Maybank

Sea Ltd (SE US)

Driving sustainable profits

1Q23 missed estimates; mixed performance

Sea's 1Q23 net profit of USD88m was below our and the consensus FY23 estimates (11%/9%), largely due to a USD118m goodwill impairment charge from previous acquisitions, excluding this charge net profit would be in line/missed with our/consensus forecast. Shopee's and SeaMoney's 1Q23 adj. EBITDA improved by 6% and 31% QoQ, respectively, offsetting Garena's weaker performance (-11% QoQ). We think Sea should be able to generate a net profit in FY23E due to faster-than-expected cost cuts, more sustainable reinvestment to defend its regional e-commerce market leadership and the broadening of its digital bank offerings across Southeast Asia. Maintain BUY with a SOTP-based TP of USD105.

Shopee and Seamoney gaining traction; Garena drags

Shopee and SeaMoney saw healthy momentum with 36% and 75% YoY revenue growth in 1Q23, respectively. Notably, segment adj. EBITDA further improved by 6% and 31% QoQ, respectively, after a rapid turnaround to profitability at the end of FY22. DE bookings further declined to USD462m in 1Q23 (-15% QoQ) due to persistently weak user trends and reduction in consumer discretionary spending. On the upside, QAU showed signs of rebound, growing 1% QoQ after five quarters of consecutive declines. User trends were positive as at Apr 2023 with Free Fire achieving a new peak MAU in the past eight-month. Garena is set to roll out two new games through its publishing business in 1H23F.

FY23E an experimental year for Sea

With Sea's rapid improvement in cost structure, we believe that it should be able to print a FY23E net profit. As a group, we think its FY23E focus is to deliver sustainable revenue growth driven by deeper monetisation and by promoting greater operational efficiency for Shopee and SeaMoney. This should more than offset weakness in Garena where challenges remain. While near-term GMV growth could be hamstrung by various cost-cutting measures, we anticipate 1Q23 revenue of USD14.7b (+17% YoY) as we assume a higher take rate, with improvement in adj. EBITDA to USD2.3b and a net profit of USD828m.

Share price rebound seems inevitable

Sea is now profitable with strong cashflow generation and an improved cash position of USD7.2b (FY22: USD6.94b). We believe it well-placed to capture longer-term tailwinds from ASEAN digitalisation given a potential recovery in Garena, rising e-commerce monetization and enhancement of SeaMoney offerings aimed at reviving growth and fuelling its bottomline. But a return to its all-time share price high in the medium-term seems unlikely as its faces an era of slowing economic growth, rising costs and declining valuations for tech companies.

FYE Dec (USD m)	FY21A	FY22A	FY23E	FY24E	FY25E
Revenue	9,955	12,449	14,675	17,182	19,911
EBITDA	(1,304)	(997)	2,038	2,809	3,940
Core net profit	(2,047)	(1,652)	828	1,390	2,274
Core FDEPS (cts)	(364.1)	(290.6)	140.7	236.4	386.5
Core FDEPS growth(%)	nm	nm	nm	68.0	63.5
Net DPS (cts)	0.0	0.0	0.0	0.0	0.0
Core FD P/E (x)	nm	nm	51.4	30.6	18.7
P/BV (x)	16.9	5.1	5.7	4.3	3.1
Net dividend yield (%)	0.0	0.0	0.0	0.0	0.0
ROAA (%)	(14.0)	(9.2)	4.5	6.6	9.1
EV/EBITDA (x)	nm	nm	17.7	11.8	7.1
Net gearing (%) (incl perps)	net cash				

Kelvin Tan kelvin.tan1@maybank.com (65) 6231 5837

BUY

 Share Price
 USD 72.27

 12m Price Target
 USD 105.00 (+45%)

 Previous Price Target
 USD 105.00

Company Description

Sea is an internet company that has businesses in gaming, e-commerce and digital financial services.

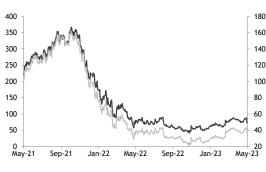
Statistics

52w high/low (USD)	89.97/41.05
3m avg turnover (USDm)	55.9
Free float (%)	98.5
Issued shares (m)	562
Market capitalisation	USD40.6E
	USD40.6E

Major shareholders:

Tencent	18.6%
Li Xiaodong	17.1%
Gang Ye	6.1%

Price Performance



	-1M	-3M	-12M
Absolute (%)	(13)	11	(10)
Relative to index (%)	(10)	16	(8)

Sea Ltd / NYSE composite index - (RHS, %)

Source: FactSet

Abbreviations:

DFS: Digital Finance Services DE: Digital Entertainment GMV: Gross merchandise value QAU: Quarterly active users MAU: Monthly active users TAM: Total addressable market

Sea Ltd - (LHS, USD)



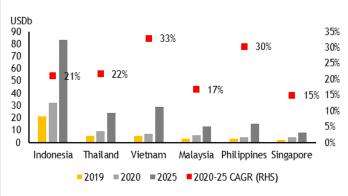
Sea Ltd

Maybank

Value Proposition

- Sea is a Singapore-founded internet company with businesses in digital entertainment, e-commerce, and digital financial services.
- Sea is a beneficiary of accelerated digitisation in a post-Covid-19 landscape (e.g. increased usage and stickiness of ecommerce and digital payments).
- Sea believes in prioritising user acquisition and retention through aggressive marketing and providing compelling product propositions, so that it can maximise monetisation later on.
- Sea's strength is also its ability to adapt to local preferences, which helps it excel in regions with heterogeneous cultures such as in Southeast Asia.

