

# Cypark Resources (CYP MK)

## 2QFY22: Higher operating expenses

### Maintain BUY

Cypark's 2QFY22 net profit was below expectations on cost escalations mainly relating to logistics, labour and prolongation as a result of the pandemic. Going forward, we expect the acceleration of road upgrading works along Jalan Dutamas 2 (a MYR74.3m contract) would partly support earnings growth in 2HFY22. No change to our earnings estimates. We keep our SOP-based TP of MYR1.01 and BUY call.

### Lower turnkey revenue from LSS2 projects

2QFY22 net profit of MYR11.1m (-26% YoY, -8% QoQ) lifted 1HFY22 net profit to MYR23.2m (-15% YoY), meeting 41%/34% of our/consensus full year forecasts. Lower YoY earnings was mainly due to; (1) lower turnkey revenue from LSS2 projects due to its near completion (-67%), and (2) cost escalations in the quarter arising from logistics, labour and prolongation due to the pandemic. However, these were partly offset by; (1) lower tax expenses (-71%) from lower provision required for revenue from tax-exempt projects, and (2) higher revenue contributions from waste management and WTE (+458% YoY) and green tech (+162% YoY) segments, on recognition of work progress for testing and commissioning from the WTE and sale of energy from the 1.55MW palm oil mill effluent (POME) biogas plant in Kg Gajah, Perak which just achieved commercial operation.

### Earnings unchanged for now

We expect the acceleration of road upgrading works along Jalan Dutamas 2, with total value of MYR74.3m, would partly support earnings growth in 2HFY22. No changes to our earnings forecast for now.

### Outlook

We expect a stronger financial outlook ahead, upon completion of LSS2, LSS3 and WTE projects in FY22. The projects for WTE and solar installation works for the remaining 60MW under LSS2 in Danau Tok Uban, Kelantan are expected to complete by end-Sept 2022, while another 100MW solar PV asset under LSS3 in Terengganu is expected to complete by end-Dec 2022. Cypark's rapid expansion into RE in the last few years has weakened its financials - however, we expect its' balance sheet to improve once these projects are commissioned and cashflow generation begins.

| FYE Oct (MYR m)              | FY20A  | FY21A | FY22E  | FY23E  | FY24E |
|------------------------------|--------|-------|--------|--------|-------|
| Revenue                      | 304    | 315   | 324    | 365    | 394   |
| EBITDA                       | 123    | 114   | 123    | 173    | 193   |
| Core net profit              | 70     | 63    | 57     | 64     | 75    |
| Core EPS (sen)               | 11.2   | 10.1  | 9.1    | 10.4   | 12.1  |
| Core EPS growth (%)          | (23.9) | (9.4) | (9.8)  | 13.3   | 16.5  |
| Net DPS (sen)                | 0.0    | 0.0   | 0.0    | 0.0    | 0.0   |
| Core P/E (x)                 | 7.2    | 9.8   | 3.8    | 3.3    | 2.9   |
| P/BV (x)                     | 0.6    | 0.6   | 0.2    | 0.2    | 0.2   |
| Net dividend yield (%)       | 0.0    | 0.0   | 0.0    | 0.0    | 0.0   |
| ROAE (%)                     | 8.8    | 7.0   | 5.6    | 5.9    | 6.4   |
| ROAA (%)                     | 3.1    | 2.5   | 2.0    | 2.3    | 2.7   |
| EV/EBITDA (x)                | 11.0   | 14.7  | 10.8   | 7.0    | 5.6   |
| Net gearing (%) (incl perps) | 90.4   | 88.9  | 88.3   | 74.6   | 60.5  |
| Consensus net profit         | -      | -     | 80     | 80     | 76    |
| MKE vs. Consensus (%)        | -      | -     | (28.8) | (19.8) | (1.5) |

Nur Farah Syifaa  
 nurfarahsyifaa.mohamadfuad@maybank-ib.com  
 (603) 2297 8675

# BUY

|                       |                  |
|-----------------------|------------------|
| Share Price           | MYR 0.35         |
| 12m Price Target      | MYR 1.01 (+193%) |
| Previous Price Target | MYR 1.01         |

### Company Description

Cypark Resources is pioneering developer and provider in renewable energy, green tech & environmental services, and waste management & WTE.

