

Malaysia

**ADD** (no change)

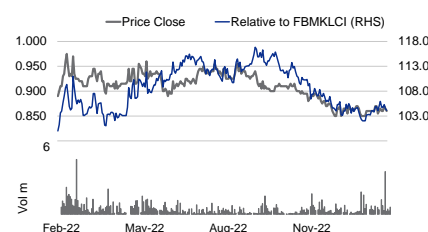
Consensus ratings\*: Buy 3 Hold 2 Sell 0

Current price:	RM0.86
Target price:	RM1.02
Previous target:	RM1.05
Up/downside:	18.6%
CGS-CIMB / Consensus:	3.6%
Reuters:	TWRK.KL
Bloomberg:	TWK MK
Market cap:	US\$393.6m
	RM1,734m
Average daily turnover:	US\$0.10m
	RM0.44m
Current shares o/s:	2,016m
Free float:	41.0%

\*Source: Bloomberg

**Key changes in this note**

- FY23-24F cut by 0.5-13%
- TP lowered to RM1.02



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-1.2	-3.9	-4.5
Relative (%)	-0.6	-6.4	2.9

**Major shareholders**

	% held
L.G.B. Holding Sdn Bhd	50.0
Vijay Vijendra Sethu	9.0

**Analyst(s)**



**Sharizan ROSELY**

T (60) 3 2635 9252

E sharizan.rosely@cgs-cimb.com

# Taliworks Corporation

## FY22 missed expectations; 7.7% yield intact

- FY22 results were below expectations; core net profit fell 36% yoy.
- Improved performance for the water division and toll highway compensation mitigated construction weakness and associate losses.
- Maintain Add rating with a lower TP; 7.7% dividend yield remains attractive.

### FY22 results below expectations; a mixed performance

Taliworks's overall performance in FY22 was a mixed bag. Positives came from growth in water metered sales (+4.3% yoy), strong recovery in highway traffic volume (+17% to +33% yoy) and recognition of toll highway compensation totaling RM34m for Grand Saga and Grand Sepadu highways while the key negatives were lower-than-expected physical progress (c.3% as at end-FY22 vs. the targeted 17%) for the Rasau water project (due to delayed site approvals) and larger share of associate losses for Solid Waste Management (SWM) Sdn Bhd due to increased minimum wage, a higher dividend payout rate of 10% vs. 6% previously to holders of preference shares at the company level and impairment on receivables. FY22 core net profit of RM49.3m (excluding one-off gains on disposal of assets and modification of leases) was below expectations at 80-84% of our and consensus full-year forecasts due to the reasons mentioned above. Qoq, revenue in 4QFY22 fell 5.9% due to weaker construction revenue but climbed 18% yoy, driven by robust recovery in highway traffic volume and recognition of toll compensation. Overall FY22 revenue advanced 12% yoy, which includes six months' contribution (RM17.2m) from new solar assets. FY22 core net profit, however, declined 36% yoy on account of higher operating cost, increased associate losses and subdued construction profit.

### Dividends were in line; full-year DPS of 6.6 sen

The group declared a fourth single-tier DPS of 1.65 sen, bringing total FY22 DPS to 6.6 sen, consistent with the group's guidance of quarterly DPS payout of RM1.65 sen. This was supported by end-Dec 22 cash and equivalents of RM217m (11 sen/share). Despite higher associate losses, we expect FY23-25F dividend payout of 6.6 sen p.a. to be supported by contribution from new solar assets (RM8.1m EBIT in FY22).

### Maintain Add rating with a lower TP of RM1.02; 7.7% dividend yield

For FY23F, we now expect construction profit to remain weak on lower progress rate of 10-15% (vs. 30-40% previously) for the Sg. Rasau project. We gather that the RM896m worth of contracts from the Sg. Rasau scheme's packages 2 and 3 may remain behind schedule pending site approvals. We cut FY23-24F EPS by 0.5-13% on higher associate losses and slower progress of the Rasau water contract. We introduce FY25F estimates. Our RNAV-based TP is lowered to RM1.02 (unchanged 10% RNAV discount). Maintain Add, supported by attractive 7.7% dividend yields (FY23-25F). Re-rating catalysts: water contract wins and potential new solar projects. Downside risks: weaker earnings.

