

Malaysia

ADD (no change)

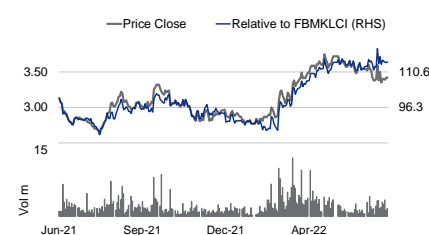
Consensus ratings*: Buy 16 Hold 2 Sell 1

Current price:	RM3.42
Target price:	RM4.35
Previous target:	RM4.25
Up/downside:	27.2%
CGS-CIMB / Consensus:	9.4%
Reuters:	GAMU.KL
Bloomberg:	GAM MK
Market cap:	US\$1,985m
	RM8,734m
Average daily turnover:	US\$1.81m
	RM7.80m
Current shares o/s:	2,514m
Free float:	63.6%

*Source: Bloomberg

Key changes in this note

- FY22F EPS raised by 17.6%
- TP raised to RM4.35



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-4.5	0	9.3
Relative (%)	1.7	8.3	15.6

Major shareholders

	% held
EPF	14.6
ASN	13.7
KWAP	8.1

Analyst(s)



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Gamuda

Prospects remain strongly in its favour

- 9MFY22 results were above expectations: core net profit surged 46% yoy.
- Vietnam property and MRT 2 profits were two key drivers. Order book is at a new all-time high of RM12.4bn with a robust domestic and overseas pipeline.
- Retain Add with a higher RM4.35 TP. 38 sen (11% yield) special dividend post-highway deal completion in FY7/23F is an added catalyst.

MRT 2 and Vietnam property anchored 9MFY22's outperformance

Gamuda reported a stronger-than-expected earnings performance in 9MFY7/22, anchored by robust post-lockdown earnings recognition from a Vietnam property project in 3QFY22 and tail-end profit (cost savings) from the MRT 2 project. This led to a 5.6% pts qoq rise in 3QFY22 EBITDA margin to 20.1%, with 9MFY22 EBITDA margin of 17.1%, higher than our FY22F of 12%. 9MFY22 results were above expectations; core net profit of RM544.4m came in at 85% of our and consensus full-year estimates. Guidance was that 4QFY22F core net profit is likely to be equally strong, driven by overseas and domestic property development, with continued profit recognition from MRT 2, which will spill over into 1HFY7/23 and billings from new projects. Overall, 3QFY22 core net profit surged 56% yoy (+25% qoq) while 9MFY22 core net profit rose 46% yoy. The group declared a second interim DPS of 6 sen, bringing the total to 12 sen and in line with our full-year forecast. The incoming special dividend of est. 38 sen/share (RM1bn payout) from the highway divestment deal (targeted full completion in Aug 22) will be realised in FY7/23F.

Allaying concerns of margin compression; order book at new high

The group allayed concerns about rising material costs, citing minimal and manageable risk of a severe construction margin compression in FY22-23F. Key reasons: 1) Domestic contract margins are insulated by escalation clauses (payment from the government), 2) Tender pricing for RM31bn MRT 3 should largely reflect prevailing material prices; contract award is likely to be in early-CY23F, 3) Singapore and Taiwan ongoing contracts (ahead of schedule) include escalation clauses, and 4) Two newly-secured contracts in Australia worth RM8.5bn (on effective JV share) are government-funded priority infra projects with room to negotiate/claim material price increases. Order book growth prospects remain robust over the next 1.5 years. The recent RM2.1bn job (effective share) for the Coffs Harbour Bypass project in New South Wales (NSW) raised the order book to a new all-time high of RM12.4bn. Potential new jobs in the pipeline include MRT 3, Penang South Island (PSI), and the North-East Link project in Melbourne (new shortlisted tender); these could lift order book to at least RM20bn, mitigating recent risks of domestic contract delays.

Retain Add rating with higher TP of RM4.35

We raise FY22F EPS by 17.6% as we impute a higher EBITDA margin and retain FY23-24F pending completion of the highway deal. We raise TP by 2% (+10 sen) to RM4.35 as we update for balance sheet items (unchanged 10% RNAV discount). Reiterate Add. Upside risks: domestic and overseas jobs wins. Downside risks: project delays.