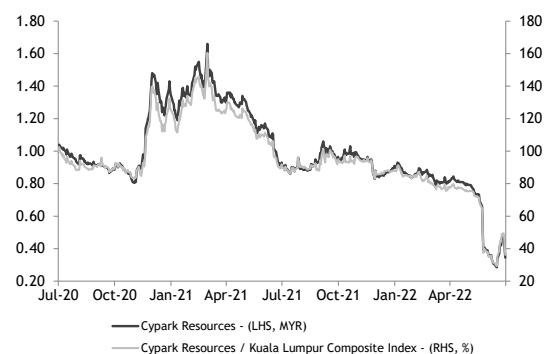
### Statistics

|                        |           |
|------------------------|-----------|
| 52w high/low (MYR)     | 1.06/0.29 |
| 3m avg turnover (USDm) | 1.6       |
| Free float (%)         | 71.8      |
| Issued shares (m)      | 511       |
| Market capitalisation  | MYR176.5M |
|                        | USD40M    |

### Major shareholders:

|                          |       |
|--------------------------|-------|
| BIN AHMAD DAUD           | 12.0% |
| BIN ISMAIL RAZALI        | 7.2%  |
| Employees Provident Fund | 6.7%  |

### Price Performance



|                       | -1M  | -3M  | -12M |
|-----------------------|------|------|------|
| Absolute (%)          | (12) | (58) | (63) |
| Relative to index (%) | (4)  | (54) | (61) |

Source: FactSet

### Abbreviations;

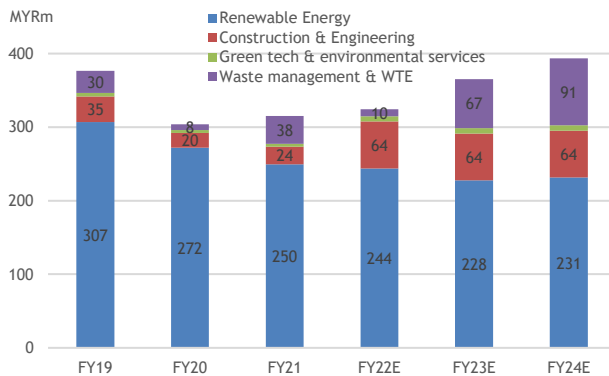
- LSS - Large Scale Solar
- NEM - Net Energy Metering
- MW - Megawatt
- WTE - Waste to Energy
- RE - Renewable Energy
- PPA - Power Purchase Agreement

ESG@MAYBANK IBG  
 Tear Sheet Insert

## Value Proposition

- Cypark engages in renewable energy, construction and engineering, green tech and environmental services, as well as waste management and waste-to-energy businesses.
- It currently owns, operate and manages 18 domestic solar PV farms with total installed capacity of 40MW<sub>AC</sub>. Cypark expects to expand its solar PV generation to 230MW<sub>AC</sub> by 2022.
- Construction of its first WTE plant is near completion, and the plant will be generating 25MW of electricity.

### Cypark's segmental revenue

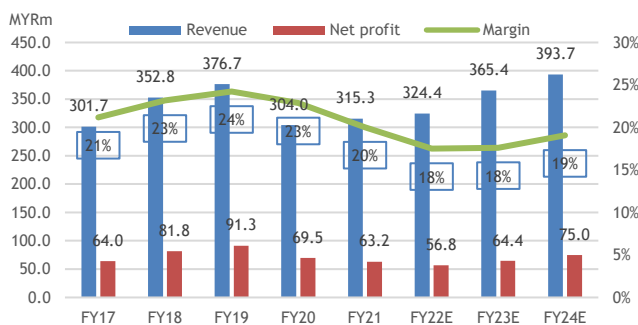


Source: Company

## Financial Metrics

- Earnings in FY22-24E to be supported by RE and WTE segments, mainly from increase in solar PV generation capacity and commencement of its first WTE plant, that has stable cashflow streams.
- Targeting MYR100m EPCC job replenishment annually.
- Net gearing stood at 0.9x as of end-Dec 2021, where 90% of its borrowings were project financing.

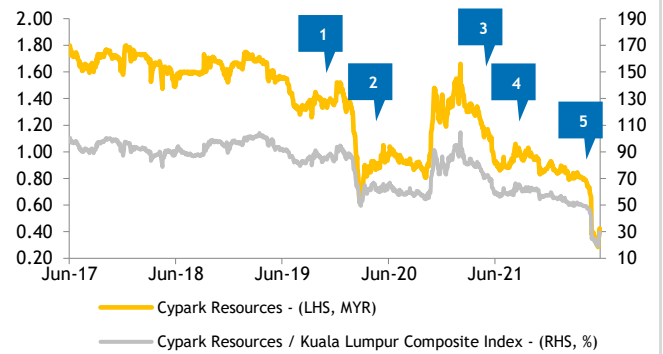
### Net profit margin



Source: Company

## Price Drivers

### Historical share price trend



Source: Company, Maybank IBG Research

1. Implementation of Movement Control Order (Mar 2020).
2. Signs PPA agreement with TNB for LSS3 project (May 2020).
3. Secures FiT for 51% biogas project at Ulu Remis, Johor (Mar 2021).
4. Implementation of Movement Control Order 3 (Jun 2021).
5. Suspension of proprietary day trading short selling and intraday short selling (May 2022).