**Financial Summary**

	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Revenue (RMm)	302.3	337.7	387.4	395.2	403.1
Operating EBITDA (RMm)	104.8	103.0	130.8	135.6	140.4
Net Profit (RMm)	78.50	55.14	60.63	72.23	75.64
Core EPS (RM)	0.039	0.027	0.030	0.036	0.038
Core EPS Growth	32.0%	(29.8%)	10.0%	19.1%	4.7%
FD Core P/E (x)	22.09	31.44	28.59	24.00	22.92
DPS (RM)	0.066	0.066	0.066	0.066	0.066
Dividend Yield	7.67%	7.67%	7.67%	7.67%	7.67%
EV/EBITDA (x)	17.02	19.65	15.27	14.55	13.89
P/FCFE (x)	10.19	6.42	8.75	7.08	7.08
Net Gearing	(4.3%)	15.2%	15.9%	15.9%	15.8%
P/BV (x)	1.92	2.20	2.29	2.22	2.16
ROE	8.42%	6.52%	7.85%	9.38%	9.56%
% Change In Core EPS Estimates			(12.8%)	(0.5%)	
CGS-CIMB/Consensus EPS (x)			0.77	0.80	

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 1: Results comparison**

FYE Dec (RM m)	4QFY22	4QFY21	yoy %		3QFY22		qoq %		4QFY22		Prev.	Comments
			chg	chg	Cum	Cum	chg	chg	FY22F			
Revenue	85.9	72.7	18.0	91.3	(5.9)	337.7	302.6	11.6	379.8	1) Highway ADT grew by 17-33% yoy in FY22		
Operating costs	(45.6)	(50.2)	(9.2)	(49.1)	(7.1)	(200.8)	(162.9)	23.3	(245.6)	2) Contribution from new construction contracts		
EBITDA	47.6	28.9	64.8	42.2	12.9	155.0	148.1	4.7	134.2	3) Metered sales up 4.3% yoy for SSP1 in FY22		
<b>EBITDA margin (%)</b>	<b>55.5</b>	<b>39.7</b>	<b>39.6</b>	<b>46.2</b>	<b>20.0</b>	<b>45.9</b>	<b>48.9</b>	<b>(6.2)</b>	<b>35.3</b>			
Deprn & amort.	(12.1)	(12.4)	(2.1)	(11.4)	6.3	(42.9)	(33.5)	28.1	(38.0)			
EBIT	35.5	16.5	114.9	30.8	15.4	114.4	116.7	(2.0)	96.3			
Interest expense	(4.5)	(4.8)	(7.4)	(4.5)	(2.0)	(18.0)	(19.1)	(5.9)	(26.6)	Total debt of RM329m at end-Dec		
Interest & invt inc	0.7	0.8	(15.9)	0.4	77.4	2.3	2.1	8.5	4.2	Cash and investments of RM217m at end-Dec		
Associates' contrib	(6.7)	1.3	(621.2)	(4.6)	45.5	(16.8)	14.3	(217.2)	(12.8)			
Exceptionals	4.3	(0.7)	728.1	0.8	453.6	5.8	1.4	308.2	-	No material one-offs		
<b>Pretax profit</b>	<b>25.0</b>	<b>13.8</b>	<b>81.0</b>	<b>22.0</b>	<b>13.8</b>	<b>81.9</b>	<b>114.0</b>	<b>(28.2)</b>	<b>96.4</b>	RM23m toll compensation for Grand Sepadu		
Tax	2.1	(1.9)	214.6	(6.6)	132.1	(15.4)	(11.6)	33.0	(29.3)	RM11m toll compensation for Grand Saga		
Tax rate (%)	(8.5)	13.4	(163.3)	30.1	nm	18.9	10.2	85.1	30.4			
Minority interests	(6.2)	0.2	nm	(2.9)	113.7	(11.3)	(23.9)	(52.7)	(4.3)			
<b>Net profit</b>	<b>21.0</b>	<b>12.2</b>	<b>72.3</b>	<b>12.5</b>	<b>67.9</b>	<b>55.1</b>	<b>78.5</b>	<b>(29.8)</b>	<b>62.7</b>	FY22 core net profit made up 80-84% of our		
Core net profit	16.7	12.9	29.4	11.7	42.1	49.3	77.1	(36.0)	62.7	and consensus full-year forecasts		
EPS (sen)	1.1	0.6	75.0	0.6	69.4	2.7	3.9	(29.6)	3.1			