Financial Summary	Jul-20A	Jul-21A	Jul-22F	Jul-23F	Jul-24F
Revenue (RMm)	3,663	3,517	5,086	6,342	7,032
Operating EBITDA (RMm)	350.7	398.8	738.8	792.7	886.0
Net Profit (RMm)	371.7	588.3	756.6	701.5	729.9
Core EPS (RM)	0.21	0.23	0.30	0.28	0.29
Core EPS Growth	(28.0%)	13.2%	28.6%	(7.3%)	4.1%
FD Core P/E (x)	19.17	16.94	13.17	14.20	13.65
DPS (RM)	0.06	0.00	0.12	0.12	0.12
Dividend Yield	1.75%	0.00%	3.38%	3.38%	3.38%
EV/EBITDA (x)	29.35	24.78	13.38	12.44	11.10
P/FCFE (x)	18.17	NA	12.86	12.55	11.36
Net Gearing	24.8%	18.0%	18.1%	17.8%	17.5%
P/BV (x)	1.01	0.94	0.94	0.93	0.93
ROE	6.26%	6.65%	8.25%	7.64%	7.92%
% Change In Core EPS Estimates			17.6%	0.0%	0.0%
CGS-CIMB/Consensus EPS (x)			1.19	1.06	1.04

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Key highlights from results conference call ►

- The highway acquisition deal (RM5.5bn acquisition price tag for all four highways) by Amanat Lebuhraya Rakyat (ALR) is in progress with no foreseeable major hurdles on the horizon. An Extraordinary General Meeting (EGM) to secure shareholders' approval is likely to be held in mid-July 2022. The raising of sukuk by ALR will commence thereafter, subject to market conditions. The highway deal will be deemed completed upon successful fund raising by ALR, likely in Aug 22.
- Gamuda will pay out RM1bn in special dividends (43% of total RM2.3bn proceeds from highway deal) or 38 sen/share at 11% dividend yield on top of normal dividends of 12 sen p.a. Net gearing stood at 11% at end-April and the company is on track to a net cash position post the highway deal.
- Gamuda will realise a one-off gain of RM1bn in FY7/23F while future group earnings will exclude RM170m-180m in aggregate highway profit; we have not reflected this in our FY23-24F EPS. The earnings vacuum in FY23F is targeted to be partially filled by 1) A substantial rise in construction billings on all-time high order book, 2) Robust unbilled property sales of RM5.4bn at end-Apr 22, and 3) RM4bn property sales target by end-FY7/22F; the company recorded RM2.7bn property sales in 9MFY22 and is on track to achieve RM1.3bn property sales in 4QFY22F (traditionally a strong period for the property division), driven by Gamuda Gardens and Gamuda Cove townships and other Quick Turnaround Project (QTPs).
- Outstanding order book is at a new all-time high of RM12.4bn, largely dominated by Australia projects (RM8.5bn). Overseas order book, including Taiwan and Singapore, accounts for 86% of total outstanding order book. RM12.4bn order book provides earnings visibility for 3-4 years to up to FY7/26F.
- As part of a JV with MMC (50:50), Gamuda will focus on bagging package CMC 303 of the MRT 3 tenders as it contains the largest tunneling scope. The company expects the award to occur in early-CY23F and it is unlikely to be affected by the government mulling a delay in mega projects in light of the subsidy bill. CGS-CIMB's estimates of the values of each tier-1 civil works package are as below:

Figure 1: Three main civil works tender packages for RM31bn MRT 3 (Circle Line); CGS-CIMB estimates

		Above ground	Tunnel	Total	Above ground	Tunnel	Total
Tier 1 packages Scope/coverage		(km)	(km)	(km)	(RM m)	(RM m)	(RM m)
CMC301	Viaduct guideway, elevated stations and depot	6.0	-	6.0	3,000.0	0.0	3,000.0
CMC302	Viaduct guideway, elevated stations, depot, tunnel	27.0	1.2	28.2	13,500.0	1,200.0	14,700.0
CMC303	Viaduct guideway, tunnel, stations, depot, rolling stock	6.0	10.0	16.0	3,000.0	10,000.0	13,000.0
Total		39.0	11.2	50.2	19,500.0	11,200.0	30,700.0