## Swing Factors

### Upside

- Sizeable job wins from EPCC work for future LSS and NEM project roll-outs.
- Growing portfolio of power generation capacity e.g. solar PV, biogas and biomass.
- Securing more WTE projects.

### Downside

- Delay in commencement of its solar and WTE plants could affect timing of earnings and cash flow recognitions.
- Weather conditions could affect income from sale of electricity.
- Increase in price for solar panels and inverters could affect its solar project margins.

nurfarahsyifaa.mohamadfuad@maybank-ib.com

|                                  |           |
|----------------------------------|-----------|
| Risk Rating & Score <sup>1</sup> | Not Rated |
| Score Momentum <sup>2</sup>      | NA        |
| Last Updated                     | NA        |
| Controversy Score <sup>3</sup>   | NA        |

## Business Model & Industry Issues

- Renewable energy (RE) has always been Cypark's core business strategy i.e. it is involved in various forms of RE business, namely solar, waste-to-energy (WTE), biogas, and biomass. To-date, the Group's RE parks has generate ~404.75GWh of electricity, which reduce level of carbon dioxide (CO<sub>2</sub>) by 279,278 tonnes.
- Cypark's RE parks focus on the use of non-productive and/or non-commercial areas e.g. on landfill areas and rehabilitated landfill areas which will not involve any additional land acquisition and tree and vegetation clearing throughout the park creation process. To-date, it has successfully transformed 888 acres of non-productive, abandoned and degraded areas into environmentally-friendly RE projects.
- It will continue to build its RE portfolio to 230MW<sub>AC</sub> by 2022, from 40MW<sub>AC</sub> currently.

## Material E issues

- The Group's development of RE parks produce zero greenhouse gas (GHG) emissions through the usage of non-productive and/or non-commercial areas e.g. on water bodies, landfill areas and rehabilitated landfill areas.
- In FY21, the Group's RE parks, which are in commercial operations, have successfully avoided the emission of 41,573 tonnes of carbon dioxide (CO<sub>2</sub>) while generating 60,251MWh of renewable energy (FY19: 41,933 tonnes CO<sub>2</sub>, 60,772MWh).
- Cypark expect to increase its RE capacity to 230MW by 2022, from 40MW currently.

## Material S issues

- Cypark's workforce is comprised of 38% women, from a total of 141 employees (FY20: 43% women from 124 employees).
- To prevent work-related hazards, Cypark holds weekly safety toolbox briefings at its construction sites, site inspections by senior management along with various internal and external training programmes.
- In FY21, the total training budget was MYR125,800 with the average spending on employees' training at MYR142 (FY20: MYR334). The average training hours per staff stands at 0.14 hours. No work-related injuries was reported in FY21.
- Through its CSR programme, Cypark participated in various community development activities including providing educational institutions with information on RE and offering internship opportunities.

## Key G metrics and issues

- Cypark's Board consists of six directors; two executive, non-independent directors and four non-executive, independent directors. All board members are male as at FY21. To note, it has appointed one female non-executive, independent director into the Board in April 2022. Currently, the Board does not have any formalised Board Diversity Policy or Gender Diversity Policy.
- The Board has not adopted a policy which limits the tenure of its Independent Directors to 9 years; where all four of its Independent Directors have served for more than 9 years.
- Its Audit Committee and Board Risk Management Committee is made up of 3 Independent Non-Executive Directors.
- The CEO's total remuneration package for FY21 accounted for 4% of the Group's pretax profit. Disclosures of its top 5 senior management's remuneration are in bands of MYR50k.
- In FY21, Baker Tilly Monteiro Heng PLT was the new independent auditor for Cypark.
- The Group had established the Code of Conduct and Ethics (CCE) that are applicable to all Directors, Management and employees. It has also adopted Anti-Bribery and Corruption Policy (ABC Policy) on 29 May 2020, and a Whistleblowing Policy to facilitate the whistleblower to report or disclose through established channels.
- Cypark has recurrent related party transactions (RPTs), which mainly comprised of sub-contractor charges paid for environmental and landscape works, waste management, RE specialist and development works. This accounted for 4.6% of FY21's revenue.

