. coupon payments, as interest expense. As such, the coupon payments have been deducted from the reported net profit to derive our core net profit.

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

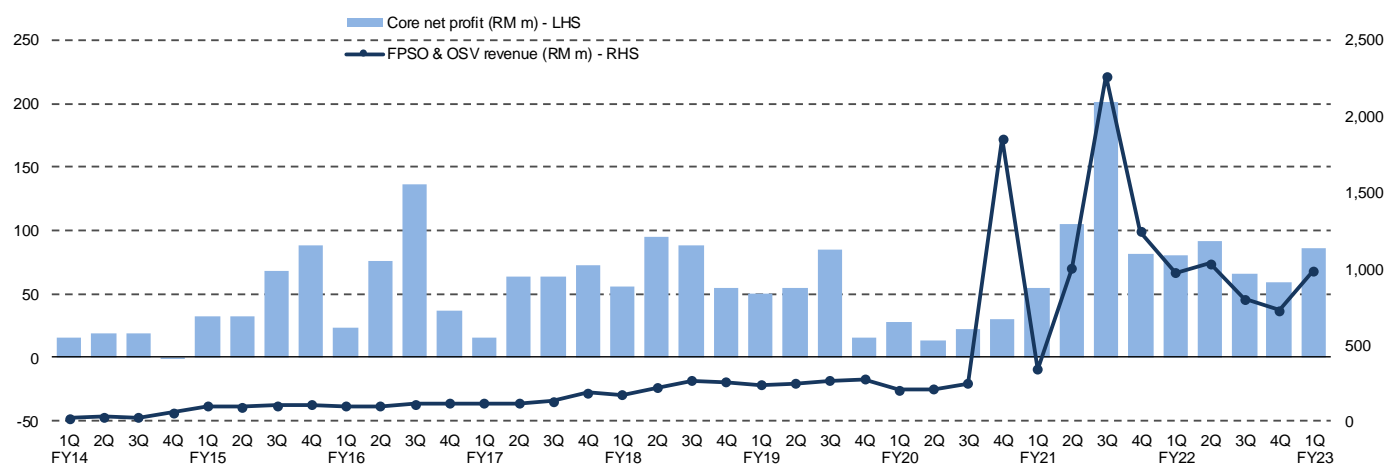
TC: Time charter

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

FEED: Front end engineering and design

RE: Renewable energy

PV: Photovoltaics system, or solar power

Figure 2: Yinson's quarterly revenue and core net profit performance (RM m)


SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Earnings revision ➤

Figure 3: Earnings revision

RM m	2022A	2023F			2024F			2025F		
		Old	New	chg	Old	New	chg	Old	New	chg
Revenue	3,607	4,797	4,797	0%	5,421	5,421	0%	3,700	3,700	0%
EBITDA	1,335	1,506	1,506	0%	2,206	2,206	0%	2,027	2,027	0%
Reported PBT	716	764	765	0%	1,497	1,469	-2%	1,312	1,253	-4%
Core pretax profit	575	605	606	0%	1,367	1,340	-2%	1,222	1,164	-5%
Reported net profit	401	591	592	0%	1,007	986	-2%	842	799	-5%
Reported EPS	0.16	0.21	0.21	0%	0.34	0.33	-2%	0.28	0.27	-5%
Core net profit	298	465	466	0%	903	882	-2%	771	728	-6%
Core EPS	0.12	0.17	0.17	0%	0.31	0.30	-2%	0.26	0.25	-6%

SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS

SOP valuation tables ➤

Figure 4: 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	3.52	2.94	3.13	3.33
	- FPSO JAK (74% equity stake)	0.47	0.31	0.37	0.42
	- FPSO 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	0.06
	- FPSO Helang (100% equity stake)	0.41	0.25	0.30	0.36
	- FPSO Abigail-Joseph (100% equity stake)	0.55	0.38	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	0.97	0.97	0.97	0.97
	- FPSO Maria Quiteria (100% equity stake)	0.72	0.72	0.72	0.72
	- FPSO Atlanta (100% equity stake)	0.22	0.18	0.20	0.21
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	-0.19	-0.19	-0.19	-0.19
e	Other net cash/(borrowings)	0.52	0.52	0.52	0.52
f	Perpetual securities (principal and coupon)	-0.42	-0.42	-0.42	-0.42
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)		3.49	2.90	3.10	3.29
Number of shares used to calculate SOP (m)		2,954.7			
Exchange rate (RM:US\$1)		4.40			
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	3.29	9,726.7	
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	3.18	10,595.9	
			Fully-diluted SOP		

SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS

Figure 5: 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	4.20%	4.20%
Equity risk premium	6.00%	6.00%
Beta	0.80	1.20
Cost of equity (nominal)	9.00%	11.40%

SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS

Our SOP-based target price is RM3.18 (reduced from RM3.26 earlier), after incorporating three changes:

1. We now reflect a higher risk-free rate of 4.2% (based on the prevailing 10-year Malaysian Government Securities yield), vs. 3.7% previously, which causes our cost of equity to increase and the DCF of Yinson's FPSO cashflows to reduce;
2. We apply a higher bank borrowing interest rate of 7% (CGS-CIMB's assumption) vs. 5% previously, in relation to the 70% debt funding for the FPSO Maria Quiteria project (we have pencilled in a US\$1bn project capex);
3. Although these are partially offset by applying a stronger US\$ exchange rate of RM4.40, vs. RM4.30 previously. 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\$.

Our TP of RM3.18 incorporates the dilutive impact of the warrants and executive share options scheme (ESOS), which have exercise prices of RM2.29 and RM2.61, respectively. As these exercise prices are below our undiluted SOP of RM3.29 (see Figure 4 above), we think that there is a reasonable probability that they will be converted into new ordinary shares in the future.

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

- Yinson is bidding for Eni's Agogo project offshore Angola, which may be awarded in 2HCY22F.
- Yinson is also 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 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.