Tier 1 packages		Above ground	Tunnel	Total	Above ground	Tunnel	Total
As % of total	Scope/coverage areas	(km)	(km)	(km)	(RM m)	(RM m)	(RM m)
CMC301	Pandan - Jalan Cheras	15%	nm	12%	15%	0%	10%
CMC302	Jalan Cheras - Pantai Dalam; Jalan Kuching - Pandan	69%	11%	56%	69%	11%	48%
CMC303	Pantai Dalam - Jalan Kuching	15%	89%	32%	15%	89%	42%
Total		100%	100%	100%	100%	100%	100%

Assumptions

Above ground: RM500m/km

Underground : RM1bn/km

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 2: Results comparison

FYE Jul (RM m)	3QFY22	3QFY21	yoy %	2QFY22	qoq %	3QFY22	3QFY21	yoy %	Prev.	
			chg		chg	Cum	Cum	chg	FY22F	Comments
Revenue	1,180.6	971.2	21.6	1,288.3	(8.4)	3,216.1	2,630.5	22.3	5,085.6	1) Property dev't surged 58% yoy
Operating costs	(990.8)	(839.9)	18.0	(1,168.5)	(15.2)	(2,835.0)	(2,366.5)	19.8	(4,460.2)	2) MRT 2 revenue tapering off
EBITDA	237.3	192.4	23.3	186.6	27.1	549.3	443.9	23.8	625.4	2) Highway traffic at pre-pandemic levels
EBITDA margin (%)	20.1%	19.8%	1.4	14.5%	38.7	17.1%	16.9%	1.2	12%	Driven by MRT 2 and Vietnam property
Depreciation	(47.4)	(61.2)	(22.5)	(66.8)	(29.0)	(168.2)	(179.8)	(6.4)	(227.5)	
EBIT	189.8	131.2	44.7	119.9	58.4	381.1	264.1	44.3	397.9	
Interest expense	(20.2)	(24.7)	(18.3)	(47.0)	(57.0)	(77.0)	(79.3)	(2.9)	(115.6)	Net gearing of 11% at end-Apr
Interest & invt inc	22.4	33.4	(33.0)	23.3	(4.0)	74.5	91.0	(18.2)	124.9	Cash and marketable securities stood at RM3.9bn
Associates' contrib	75.9	60.5	25.6	129.1	(41.2)	303.3	221.3	37.1	321.0	Tail-end profits from MRT 2
Exceptionals	1.8	0.6	177.5	1.8	-	6.6	1.5	345.0	-	
Pretax profit	269.8	201.1	34.2	227.2	18.7	688.5	498.5	38.1	889.3	
Tax	(40.3)	(54.2)	(25.7)	(39.3)	2.6	(106.8)	(94.7)	12.8	(194.6)	
Tax rate (%)	14.9	27.0	(44.6)	17.3	(13.6)	15.5	19.0	(18.4)	21.9%	Associates are recognised net of tax
Minority interests	(8.0)	(4.9)	62.0	(10.8)	(25.8)	(30.7)	(28.3)	8.4	(51.5)	
Net profit	221.5	141.9	56.1	177.1	25.0	551.0	375.4	46.8	643.2	9MFY22 core net profit made up 85% of
Core net profit	219.7	141.3	55.6	175.3	25.3	544.4	374.0	45.6	643.2	our and consensus full-year forecasts
EPS (sen)	8.7	5.7	54.3	7.1	23.7	21.8	14.9	46.2	25.6	
Core EPS (sen)	8.7	5.6	53.8	7.0	24.0	21.4	14.9	44.0	25.6	

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 3: 9MFY22 segmental comparison (including share of JV companies' revenue)