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

Fig 1: Results summary

| FY Oct (MYR m)               | Quarterly   |             |                |             |                | Cumulative   |              |                |
|------------------------------|-------------|-------------|----------------|-------------|----------------|--------------|--------------|----------------|
|                              | 2Q22        | 2Q21        | % YoY          | 1Q22        | % QoQ          | 6M22         | 6M21         | % YoY          |
| Revenue                      | 75.8        | 86.0        | (11.8)         | 77.2        | (1.8)          | 153.0        | 162.4        | (5.8)          |
| <b>Operating profit</b>      | <b>16.7</b> | <b>25.4</b> | <b>(34.2)</b>  | <b>22.2</b> | <b>(24.6)</b>  | <b>39.0</b>  | <b>47.6</b>  | <b>(18.2)</b>  |
| Finance costs                | (0.7)       | (2.2)       | (67.8)         | (1.7)       | (58.2)         | (2.4)        | (3.9)        | (38.2)         |
| Share of associates' profits | (0.0)       | (0.1)       | (97.6)         | 0.0         | (103.8)        | 0.0          | (0.2)        | (125.3)        |
| <b>Pre-tax profit</b>        | <b>16.0</b> | <b>23.2</b> | <b>(30.8)</b>  | <b>20.6</b> | <b>(22.1)</b>  | <b>36.6</b>  | <b>43.6</b>  | <b>(16.0)</b>  |
| Tax                          | (1.5)       | (5.2)       | (70.6)         | (5.0)       | (69.9)         | (6.6)        | (10.6)       | (38.4)         |
| Perpetual sukuk              | (3.4)       | (3.1)       | 10.3           | (3.4)       | (0.8)          | (6.8)        | (5.5)        | 24.2           |
| <b>Net profit</b>            | <b>11.1</b> | <b>14.9</b> | <b>(25.5)</b>  | <b>12.1</b> | <b>(8.2)</b>   | <b>23.2</b>  | <b>27.4</b>  | <b>(15.3)</b>  |
| EPS (sen)                    | 1.9         | 3.1         | (39.0)         | 2.1         | (8.9)          | 4.0          | 5.7          | (30.6)         |
| DPS (sen)                    | -           | -           | NM             | -           | NM             | -            | -            | NM             |
|                              | <b>2Q22</b> | <b>2Q21</b> | <b>+/- ppt</b> | <b>1Q22</b> | <b>+/- ppt</b> | <b>6M22</b>  | <b>6M21</b>  | <b>+/- ppt</b> |
| EBIT margin (%)              | 22.1        | 29.6        | (7.5)          | 28.8        | (6.7)          | 25.5         | 29.3         | (3.9)          |
| Tax rate (%)                 | 9.5         | 22.2        | (12.8)         | 24.5        | (15.0)         | 17.9         | 24.4         | (6.5)          |
| <b>Segmental:</b>            |             |             |                |             |                |              |              |                |
| <b>Revenue</b>               | <b>2Q22</b> | <b>2Q21</b> | <b>% YoY</b>   | <b>1Q22</b> | <b>% QoQ</b>   | <b>6M22</b>  | <b>6M21</b>  | <b>% YoY</b>   |
| Renewable Energy             | 24.6        | 73.7        | (66.6)         | 66.3        | (62.8)         | 90.9         | 138.4        | (34.3)         |
| Construction & Engineering   | 1.2         | 2.9         | (59.4)         | 4.5         | (74.3)         | 5.7          | 7.4          | (23.8)         |
| Green Tech & Environmental   | 2.2         | 0.8         | 162.4          | 0.9         | 144.3          | 3.1          | 1.9          | 62.1           |
| Waste Management & WTE       | 47.8        | 8.6         | 457.8          | 5.5         | 767.3          | 53.3         | 14.6         | 264.1          |
| <b>Total</b>                 | <b>75.8</b> | <b>86.0</b> | <b>(11.8)</b>  | <b>77.2</b> | <b>(1.8)</b>   | <b>153.0</b> | <b>162.4</b> | <b>(5.8)</b>   |
| <b>Pre-tax Profit</b>        |             |             |                |             |                |              |              |                |
| Renewable Energy             | 5.9         | 19.5        | (69.6)         | 17.5        | (66.2)         | 23.4         | 36.5         | (36.0)         |
| Construction & Engineering   | 0.1         | 1.6         | (94.2)         | 1.0         | (90.7)         | 1.1          | 2.7          | (59.3)         |
| Green Tech & Environmental   | 1.3         | 0.2         | 601.7          | 0.2         | 442.9          | 1.6          | 0.5          | 217.4          |
| Waste Management & WTE       | 8.7         | 1.9         | 353.0          | 1.9         | 368.4          | 10.6         | 3.9          | 171.7          |
| <b>Total</b>                 | <b>16.0</b> | <b>23.2</b> | <b>(30.8)</b>  | <b>20.6</b> | <b>(22.1)</b>  | <b>36.6</b>  | <b>43.6</b>  | <b>(16.0)</b>  |
| <b>PBT margin (%)</b>        | <b>2Q22</b> | <b>2Q21</b> | <b>+/- ppt</b> | <b>1Q22</b> | <b>+/- ppt</b> | <b>6M22</b>  | <b>6M21</b>  | <b>+/- ppt</b> |
| Renewable Energy             | 24.0        | 26.4        | (2.4)          | 26.4        | -2.4           | 25.7         | 26.4         | -0.6           |
| Construction & Engineering   | 7.9         | 55.7        | (47.8)         | 21.9        | -13.9          | 19.0         | 35.6         | -16.6          |
| Green Tech & Environmental   | 60.1        | 22.5        | 37.6           | 27.0        | 33.0           | 50.5         | 25.8         | 24.7           |
| Waste Management & WTE       | 18.2        | 22.4        | (4.2)          | 33.7        | -15.5          | 19.8         | 26.5         | -6.7           |
| <b>Total</b>                 | <b>21.1</b> | <b>26.9</b> | <b>(5.8)</b>   | <b>26.6</b> | <b>-5.5</b>    | <b>23.9</b>  | <b>26.8</b>  | <b>(2.9)</b>   |