Sequential quarterly table ➤

Figure 6: Sequential quarterly results

FYE Jan (RM m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Revenue	343.7	995.6	2,262.3	1,247.0	992.0	1,054.0	820.0	741.0	1,005.0
Operating costs	(111.6)	(634.8)	(1,802.6)	(894.0)	(661.0)	(709.0)	(486.0)	(416.0)	(641.0)
EBITDA	232.2	360.8	459.7	353.0	331.0	345.0	334.0	325.0	364.0
EBITDA margin (%)	67.5	36.2	20.3	28.3	33.4	32.7	40.7	43.9	36.2
Depn & amort.	(75.8)	(77.2)	(77.7)	(75.0)	(72.0)	(74.0)	(78.0)	(81.0)	(83.0)
EBIT	156.4	283.6	382.0	278.0	259.0	271.0	256.0	244.0	281.0
Interest expense	(92.0)	(77.2)	(73.4)	(77.0)	(84.0)	(96.0)	(96.0)	(112.0)	(111.0)
Interest & invt inc	45.7	8.1	10.6	3.0	13.0	24.0	8.0	56.0	23.0
Associates' contrib	(2.2)	(2.4)	(1.2)	3.0	2.0	9.0	-	(4.0)	(3.0)
Exceptionals	(41.8)	(39.0)	(134.7)	(49.0)	(3.0)	-	(2.0)	(29.0)	-
Pretax profit	66.1	173.1	183.2	158.0	187.0	208.0	166.0	155.0	190.0
Tax	(20.1)	(45.2)	(46.3)	(56.0)	(42.0)	(49.0)	(40.0)	(61.0)	(51.0)
Tax rate (%)	30.5	26.1	25.3	35.4	22.5	23.6	24.1	39.4	26.8
Minority interests	0.8	(27.5)	(36.1)	(35.0)	(33.0)	(33.0)	(28.0)	(29.0)	(19.0)
Discontinued operations	-	-	-	-	-	-	-	-	-
Net profit	46.7	100.4	100.7	67.0	112.0	126.0	98.0	65.0	120.0
Core net profit	54.9	105.0	201.1	81.6	80.6	91.6	65.6	59.6	85.6
EPS (sen)	1.9	4.0	4.0	2.7	4.6	5.1	4.0	2.7	4.9
Core EPS (sen)	2.2	4.2	8.0	3.3	3.3	3.7	2.7	2.4	3.5
Reconciliation of reported net profit to core net profit									
Net profit	46.7	100.4	100.7	67.0	112.0	126.0	98.0	65.0	120.0
Remove: Exceptionals	41.8	39.0	134.7	49.0	3.0	-	2.0	29.0	-
Deduct: Perpetual securities coupon	(33.6)	(34.4)	(34.4)	(34.4)	(34.4)	(34.4)	(34.4)	(34.4)	(34.4)
Core net profit	54.9	105.0	201.1	81.6	80.6	91.6	65.6	59.6	85.6
Breakdown of revenue									
Breakdown of revenue	343.7	995.6	2,262.3	1,247.0	992.0	1,054.0	820.0	741.0	1,005.0
- FPSO & OSV	340.7	998.4	2,260.7	1,241.2	972.0	1,035.0	802.0	724.0	985.0
- Others	3.0	(2.8)	1.7	5.8	20.0	19.0	18.0	17.0	20.0
Breakdown of exceptionals									
Breakdown of exceptionals	(41.8)	(39.0)	(134.7)	(49.0)	(3.0)	-	(2.0)	(29.0)	-
- Gain/(loss) on disposal of PPE	-	(0.1)	-	-	-	-	(1.0)	-	-
- Gain/(loss) on disposal of subsidiaries	-	-	-	-	-	-	-	-	-
- Gain/(loss) on disposal of other investment	(0.4)	(1.1)	-	-	-	-	-	-	-
- PPE written off	-	-	-	-	-	-	(1.0)	-	-
- Fair value gain/(loss) on investment properties, derivatives and other assets	-	-	-	-	-	-	-	(29.0)	-
- Impairments	(41.4)	(37.8)	(134.7)	(49.0)	(3.0)	-	-	-	-

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS



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

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.

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).

Implications

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.

ESG highlights

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.

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.

Implications

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.

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.

Trends

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.

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.

Implications

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.

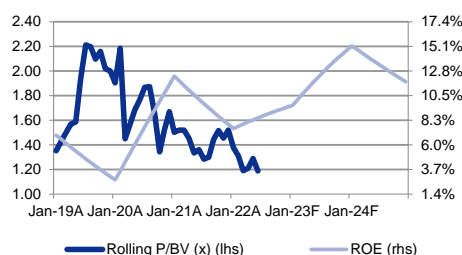
As Yinson's RE portfolio increases in size, it can sell the resulting carbon credits and use the proceeds to boost the returns from its RE activities. Alternatively, Yinson can use the carbon credits to offset the emissions from its oil and gas activities and sell the excess.

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.

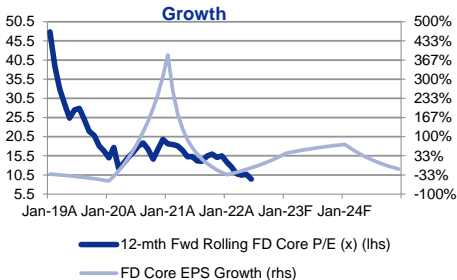
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

BY THE NUMBERS

P/BV vs ROE



12-mth Fwd FD Core P/E vs FD Core EPS Growth



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	-440	-434	-491
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	765	1,469	1,253
Exceptional Items	-265	-34	0	0	0
Pre-tax Profit	580	716	765	1,469	1,253
Taxation	-168	-192	-158	-290	-260
Exceptional Income - post-tax					
Profit After Tax	413	524	607	1,179	994
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	592	986	799
Recurring Net Profit	443	298	466	882	728
Fully Diluted Recurring Net Profit	443	298	466	882	728