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 2: FY22 segmental breakdown**

	4Q22	4Q21	YoY	FY22	FY21	YoY	Comments
	RM m	RM m	%	RM m	RM m	%	
<b>Revenue</b>							
Water treatment, supply and distribution	46.8	43.2	8.3%	184.9	169.1	9.4%	Increase in water demand post-lockdown
Construction	(1.5)	6.8	-121.7%	33.0	14.8	122.2%	Contributions from Rasau project at only 3% physical progress
Toll Highway	33.7	21.5	57.1%	97.6	113.7	-14.2%	Grand Saga Highway's ADT rose 33% yoy
Renewables (RE)	5.6	0.0	nm	17.2	0.0	nm	Full quarter's contribution from solar assets in 3QFY22 & 4QFY22
Others	1.3	1.3	0.0%	5.0	5.0	0.0%	-
<b>Total</b>	<b>85.9</b>	<b>72.7</b>	<b>18.0%</b>	<b>337.7</b>	<b>302.6</b>	<b>11.6%</b>	
<b>Operating profit/EBIT</b>							
Water treatment, supply and distribution	12.7	11.5	10.6%	60.9	58.6	3.9%	Higher metered sales (+4.3% yoy) for SSP 1
Construction	(0.6)	0.8	-175.7%	0.7	(1.0)	-176.2%	Contributions from Rasau project at only 3% physical progress
Toll Highway	20.4	5.1	301.4%	51.1	70.0	-26.9%	RM11.3m compensation for Grand Saga Highway
Renewables (RE)	2.7	0.0	nm	8.1	0.0	nm	Full quarter's contribution from solar assets in 3QFY22 & 4QFY22
Others	1.1	(0.0)	nm	(4.3)	(8.8)	-51.6%	-
<b>Total</b>	<b>36.2</b>	<b>17.4</b>	<b>108.6%</b>	<b>116.6</b>	<b>118.8</b>	<b>-1.8%</b>	
Finance cost	(4.5)	(4.8)	-7.4%	(18.0)	(19.1)	-5.9%	-
Share of results of JV	4.5	0.4	1160.5%	6.2	6.0	3.1%	RM23m compensation for Grand Sepadu Highway
Share of results of associate	(11.2)	0.9	nm	(23.0)	8.3	-376.1%	Losses for SWM: higher preference shares dividend and higher wages
<b>Pretax profit</b>	<b>25.0</b>	<b>13.8</b>	<b>81.0%</b>	<b>81.9</b>	<b>114.0</b>	<b>-28.2%</b>	

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 3: RNAV**



	Basis	Full value (RM m)	Stake (%)	Value (RM m)
<b>Concession assets</b>				
Grand Saga Highway (24 years remaining concession life)	DCF value	824.0	51%	420.2
Grand Sepadu Highway (12 years remaining concession life)	Takeover value	265.0	38%	100.7
<b>Other segments</b>				
	Equity DCF value (RM m)	Disc. rate (%)	Stake (%)	
SSP1 - Sungai Harmoni O&M (18 years incl. extension)	932.5	10%	100%	932.5
Renewable energy (Solar)	189.1	7%	100%	189.1
	FY24F Net profit (RM m)	P/E (x)	Stake (%)	
Construction (Sg. Rasau package 2 & 3)	20.0	15	100%	299.6
Solid Waste Management (SWM) - acquisition value	700.0	-	35%	245.0
Investment in associate & JVs (as at end-Dec)				203.3
Cash & equivalents (as at end-Dec)				217.1
Borrowings as at end-Dec				(328.9)
<b>Total RNAV</b>				<b>2,278.6</b>
No. of shares (m)				2,015.8
RNAV/share				1.13
RNAV discount (%)				10%
<b>Target price (RM/share)</b>				<b>1.02</b>