Shopee is exposed to fast-growing ASEAN e-commerce GMV

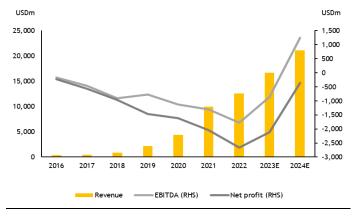


Source: Company

Financial Metrics

- We forecast FY22-25E revenue CAGR of 26.5%, driven by ecommerce and digital financial services.
- We also expect Sea to achieve breakeven in FY23E.
- We expect Sea to remain in a net cash position through FY24E, and have enough cash to fund investments in ecommerce and digital financial services. Digital entertainment is still an important source of cash flow.

Revenue, EBITDA and net profit projections



Source: Company

Price Drivers

Historical share price trend



Source: Company, Maybank IBG Research

- 1. Strong 4Q18 and 1Q19 results on continued success of Free Fire.
- 2. 2Q19 loss widened despite results beat.
- 3. Sea was beneficiary of Covid-19, and share price rallied alongside e-commerce peers.
- 4. Stronger-than-expected 2Q21 results, driven by Garena and Shopee, and company raising guidance.
- 5. Sell-off due to concerns of normalising growth for Garena Free Fire, as well as broader weakness for pre-earnings growth companies amid hawkish Fed outlook.

Swing Factors

Upside

- Stronger than expected user growth (across all businesses).
- Stronger than expected GMV/TPV growth for ecommerce/ digital financial services.
- Stronger than anticipated monetisation rates across its businesses.

Downside

- If investors are impatient with any delay in Sea's profitability turnaround.
- Slowing user growth metrics, especially if this is due to increasing competition across Sea's offerings.
- Signs of Free Fire losing market share, especially if Garena remains heavily reliant on Free Fire to drive revenue growth.
- Geopolitical and macro events that may harm Shopee's supply chains or market access.

kelvin.tan1@maybank.com

Sea Ltd





kelvin.tan1@maybank.com

Risk Rating & Score ¹	na
Score Momentum ²	na
Last Updated	na
Controversy Score ³	na

Business Model & Industry Issues

- As an internet business, we believe social issues is the most relevant, followed by governance and then environmental.
- In the e-commerce business, driving social good (e.g. providing and teaching merchants how to use services) is integral to sustainably grow the platform and to retain merchants while monetising them. For instance, in Indonesia, 57% of MSMEs reported that they generated higher profits on Shopee than on other marketplaces.
- We believe the key issues for Garena are: i) addiction; and ii) compliance to local laws. For instance, Bangladesh is reportedly trying to ban Free Fire (alongside other addictive apps like PUBG and Tik Tok). Garena's response to appease authorities is important.
- The financial sector is also a highly regulated one. In our view SeaMoney's growth will be in part influenced by not just adherence to local laws, but how SeaMoney advances government agendas (e.g. facilitate roll-out of financial assistance in Malaysia and regulatory support for digital banking initiatives in ASEAN).
- Data security is also a critical ESG factor. Sea has employed various security measures to ensure this. (e.g. encryption of sensitive data, monitoring for unauthorized access etc).

Material E issues

- Aside from the increased use of packaging materials associated with e-commerce as compared to traditional commerce, we do not see much environmental issues as the remaining businesses are digital based (i.e. gaming and digital financial services).
- We believe carbon emissions from running the computer servers that Sea uses is also a key environmental footprint, although not much has been discussed in Sea's sustainability report pertaining environmental factors.

Material S issues

- Of Sea's >30,000 global workforce, 46% are females.
 Furthermore, 46% of the middle to senior management positions are held by females. SEA also boast a diverse culture of over 50 different nationalities in their company.
- Sea strongly believes in hiring and grooming local talent, and is one of the largest employers of fresh graduates across Southeast Asia.
- During the pandemic, Shopee provided financial support and relief to SMEs by easing operational costs and attracting new customers. Shopee also provided the SMEs with online courses to help them to scale and succeed their business in the long run. Furthermore, SEA Limited committed more than USD35m worth of COVID-19 Seller Support Packages across their markets, and provided monetary donation of more than USD510,000.