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	-460	-454	-511
Tax Paid	-149	-94	-158	-290	-260
Cashflow From Operations	-1,169	-1,315	-989	-519	529
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	700	774	31
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	1,278	593	-606
Total Cash Generated	559	180	208	163	-177
Free Cashflow To Equity	673	208	-369	344	460
Free Cashflow To Firm	-1,056	-1,834	-577	59	975

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	3,081	3,245	3,067
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	3,549	3,713	3,535
Fixed Assets	8,301	10,421	12,513	14,168	14,780
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	15,802
Short-term Debt	794	648	661	689	537
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	1,728	1,756	1,604
Total Long-term Debt	5,312	8,110	8,797	9,543	9,726
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	696	732	732	711	711
Total Non-current Liabilities	6,008	8,842	9,529	10,254	10,437
Total Provisions	0	0	0	0	0
Total Liabilities	7,860	10,466	11,257	12,010	12,041
Shareholders' Equity	3,687	4,253	5,422	6,227	6,388
Minority Interests	339	486	520	721	916
Total Equity	4,026	4,739	5,942	6,948	7,304

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	-2.44
BVPS (RM)	1.50	1.74	1.83	2.11	2.16
Gross Interest Cover	3.44	2.65	2.43	3.92	3.19
Effective Tax Rate	28.9%	26.8%	20.6%	19.7%	20.7%
Net Dividend Payout Ratio	11.0%	14.7%	13.0%	7.8%	9.6%
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%	8.5%	12.0%	10.2%
Return On Average Assets	8.69%	6.24%	6.46%	8.92%	7.76%

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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Corporate Governance Report:

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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. CGS-CIMB Thailand does not confirm nor certify the accuracy of such survey result.

Score Range:	90 - 100	80 – 89	70 - 79	Below 70	No Survey Result
Description:	Excellent	Very Good	Good	N/A	N/A

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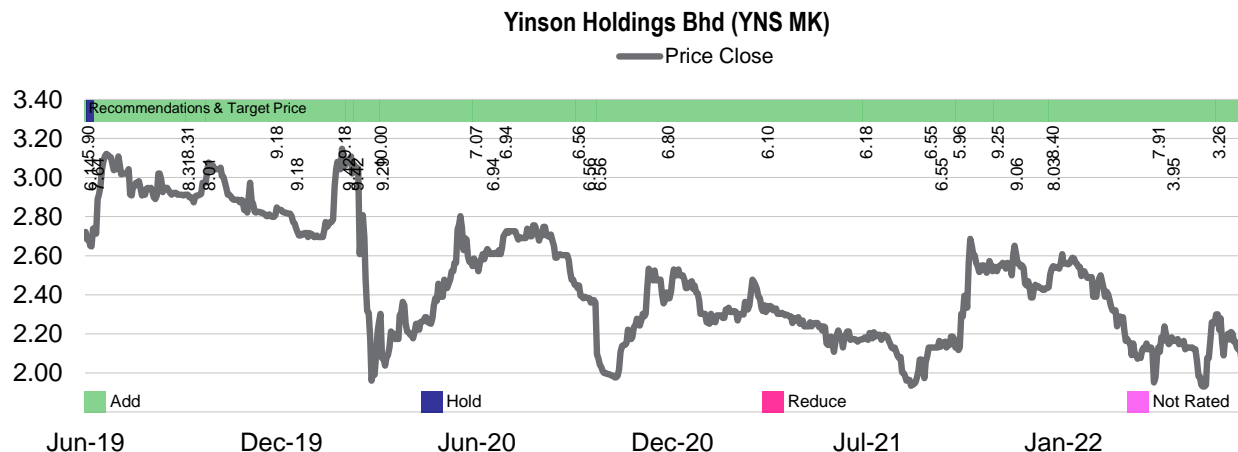
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Distribution of stock ratings and investment banking clients for quarter ended on 31 March 2022		
632 companies under coverage for quarter ended on 31 March 2022		
	Rating Distribution (%)	Investment Banking clients (%)
Add	70.3%	0.8%
Hold	22.0%	0.0%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