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 4: Earnings revision**

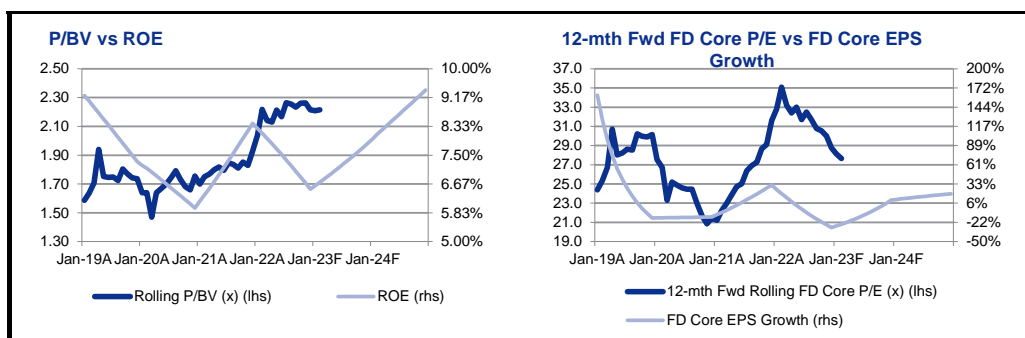
RM m	2022A	2023F			2024F			2025F		
		Old	New	%chg	Old	New	%chg	Old	New	%chg
Revenue	380	387	387	0.0%	395	395	0.0%	#N/A	403	#N/A
EBITDA	134	131	131	0.0%	136	136	0.0%	#N/A	140	#N/A
Core pretax profit	96	106	98	-8.1%	111	112	1.2%	#N/A	117	#N/A
Core net profit	63	70	61	-12.8%	73	72	-0.5%	#N/A	76	#N/A