Source: Company

Figure 2: Cypark's on-going projects

| Projects   | Expected project cost (MYRm) | Capacity (MW) | Average tariff (per kWh) | Concession duration | Cypark's ownership (%)              | Expected Commercial Operation |
|--|------------------------------|---------------|--------------------------|---------------------|-------------------------------------|-------------------------------|
| <b>Solar</b>   |                              |               |                          |                     |                                     |                               |
| Sik, Kedah (LSS2)  | 230                          | 30            |                          | 21 years            | Turnkey contract cum financier      | 1 Jan 2022                    |
| Danau Tok Uban, Kelantan (previously Empangan Terip) (LSS2)    | 225                          | 30            | 34 sen - 37 sen          | 21 years            | 40%, Turnkey contract cum financier | End-Sept 2022                 |
| Danau Tok Uban, Kelantan (previously Empangan Kelinchi) (LSS2) | 225                          | 30            |                          | 21 years            | Turnkey contract cum financier      | End-Sept 2022                 |
| Merchang, Terengganu (LSS3)                                    | 495                          | 100           | 22.97 sen                | 21 years            | 70%                                 | End-Dec 2022                  |
| <b>Waste-to-energy (WTE)</b>                                   |                              |               |                          |                     |                                     |                               |
| Ladang Tanah Merah, Negeri Sembilan                            | 500                          | 25            | 42 sen - 45 sen          | 25 years            | Build-Operate-<br>Manage-Transfer   | End-Sept 2022                 |
| <b>Total</b>   |                              | <b>215</b>    |                          |                     |                                     |                               |

Source: Company, Maybank IBG Research

Figure 3: SOP-target price derivation

|                                  | Value (MYRm) | Stake | Attri. Value (MYRm) | per share (MYR) | %     |
|----------------------------------|--------------|-------|---------------------|-----------------|-------|
| <b>Solar PV: (DCF-valuation)</b> |              |       |                     |                 |       |
| SEDA (29MW)                      | 137.4        | 100%  | 137.4               | 0.22            | 21.8% |
| LSS1 (11MW)                      | 4.9          | 100%  | 4.9                 | 0.01            | 0.9%  |
| LSS3 (100MW)                     | 183.6        | 70%   | 128.5               | 0.21            | 20.4% |
| WTE                              | 258.0        | 100%  | 258.0               | 0.41            | 41.0% |
| Sustainable EPCC orderbook       |              |       | 100.0               | 0.16            | 15.9% |
|                                  |              |       | <b>628.8</b>        | <b>1.01</b>     |       |

Source: Maybank IBG Research

Figure 4: DCF valuation assumptions

|                | Assumptions |
|----------------|-------------|
| Risk-free rate | 4.0%        |
| Market return  | 6.0%        |
| Beta           | 1.2         |
| Cost of debt   | 7.3%        |
| Cost of equity | 11.2%       |
| D/E (x)        | 0.87        |
| WACC           | 7.8%        |