	3QFY22	3QFY21	yoy	2QFY22	qoq	9MFY22	9MFY21	yoy	Comments
Revenue	(RM m)	(RM m)	(%)	(RM m)	(%)	(RM m)	(RM m)	(%)	
Engineering & Construction	476.6	507.3	-6.0%	915.4	-48%	2,247.3	2,569.3	-13%	Timing of new contracts; MRT 2 JV revenue tapering off
Property development	739.5	468.4	57.9%	641.5	15%	1,672.1	1,060.6	58%	Strong domestic sales; Vietnam earnings peak post-lockdown
Water & Expressways	87.2	99.0	-11.9%	117.8	-26%	311.2	337.9	-8%	Traffic volume recovered to pre-pandemic levels
Total	1,303.3	1,074.7	21.3%	1,674.7	-22%	4,230.5	3,967.8	7%	Construction made up 53% of revenue (including share of JV)
Net profit	(RM m)	(RM m)	(%)	(RM m)	(%)	(RM m)	(RM m)	(%)	
Engineering & Construction	62.5	52.2	19.6%	82.8	-25%	226.7	162.1	40%	Recognition of MRT 2 tail-end profits (>90% completed)
Property development	126.8	43.2	193.2%	49.0	159%	200.0	61.3	226%	Stronger billings from Vietnam; better domestic margins
Water & Expressways	32.3	46.4	-30.5%	45.3	-29%	124.3	152.1	-18%	Traffic volume recovered to pre-pandemic levels
Total	221.5	141.9	56.1%	177.0	25%	551.0	375.4	47%	Construction made up 41% of net profit (including share of JV)
Net profit margin	(%)	(%)	% pts	(%)	% pts	(%)	(%)	% pts	
Engineering & Construction	13%	10%	3%	9%	4%	10%	6%	4%	Tail-end profit from MRT 2 to last till 1HFY7/23
Property development	17%	9%	8%	8%	10%	12%	6%	6%	Driven by overseas property projects (Vietnam)
Water & Expressways	37%	47%	-10%	38%	-1%	40%	45%	-5%	Stable; no surprises
Total	17%	13%	4%	11%	6%	13%	9%	4%	

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 4: RNAV

	DCF value (RM m)	Gamuda's stake (%)	Value (RM m)
Concession assets			
LDP/Litrak (based on ALR offer - equity value)	2,267.0	45%	1,020.2
SAE (based on ALR offer - equity value)	1,297.0	70%	907.9
Sprint (based on ALR offer - equity value)	913.0	52%	472.9
PPH, India	152.9	50%	76.5
DE, India	108.2	50%	54.1
SMART (based on ALR offer - equity value)	0.0	50%	0.0
	Land size	Value	
Property	(acres)	RM psf	
Kota Kemuning	10	30.0	50% 6.5
Bandar Botanic	30	45.0	100% 58.8
Bandar Nusajaya	290	25.0	50% 157.9
Jade Hills	80	50.0	100% 174.2
Yenso, Hanoi (est. balance undeveloped land)	125	90.0	100% 490.1
Celadon City, HCMC	20	126.8	100% 110.5
Gamuda Gardens - Rawang	620	60.0	100% 1,620.4
Kundang Estates - Rawang	20	55.0	100% 47.9
Gamuda Cove - Cyberjaya West	1450	30.7	100% 1,939.1
Twentyfive.7 - Kota Kemuning	150	45.0	100% 294.0
Bukit Bantayan Residences - Sabah	10	20.0	100% 8.7
OLA EC (Singapore)	4	259.3	50% 22.6
	CY23F		
	net profit	P/E (x)	
Construction	226.0	15	100% 3,390.0
Quarry	13.8	13.5	100% 209.3
Property investments, JVs and associates			1,498.2
Net current assets net of dev. prop. (3QFY22)			4,575.3
Total debt (3QFY22)			(4,982.7)
Total RNAV			12,152.5
No. of shares (m)			2,514.0
RNAV/share (RM)			4.83
RNAV discount			10%
Target price (RM)			4.35

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 5: Earnings revision

RM m	2021A	2022F			2023F			2024F		
		Old	New	%chg	Old	New	%chg	Old	New	%chg
Revenue	3,517	5,086	5,086	0%	6,342	6,342	0%	7,032	7,032	0%
EBITDA	399	625	739	18%	793	793	0%	886	886	0%
Core pretax profit	786	889	1,003	13%	982	982	0%	1,020	1,020	0%
Core net profit	588	643	757	18%	701	701	0%	730	730	0%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

ESG in a nutshell



Refinitiv ESG Scores

B+	A+	B+	A-	B	B
ESG Score	ESG Controversies Score	ESG Combined Score	ESG Environment Pillar Score	ESG Social Pillar Score	ESG Government Pillar Score

Gamuda's Green Plan is a comprehensive framework that charts tangible targets driven by environmental, social and governance (ESG) dimensions set forth over the next five years, with an extended view to 2030 and beyond. The plan commits the entire group to circular construction with specific steps to reduce direct and indirect corporate greenhouse gas emission intensity by 30% in 2025, and by 45% in 2030. As a leading contractor and township developer, Gamuda has comprehensively incorporated ESG-type deliverables in all of its ongoing and incoming new projects.