SOURCES: CIMB, COMPANY REPORTS

Refinitiv ESG Scores	
	
	
<b>ESG in a nutshell</b>	
<p>Taliworks undertook the development of a sustainability framework to guide its efforts in incorporating sustainability into its business model. This framework is benchmarked against sustainability best practices in industries both within and beyond the scope of operations. This framework should enable the group to create time-bound goals that are strategically aligned with the United Nations Sustainable Development Goals (UNSDG) targets.</p>	
<p><b>Keep your eye on</b></p> <ol style="list-style-type: none"> <li>In 2021, the group began developing a sustainability framework that contained time-bound goals to guide its sustainability journey over the longer term; this would be incorporated into the group's Enterprise Risk Management (ERM) Framework, which would cover all segments of businesses, i.e. 1) water treatment, supply and distribution, 2) waste management, 3) construction, and 4) toll highways.</li> <li>Budget 2022 and the 12<sup>th</sup> Malaysia Plan (12MP) have cited water infrastructure projects as among their "Green Infrastructure" initiatives. Taliworks's construction division could see a recovery in water contract tenders.</li> </ol>	<p><b>Implications</b></p> <ol style="list-style-type: none"> <li>Key operational metrics for the water division address the quality and quantity of water to end-users and meeting demand, while managing water loss, in the distribution network, Taliworks achieved above 99% water treatment compliance rates in 2018-20.</li> <li>Non-revenue water (NRW), or volume of water loss as a percentage of total volume of water produced, stood at 42.1% in 2020.</li> <li>Toll highway safety performance is guided under the Malaysian Highway Authority (MHA). Taliworks met the safety performance and regulatory standards of not exceeding 3.15 accidents per 1m vehicles in 2020.</li> </ol>
<p><b>ESG highlights</b></p> <ol style="list-style-type: none"> <li>Taliworks's proposed RM180.4m investment in the solar business, via the acquisition of several operating solar companies, is in line with its vision of balancing environmental, social and governance elements.</li> <li>Its waste management operations span 28,500km<sup>2</sup> and employ over 8,000 workers: To ensure a sustainable approach to business processes and the managing of a large-scale waste management operation, the division employs risk-based decision-making, daily monitoring, proactive action, incentive systems, and strategic target-setting.</li> <li>Taliworks seeks to ensure the quality of operations of its entire supply chain/subcontractors with commitment to quality, environmental and occupational safety standards. The group conducts annual assessments of its entire supply chain. The supply chain of its water division, for example, is governed under the Water Services Industries Act 2006 (WSIA).</li> </ol>	<p><b>Implications</b></p> <ol style="list-style-type: none"> <li>Taliworks's renewable energy (RE) acquisition is a long-term positive in that it replaces the loss of income from the expiry of Taliworks Langkawi in Oct 20. RE M&amp;As strengthen its ability to pay out our FY21-23F 6.6 sen DPS p.a.</li> <li>Some initiatives by the waste management division, SWM Environment, in promoting sustainability awareness include improving public perception of waste management, empowering communities to improve surrounding environments, and collaborative educational programmes with the Ministry of Education (MOE).</li> </ol>
<p><b>Trends</b></p> <ol style="list-style-type: none"> <li>In 2020, the Grand Saga (subsidiary) and Grand Sepadu (associate) highways maintained full four-star ratings from the MHA.</li> <li>Grand Sepadu has been certified Silver Rating by the Malaysia Green Highway Index (MGHI) since 2019 while Grand Saga's status is pending an audit by the MGHI.</li> <li>All plans/strategies for its water division are aligned with the Task Force on Climate-Related Financial Disclosure (TCFD), endorsed by Bursa Malaysia.</li> </ol>	<p><b>Implications</b></p> <ol style="list-style-type: none"> <li>Although Taliworks does not have a formal climate risk management process, climate change-related issues have been recognised as part of its risk identification processes at the division level.</li> <li>While Taliworks is not a constituent of the FTSE4Good Bursa Malaysia Index and not rated under the FTSE Russell, we believe Taliworks's business model contains comprehensive elements directly contributing to the area of sustainability under the environmental and social components of the ESG sphere</li> </ol>

SOURCES: CGS-CIMB RESEARCH, REFINITIV

## BY THE NUMBERS



### Profit & Loss

(RMm)	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
<b>Total Net Revenues</b>	<b>302.3</b>	<b>337.7</b>	<b>387.4</b>	<b>395.2</b>	<b>403.1</b>
<b>Gross Profit</b>	<b>139.7</b>	<b>136.9</b>	<b>173.9</b>	<b>179.5</b>	<b>185.3</b>
<b>Operating EBITDA</b>	<b>104.8</b>	<b>103.0</b>	<b>130.8</b>	<b>135.6</b>	<b>140.4</b>
Depreciation And Amortisation	(33.5)	(42.9)	(42.6)	(42.3)	(42.7)
<b>Operating EBIT</b>	<b>71.3</b>	<b>60.1</b>	<b>88.2</b>	<b>93.3</b>	<b>97.7</b>
Financial Income/(Expense)	(17.0)	(15.7)	(15.7)	(15.7)	(15.9)
Pretax Income/(Loss) from Assoc.	14.3	(16.8)	(9.6)	(9.7)	(9.8)
Non-Operating Income/(Expense)	45.4	54.3	34.6	44.1	45.0
<b>Profit Before Tax (pre-EI)</b>	<b>114.0</b>	<b>81.9</b>	<b>97.5</b>	<b>112.0</b>	<b>116.9</b>
Exceptional Items					
<b>Pre-tax Profit</b>	<b>114.0</b>	<b>81.9</b>	<b>97.5</b>	<b>112.0</b>	<b>116.9</b>
Taxation	(11.6)	(15.4)	(25.5)	(28.0)	(29.2)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>102.4</b>	<b>66.4</b>	<b>72.0</b>	<b>83.9</b>	<b>87.7</b>
Minority Interests	(23.9)	(11.3)	(11.4)	(11.7)	(12.0)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>78.5</b>	<b>55.1</b>	<b>60.6</b>	<b>72.2</b>	<b>75.6</b>
Recurring Net Profit	78.5	55.1	60.6	72.2	75.6
<b>Fully Diluted Recurring Net Profit</b>	<b>78.5</b>	<b>55.1</b>	<b>60.6</b>	<b>72.2</b>	<b>75.6</b>