Source: Maybank IBG Research

| FYE 31 Oct                          | FY20A          | FY21A          | FY22E          | FY23E          | FY24E          |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>Key Metrics</b>                  |                |                |                |                |                |
| P/E (reported) (x)                  | 9.6            | 11.4           | 3.8            | 3.3            | 2.9            |
| Core P/E (x)                        | 7.2            | 9.8            | 3.8            | 3.3            | 2.9            |
| P/BV (x)                            | 0.6            | 0.6            | 0.2            | 0.2            | 0.2            |
| P/NTA (x)                           | 8.4            | 2.3            | 0.6            | 0.5            | 0.4            |
| Net dividend yield (%)              | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| FCF yield (%)                       | nm             | nm             | nm             | 53.7           | 63.6           |
| EV/EBITDA (x)                       | 11.0           | 14.7           | 10.8           | 7.0            | 5.6            |
| EV/EBIT (x)                         | 12.5           | 16.6           | 12.3           | 9.7            | 7.8            |
| <b>INCOME STATEMENT (MYR m)</b>     |                |                |                |                |                |
| Revenue                             | 304.0          | 315.3          | 324.4          | 365.4          | 393.7          |
| EBITDA                              | 123.5          | 113.8          | 122.9          | 173.3          | 192.8          |
| Depreciation                        | (9.0)          | (9.0)          | (9.0)          | (22.9)         | (25.7)         |
| Amortisation                        | (5.5)          | (3.6)          | (5.5)          | (24.6)         | (29.6)         |
| EBIT                                | 109.0          | 101.2          | 108.4          | 125.7          | 137.5          |
| Net interest income / (exp)         | (12.3)         | (4.4)          | (18.5)         | (25.5)         | (23.3)         |
| Associates & JV                     | (0.0)          | (0.2)          | 1.0            | 0.6            | 0.7            |
| Exceptionals                        | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Other pretax income                 | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Pretax profit                       | 96.6           | 96.6           | 90.9           | 100.9          | 114.8          |
| Income tax                          | (26.0)         | (21.4)         | (21.8)         | (24.2)         | (27.6)         |
| Minorities                          | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Perpetual securities                | (1.1)          | (12.3)         | (12.3)         | (12.3)         | (12.3)         |
| Discontinued operations             | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Reported net profit                 | 69.5           | 63.0           | 56.8           | 64.4           | 75.0           |
| Core net profit                     | 69.5           | 63.0           | 56.8           | 64.4           | 75.0           |
| <b>BALANCE SHEET (MYR m)</b>        |                |                |                |                |                |
| Cash & Short Term Investments       | 359.4          | 298.5          | 219.7          | 200.4          | 202.4          |
| Accounts receivable                 | 115.5          | 191.1          | 196.6          | 221.4          | 238.5          |
| Inventory                           | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Reinsurance assets                  | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Property, Plant & Equip (net)       | 288.6          | 480.0          | 606.9          | 584.0          | 558.3          |
| Intangible assets                   | 890.9          | 920.6          | 915.1          | 890.4          | 860.9          |
| Investment in Associates & JVs      | 3.4            | 3.3            | 3.3            | 3.3            | 3.3            |
| Other assets                        | 716.8          | 856.5          | 856.5          | 856.5          | 856.5          |
| <b>Total assets</b>                 | <b>2,374.5</b> | <b>2,749.8</b> | <b>2,798.1</b> | <b>2,756.1</b> | <b>2,719.9</b> |
| ST interest bearing debt            | 233.0          | 257.0          | 134.3          | 134.3          | 134.3          |
| Accounts payable                    | 133.2          | 120.8          | 124.3          | 140.0          | 150.8          |
| Insurance contract liabilities      | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| LT interest bearing debt            | 986.1          | 1,099.5        | 1,197.8        | 1,063.5        | 929.2          |
| Other liabilities                   | 72.0           | 82.0           | 82.0           | 82.0           | 82.0           |
| <b>Total Liabilities</b>            | <b>1,424.0</b> | <b>1,559.3</b> | <b>1,538.4</b> | <b>1,419.8</b> | <b>1,296.3</b> |
| Shareholders Equity                 | 830.7          | 980.2          | 1,049.2        | 1,125.9        | 1,213.2        |
| Minority Interest                   | 1.4            | 1.5            | 1.5            | 1.5            | 1.5            |
| <b>Total shareholder equity</b>     | <b>832.1</b>   | <b>981.6</b>   | <b>1,050.7</b> | <b>1,127.4</b> | <b>1,214.7</b> |
| Perpetual securities                | 118.5          | 208.9          | 208.9          | 208.9          | 208.9          |
| <b>Total liabilities and equity</b> | <b>2,374.5</b> | <b>2,749.8</b> | <b>2,798.1</b> | <b>2,756.1</b> | <b>2,719.9</b> |
| <b>CASH FLOW (MYR m)</b>            |                |                |                |                |                |
| Pretax profit                       | 96.6           | 96.6           | 90.9           | 100.9          | 114.8          |
| Depreciation & amortisation         | 14.5           | 12.6           | 14.5           | 47.6           | 55.3           |
| Adj net interest (income)/exp       | 39.4           | 32.6           | 0.0            | 0.0            | 0.0            |
| Change in working capital           | (314.3)        | (202.3)        | (2.0)          | (9.1)          | (6.3)          |
| Cash taxes paid                     | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Other operating cash flow           | 0.9            | 0.2            | 0.0            | 0.0            | 0.0            |
| Cash flow from operations           | (212.7)        | (89.5)         | 81.5           | 115.1          | 136.3          |
| Capex                               | (116.5)        | (232.9)        | (136.0)        | 0.0            | 0.0            |
| Free cash flow                      | (329.2)        | (322.4)        | (54.5)         | 115.1          | 136.3          |
| Dividends paid                      | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Equity raised / (purchased)         | 1.8            | 86.1           | 0.0            | 0.0            | 0.0            |
| Perpetual securities                | 117.3          | 78.2           | 0.0            | 0.0            | 0.0            |
| Change in Debt                      | 40.8           | 147.1          | (24.3)         | (134.3)        | (134.3)        |
| Other invest/financing cash flow    | 0.3            | (4.8)          | 0.0            | 0.0            | 0.0            |
| Effect of exch rate changes         | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Net cash flow                       | (169.0)        | (15.8)         | (78.8)         | (19.2)         | 1.9            |