Gamuda's sustainability approach is divided into four pillars, namely: (1) Sustainable planning, design and circular construction, (2) ESG efforts within the community and business environment, (3) Environment and biodiversity conservation, and (4) Enhancing sustainability via digitalisation.

Keep your eye on

The group is undertaking The Penang South Islands (PSI) project, its landmark mega land reclamation project, with a more comprehensive ESG approach. Key action points to be achieved 5-10 years from project completion: 1) 50% reduction in overall CO2 emissions, 2) climate responsive design with 40% reduction in urban planning emissions, 3) green mobility with 80% reduction in transport emissions, 4) 65% reduction in landfill waste, and 5) 100% renewal energy (RE) via the Green Tech Park.

Implications

Earnings contributions from PSI are not factored into our RNAV valuations and forecasts. On a straight-line basis, we estimate annual pretax profit of RM83m from PSI, derived from the potential RM5bn in new order book.

ESG highlights

We consider Gamuda's overall ESG initiatives/approach/exposures as ahead of other contractors' due to its diversified business model covering toll roads, water treatment, property/townships, and construction, and at least on par with more established players.

In terms of ESG approach, key highlights are: 1) incorporating environmentally- and climate-friendly features in township masterplans, and 2) the deployment of more environmentally-friendly construction methods and incorporation of Industrial Building Systems (IBS) via its IBS plant into housing projects.

Key benchmark projects with notable ESG features focusing on pillars (1) and (3) as described above are: 1) the SMART Tunnel highway project – flood mitigation, 2) KVMRT 1 and 2 – public transport modal-focused and digitisation of transportation systems, 3) Gamuda Gardens township, and 4) Gamuda Cove township.

Implications

We believe that, as a leading contractor, Gamuda's ESG efforts/initiatives and its strategy of incorporating ESG features into its projects will result in the group undertaking and executing more ESG-driven large-scale construction projects and property townships. This would also raise its profile and track record, placing it among the potential contractors of future large-scale mega contracts, such as the MRT 3.

Trends

Gamuda Green Plan (launched in 5 Jun 21) carries the main objective of enhancing its ESG profile and how it translates into its operations/business model. Notably, the group was the only Malaysian construction company to be included in the Dow Jones Sustainability Indices (DJSI) in 2019. In 2021, Gamuda achieved an improved global ESG score of 38 (2020: 30). The group is also a constituent of FTSE4Good with a 3-Star ranking based on 2021's annual assessment and a part of the MSCI Sustainability index with a BB rating (Apr 2021).

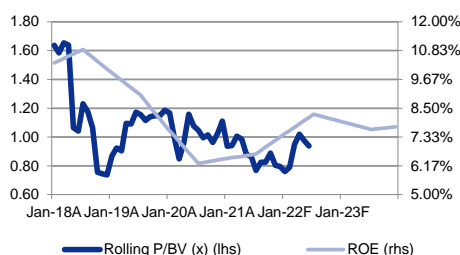
Implications

As part of the group's initiatives to increase its ESG visibility among investors, ESG updates have been incorporated into its quarterly results briefings, which we will monitor to evaluate its progress.