### Cash Flow

(RMm)	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
<b>EBITDA</b>	<b>104.8</b>	<b>103.0</b>	<b>130.8</b>	<b>135.6</b>	<b>140.4</b>
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(78.1)	(15.4)	(56.8)	(2.2)	(2.4)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	134.9	30.2	27.2	24.5	22.0
Net Interest (Paid)/Received	(17.0)	(15.7)	(15.7)	(15.7)	(15.9)
Tax Paid	(11.6)	(15.4)	(25.5)	(28.0)	(29.2)
<b>Cashflow From Operations</b>	<b>132.9</b>	<b>86.6</b>	<b>60.1</b>	<b>114.0</b>	<b>114.8</b>
Capex	(1.2)	(3.6)	(3.6)	(3.6)	(3.6)
Disposals Of FAs/subsidiaries	1.2	0.3	0.1	0.1	0.6
Acq. Of Subsidiaries/investments	0.0	(37.3)	0.0	0.0	0.0
Other Investing Cashflow	69.8	266.3	142.9	135.7	134.4
<b>Cash Flow From Investing</b>	<b>69.9</b>	<b>225.7</b>	<b>139.4</b>	<b>132.2</b>	<b>131.4</b>
Debt Raised/(repaid)	(32.6)	(42.1)	(1.2)	(1.2)	(1.3)
Proceeds From Issue Of Shares	0.0	0.0	0.0	0.0	0.0
Shares Repurchased	0.0	0.0	0.0	0.0	0.0
Dividends Paid	(133.0)	(133.0)	(133.0)	(133.0)	(133.0)
Preferred Dividends	0.0	0.0	0.0	0.0	0.0
Other Financing Cashflow	(39.5)	(150.6)	(36.1)	(47.0)	(50.6)
<b>Cash Flow From Financing</b>	<b>(205.1)</b>	<b>(325.7)</b>	<b>(170.3)</b>	<b>(181.3)</b>	<b>(184.9)</b>
Total Cash Generated	(2.4)	(13.4)	29.1	65.0	61.4
<b>Free Cashflow To Equity</b>	<b>170.1</b>	<b>270.2</b>	<b>198.2</b>	<b>245.0</b>	<b>245.0</b>
<b>Free Cashflow To Firm</b>	<b>221.8</b>	<b>330.3</b>	<b>217.5</b>	<b>264.4</b>	<b>264.8</b>

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## BY THE NUMBERS... cont'd

### Balance Sheet

(RMm)	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Total Cash And Equivalents	409	170	172	174	176
Total Debtors	75	93	80	81	82
Inventories	3	21	21	21	21
Total Other Current Assets	7	10	10	10	10
<b>Total Current Assets</b>	<b>493</b>	<b>293</b>	<b>283</b>	<b>286</b>	<b>290</b>
Fixed Assets	6	132	132	132	131
Total Investments	221	203	204	205	206
Intangible Assets	1,146	1,121	1,119	1,118	1,117
Total Other Non-Current Assets	77	105	106	107	108
<b>Total Non-current Assets</b>	<b>1,450</b>	<b>1,561</b>	<b>1,561</b>	<b>1,562</b>	<b>1,562</b>
Short-term Debt	30	30	31	32	34
Current Portion of Long-Term Debt					
Total Creditors	59	38	80	81	82
Other Current Liabilities	20	60	63	66	69
<b>Total Current Liabilities</b>	<b>110</b>	<b>127</b>	<b>174</b>	<b>179</b>	<b>185</b>
Total Long-term Debt	329	299	299	299	299
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	114	132	131	129	128
<b>Total Non-current Liabilities</b>	<b>442</b>	<b>431</b>	<b>430</b>	<b>428</b>	<b>427</b>
Total Provisions	234	248	248	248	248
<b>Total Liabilities</b>	<b>786</b>	<b>806</b>	<b>851</b>	<b>856</b>	<b>860</b>
Shareholders' Equity	905	787	758	781	801
Minority Interests	253	260	234	211	190
<b>Total Equity</b>	<b>1,157</b>	<b>1,048</b>	<b>993</b>	<b>992</b>	<b>991</b>