| FYE 31 Oct                             | FY20A  | FY21A   | FY22E   | FY23E | FY24E |
|--|--------|---------|---------|-------|-------|
| <b>Key Ratios</b>                      |        |         |         |       |       |
| <b>Growth ratios (%)</b>               |        |         |         |       |       |
| Revenue growth                         | (19.3) | 3.7     | 2.9     | 12.6  | 7.7   |
| EBITDA growth                          | (16.5) | (7.8)   | 8.0     | 41.0  | 11.3  |
| EBIT growth                            | (16.6) | (7.1)   | 7.1     | 16.0  | 9.4   |
| Pretax growth                          | (18.5) | 0.0     | (5.9)   | 11.0  | 13.9  |
| Reported net profit growth             | (23.9) | (9.4)   | (9.8)   | 13.3  | 16.5  |
| Core net profit growth                 | (23.9) | (9.4)   | (9.8)   | 13.3  | 16.5  |
| <b>Profitability ratios (%)</b>        |        |         |         |       |       |
| EBITDA margin                          | 40.6   | 36.1    | 37.9    | 47.4  | 49.0  |
| EBIT margin                            | 35.8   | 32.1    | 33.4    | 34.4  | 34.9  |
| Pretax profit margin                   | 31.8   | 30.6    | 28.0    | 27.6  | 29.2  |
| Payout ratio                           | 0.0    | 0.0     | 0.0     | 0.0   | 0.0   |
| <b>DuPont analysis</b>                 |        |         |         |       |       |
| Net profit margin (%)                  | 22.9   | 20.0    | 17.5    | 17.6  | 19.1  |
| Revenue/Assets (x)                     | 0.1    | 0.1     | 0.1     | 0.1   | 0.1   |
| Assets/Equity (x)                      | 2.9    | 2.8     | 2.7     | 2.4   | 2.2   |
| ROAE (%)                               | 8.8    | 7.0     | 5.6     | 5.9   | 6.4   |
| ROAA (%)                               | 3.1    | 2.5     | 2.0     | 2.3   | 2.7   |
| <b>Liquidity &amp; Efficiency</b>      |        |         |         |       |       |
| Cash conversion cycle                  | nm     | nm      | nm      | nm    | nm    |
| Days receivable outstanding            | 89.2   | 175.0   | 215.1   | 205.9 | 210.3 |
| Days inventory outstanding             | nm     | nm      | nm      | nm    | nm    |
| Days payables outstanding              | 309.4  | 217.5   | 206.7   | 200.9 | 206.9 |
| Dividend cover (x)                     | nm     | nm      | nm      | nm    | nm    |
| Current ratio (x)                      | 3.1    | 3.4     | 4.7     | 4.4   | 4.3   |
| <b>Leverage &amp; Expense Analysis</b> |        |         |         |       |       |
| Asset/Liability (x)                    | 1.7    | 1.8     | 1.8     | 1.9   | 2.1   |
| Net gearing (%) (incl perps)           | 90.4   | 88.9    | 88.3    | 74.6  | 60.5  |
| Net gearing (%) (excl. perps)          | 103.3  | 107.8   | 105.9   | 88.5  | 70.9  |
| Net interest cover (x)                 | 8.9    | 23.0    | 5.9     | 4.9   | 5.9   |
| Debt/EBITDA (x)                        | 9.9    | 11.9    | 10.8    | 6.9   | 5.5   |
| Capex/revenue (%)                      | 38.3   | 73.9    | 41.9    | 0.0   | 0.0   |
| Net debt/ (net cash)                   | 859.7  | 1,058.0 | 1,112.5 | 997.4 | 861.1 |