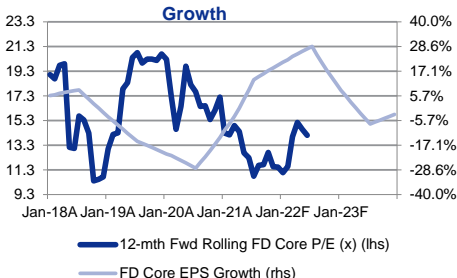
SOURCES: CGS-CIMB RESEARCH, REFINITIV

BY THE NUMBERS

P/BV vs ROE



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



Profit & Loss

(RMm)	Jul-20A	Jul-21A	Jul-22F	Jul-23F	Jul-24F
Total Net Revenues	3,663	3,517	5,086	6,342	7,032
Gross Profit	3,663	3,517	5,086	6,342	7,032
Operating EBITDA	351	399	739	793	886
Depreciation And Amortisation	(223)	(225)	(227)	(225)	(223)
Operating EBIT	128	174	511	568	663
Financial Income/(Expense)	7	5	9	9	10
Pretax Income/(Loss) from Assoc.	308	315	321	325	321
Non-Operating Income/(Expense)	142	293	161	81	26
Profit Before Tax (pre-EI)	585	786	1,003	982	1,020
Exceptional Items	0	0	0	0	0
Pre-tax Profit	585	786	1,003	982	1,020
Taxation	(161)	(154)	(195)	(230)	(240)
Exceptional Income - post-tax					
Profit After Tax	424	632	808	752	780
Minority Interests	(53)	(44)	(51)	(51)	(50)
Preferred Dividends	0	0	0	0	0
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	372	588	757	701	730
Recurring Net Profit	520	588	757	701	730
Fully Diluted Recurring Net Profit	520	588	757	701	730

Cash Flow

(RMm)	Jul-20A	Jul-21A	Jul-22F	Jul-23F	Jul-24F
EBITDA	350.7	398.8	738.8	792.7	886.0
Cash Flow from Invt. & Assoc.					
Change In Working Capital	393.6	809.8	890.8	873.0	855.5
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	224.3	(1.7)	(1.7)	(1.7)	(1.6)
Net Interest (Paid)/Received	7.1	4.5	9.3	9.4	9.5
Tax Paid	(161.3)	(154.1)	(194.6)	(229.6)	(239.6)
Cashflow From Operations	814.4	1,057.4	1,442.6	1,443.9	1,509.8
Capex	(502.4)	(488.0)	(205.0)	(205.0)	(205.0)
Disposals Of FAs/subsidiaries	5.6	12.6	5.9	5.9	5.9
Acq. Of Subsidiaries/investments	0.0	0.0	0.0	0.0	0.0
Other Investing Cashflow	(89.4)	(448.7)	(430.8)	(413.5)	(397.0)
Cash Flow From Investing	(586.2)	(924.2)	(629.9)	(612.6)	(596.1)
Debt Raised/(repaid)	320.0	(304.1)	(37.8)	(37.4)	(37.0)
Proceeds From Issue Of Shares	72.9	0.0	0.0	0.0	0.0
Shares Repurchased	0.0	0.0	0.0	0.0	0.0
Dividends Paid	(249.4)	0.0	(288.7)	(288.7)	(288.7)
Preferred Dividends					
Other Financing Cashflow		(123.9)	(282.0)	(231.1)	(235.2)
Cash Flow From Financing	143.5	(428.0)	(608.5)	(557.2)	(560.9)
Total Cash Generated	371.8	(294.8)	204.3	274.0	352.8
Free Cashflow To Equity	548.3	(170.9)	775.0	793.9	876.8
Free Cashflow To Firm	367.6	247.7	928.4	948.0	1,031.7

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

BY THE NUMBERS... cont'd

Balance Sheet

(RMm)	Jul-20A	Jul-21A	Jul-22F	Jul-23F	Jul-24F
Total Cash And Equivalents	3,290	3,538	3,494	3,477	3,460
Total Debtors	3,875	3,443	3,460	3,478	3,496
Inventories	918	809	768	730	693
Total Other Current Assets	1,372	2,108	2,108	2,108	2,108
Total Current Assets	9,455	9,897	9,830	9,792	9,757
Fixed Assets	1,059	961	991	1,021	1,051
Total Investments	2,151	1,826	1,823	1,821	1,818
Intangible Assets	0	0	0	0	0
Total Other Non-Current Assets	5,932	5,757	5,785	5,814	5,842
Total Non-current Assets	9,141	8,543	8,599	8,655	8,712
Short-term Debt	2,513	1,452	1,452	1,452	1,452
Current Portion of Long-Term Debt					
Total Creditors	3,168	2,774	2,792	2,809	2,827
Other Current Liabilities	260	283	283	283	283
Total Current Liabilities	5,941	4,509	4,527	4,544	4,562
Total Long-term Debt	2,952	3,776	3,738	3,700	3,663
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	736	640	640	640	640
Total Non-current Liabilities	3,688	4,415	4,377	4,340	4,303
Total Provisions	0	0	0	0	0
Total Liabilities	9,629	8,924	8,904	8,884	8,865
Shareholders' Equity	8,541	9,164	9,169	9,203	9,240
Minority Interests	427	352	356	359	363
Total Equity	8,968	9,516	9,525	9,563	9,603