### Key Ratios

	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Revenue Growth	(4.9%)	11.7%	14.7%	2.0%	2.0%
Operating EBITDA Growth	36.3%	(1.7%)	27.0%	3.6%	3.6%
Operating EBITDA Margin	34.7%	30.5%	33.8%	34.3%	34.8%
Net Cash Per Share (RM)	0.025	(0.079)	(0.079)	(0.078)	(0.078)
BVPS (RM)	0.45	0.39	0.38	0.39	0.40
Gross Interest Cover	3.73	3.34	4.90	5.13	5.27
Effective Tax Rate	10.2%	18.9%	26.2%	25.0%	25.0%
Net Dividend Payout Ratio	169%	241%	219%	184%	176%
Accounts Receivables Days	85.88	67.70	64.42	57.99	57.83
Inventory Days	6.16	21.35	35.75	35.50	35.05
Accounts Payables Days	93.1	59.4	76.7	112.9	113.7
ROIC (%)	3.97%	3.56%	4.65%	5.14%	5.40%
ROCE (%)	4.10%	3.70%	5.67%	6.09%	6.38%
Return On Average Assets	5.71%	4.10%	4.51%	5.17%	5.37%

### Key Drivers

	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Revenue growth (%)	-4.9%	11.7%	14.7%	2.0%	2.0%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS



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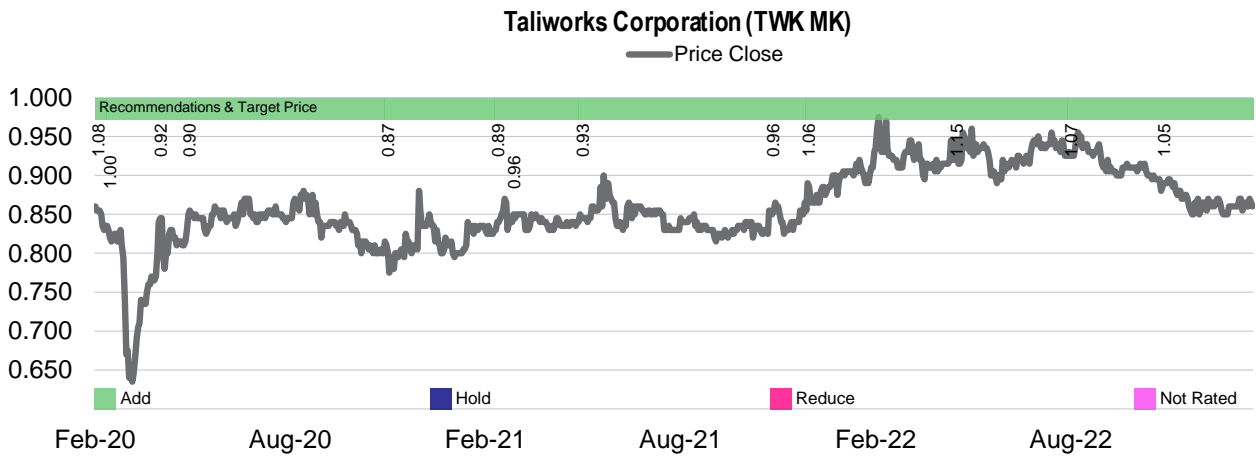
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Distribution of stock ratings and investment banking clients for quarter ended on 31 December 2022		
645 companies under coverage for quarter ended on 31 December 2022		
	Rating Distribution (%)	Investment Banking clients (%)
Add	64.8%	1.1%
Hold	27.0%	0.3%
Reduce	8.2%	0.0%

Spitzer Chart for stock being researched ( 2 year data)



**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.