Source: Company; Maybank IBG Research



## Research Offices

### ECONOMICS

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

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

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

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

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

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

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

### FX

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

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

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

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

### STRATEGY

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

### FIXED INCOME

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

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

### REGIONAL EQUITIES

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

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

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

### MALAYSIA

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### SINGAPORE

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

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

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

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

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

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

**LI Jialin**  
(65) 6231 5845 jialin.li@maybank.com  
• REITs

### PHILIPPINES

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

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

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

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

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

### VIETNAM

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

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

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

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

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

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

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

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

### INDIA

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

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

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

### INDONESIA

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

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

**Satriawan, CTA**  
(62) 21 8066 882  
satriawan@maybank.com  
• Chartist

### THAILAND

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

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

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

**Wasu MATTANAPOTCHANART**  
(66) 2658 6300 ext 1392  
wasu.m@maybank.com  
• Telcos

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

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

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



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

### DISCLAIMERS

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

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

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

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

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

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

#### Malaysia

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

#### Singapore

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

#### Thailand

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

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

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

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

#### US

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

## UK

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

## DISCLOSURES

### Legal Entities Disclosures

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

### Disclosure of Interest

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

**Singapore:** As of 1 July 2022, Maybank Research Pte. Ltd. and the covering analyst do not have any interest in any companies recommended in this research report.

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

**Hong Kong:** As of 1 July 2022, MIB Securities (Hong Kong) Limited and the authoring analyst do not have any interest in any companies recommended in this research report.

**India:** As of 1 July 2022, and at the end of the month immediately preceding the date of publication of the research report, MIBSI, authoring analyst or their associate / relative does not hold any financial interest or any actual or beneficial ownership in any shares or having any conflict of interest in the subject companies except as otherwise disclosed in the research report. In the past twelve months MIBSI and authoring analyst or their associate did not receive any compensation or other benefits from the subject companies or third party in connection with the research report on any account what so ever except as otherwise disclosed in the research report.

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

## OTHERS

### Analyst Certification of Independence

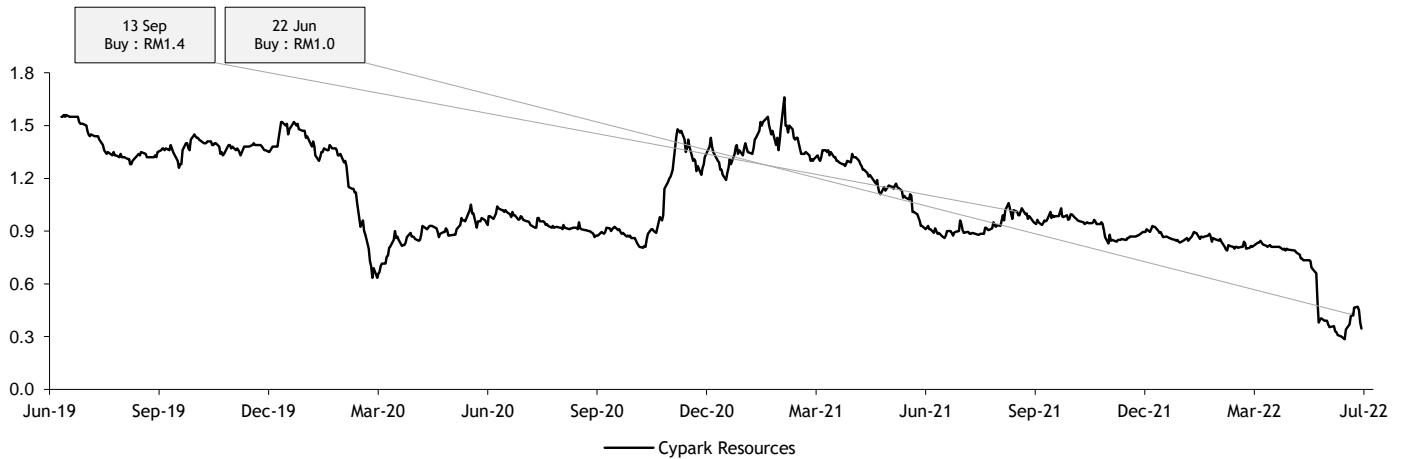
The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed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

### Reminder

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

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

## Historical recommendations and target price: Cypark Resources (CYP MK)



### Definition of Ratings

Maybank IBG Research uses the following rating system

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

### Applicability of Ratings

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

### Malaysia

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

### Singapore

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

Tel: (65) 6336 9090

### Hong Kong

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

Tel: (852) 2268 0800

Fax: (852) 2877 0104

### London

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

Tel: (44) 20 7332 0221

Fax: (44) 20 7332 0302

### Indonesia

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

Tel: (62) 21 2557 1188

Fax: (62) 21 2557 1189

### New York

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

Tel: (212) 688 8886

Fax: (212) 688 3500

### India

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

Tel: (91) 22 6623 2600

Fax: (91) 22 6623 2604

### Philippines

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

Tel: (63) 2 8849 8888

Fax: (63) 2 8848 5738

### Thailand

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

Tel: (66) 2 658 6817 (sales)

Tel: (66) 2 658 6801 (research)

### Vietnam

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

Tel : (84) 844 555 888

Fax : (84) 8 38 271 030

### Sales Trading

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

#### Indonesia

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

#### New York

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

#### Philippines

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

#### London

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

#### India

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