Key Ratios

	Jul-20A	Jul-21A	Jul-22F	Jul-23F	Jul-24F
Revenue Growth	(19.8%)	(4.0%)	44.6%	24.7%	10.9%
Operating EBITDA Growth	(25.7%)	13.7%	85.2%	7.3%	11.8%
Operating EBITDA Margin	9.6%	11.3%	14.5%	12.5%	12.6%
Net Cash Per Share (RM)	(0.89)	(0.68)	(0.69)	(0.68)	(0.67)
BVPS (RM)	3.40	3.65	3.65	3.66	3.68
Gross Interest Cover	0.92	1.52	4.42	4.86	5.62
Effective Tax Rate	27.5%	19.6%	19.4%	23.4%	23.5%
Net Dividend Payout Ratio	38.8%	NA	38.2%	41.2%	39.6%
Accounts Receivables Days	204.2	202.2	126.1	102.1	93.3
Inventory Days	N/A	N/A	N/A	N/A	N/A
Accounts Payables Days	N/A	N/A	N/A	N/A	N/A
ROIC (%)	1.38%	1.78%	5.10%	5.65%	6.59%
ROCE (%)	1.99%	2.00%	4.31%	4.71%	5.36%
Return On Average Assets	2.33%	3.39%	4.33%	4.03%	4.18%

Key Drivers

	Jul-20A	Jul-21A	Jul-22F	Jul-23F	Jul-24F
Revenue growth (%)	-19.8%	-4.0%	44.6%	24.7%	10.9%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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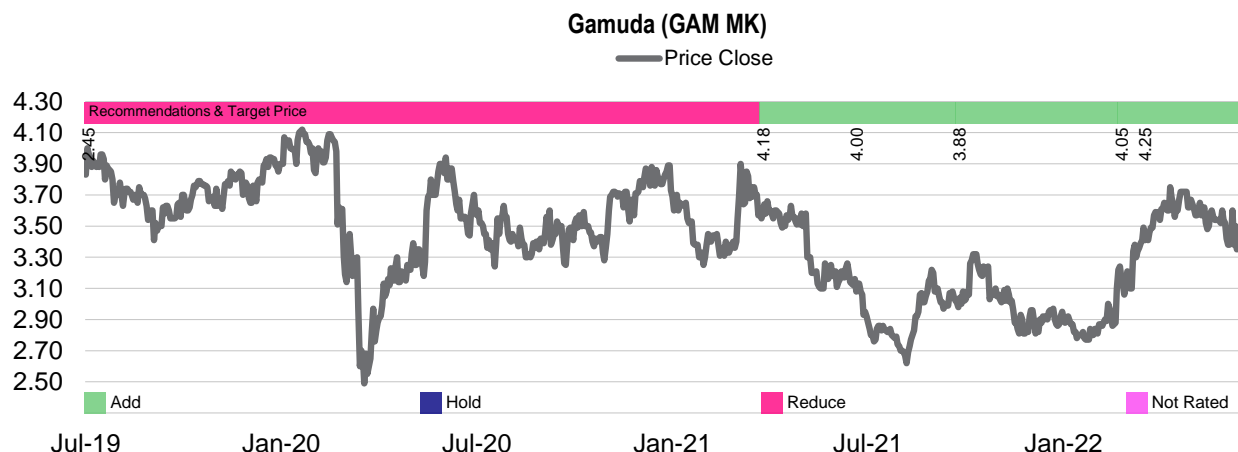
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Distribution of stock ratings and investment banking clients for quarter ended on 31 March 2022		
632 companies under coverage for quarter ended on 31 March 2022		
	Rating Distribution (%)	Investment Banking clients (%)
Add	70.3%	0.8%
Hold	22.0%	0.0%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