Key G metrics and issues

- The board consist of 6 members, out of which, 3 are nonexecutive.
- From a data security standpoint, Sea is committed to ensuring that the processing of personal data of consumers, employers and other stakeholders are carried out lawfully. Sea states that it uses its data collected to improve products to better serve its communities.
- Given a large part of Sea's competitive advantage is derived from the network effects from its large user base across multiple markets, compliance with laws is of utmost importance. Further, we believe complementing its growth strategies with government agenda

<u>RRisk Rating & Score</u> - 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. <u>2Score Momentum</u> - indicates changes to the company's score since the last update - a <u>negative</u> integer indicates a company's improving risk score; a <u>positive</u> integer indicates a deterioration. <u>3Controversy Score</u> - 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).



	Quantitative parameters (Score: 58)									
						Grab				
	Particulars	Unit	2019	2020	2021	(Grab US, FY21)				
	Scope 1	tCO2e	NA	NA	36,333	0				
	Scope 2	tCO2e	NA	NA	112,014	10,800				
	Total	tCO2e	NA	NA	148,347	10,800				
	Scope 3	tCO2e	NA	NA	NA	1,489,200				
	Total	tCO2e	NA	NA	148,347	1,500,000				
	Total Energy usage	kWh	NA	NA	NA	16,651,127				
	Renewable Energy	kWh	NA	NA	NA	7,127,538				
-		tCo2e								
E	Emission per revenue	/USDm	NA	NA	14.9	2222.22				
	Emission per employee	FTE	NA	NA	2.20	169.03				
	Net water consumption	m m3	NA	NA	NA	NA				
	Use of recycled water instead of portable									
	water	m m3	NA	NA	NA	NA				
	Water Intensity	M3/SGDm	NA	NA	NA	NA				
	Waste saved from operation	m tons	NA	NA	NA	774				
	Customer E-waste Recycling	tons	NA	NA	NA	NA				
	% of women in workforce	%	NA	46%	46%	42%				
S	% of women in management roles	%	NA	46%	44%	34%				
	No. of nationalities among employees	number	NA	50	70	NA				
	CEO salary as % of net profit	%	Nm	Nm	Nm	Nm				
G	Key management salary as % of profit	%	Nm	Nm	Nm	Nm				
0	Independent director on board	%	0%	0%	0%	67%				
	Women directors on board	%	9%	9%	9%	17%				

Qualitative Parameters (Score: 33)

a) is there an ESG policy in place and whether there is a standalone ESG committee or is it part of a risk committee?

The company has various policies covering different aspects of ESG. There are KPIs, business objectives, governance enablers and risks for each of the segments

b) is the senior management salary linked to fulfilling ESG targets?

No

- c) Does the company follow the task force of climate related disclosures (TCFD) framework for ESG reporting?
- e) Does the company have a mechanism to capture Scope 3 emissions which parameters are captured? No
- f) What are the 2-3 key carbon mitigation/water/waste management strategies adopted by the company?

The company has initiated various measures to manage waste and carbon emission such as the Energy Efficiency Programme and the Unilever Green Delivery Project.

g) Does carbon offset form part of the net zero/carbon neutrality target of the company? Yes

	Target (Score: 0)					
D (* 1	rai see (seere, o)	-	A 1 · 1			
Particulars		Target	Achieved			
No Targets		NA	NA			
	Impact					
	NA					
Overall score: 37						
As per our ESG matrix, Sea Ltd has an ove	erall score of 37.					

ESG score	Weights	Scores	Final Score
Quantitative	50%	58	29
Qualitative	25%	33	8
Target	25%	0	0
Total			37

As per our ESG assessment, Sea Ltd has established sustainability policies but there are no time based targets set for the period. Its quantitative disclosures on 'E' parameters on emissions, resource usage as well as 'S' parameters on workforce and management diversity are limited. SE's overall ESG score is 37, which makes its ESG rating below average in our view (average ESG rating = 50; refer to Appendix I for our ESG Assessment Scoring).

1. Quarterly P&L and operation metrics

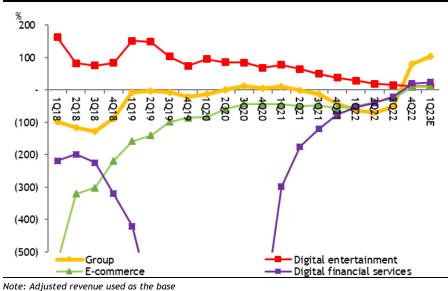
Fig 1: 1QFY23 results summary

Items (USDm)	1Q23	4Q22	4Q21	YoY	QoQ	FY23E	FY23E vs FYE	FY23E vs Con.
Digital entertainment bookings	462	618	803	-42%	-25.1%	2,920	16	
E-commerce GAAP revenue	2,067	2,103	1,516	36%	-1.7%	9,076	23	
Service revenue								
Digital entertainment (revenue)	540	949	1,135	-52%	-43.1%	2,722	20	
E-commerce and other services (revenue)	2,260	2,231	1,500	51%	1.3%	9,311	24	
Sales of goods	242	271	265	-9%	-10.8%	1,142	21	
Total revenues	3,041	3,451	2,900	5%	-11.9%	13,175	23	23
Total costs of revenues	(1,624)	(1,754)	(1,730)	-6%	-7.4%	(7,665)	21	23
Gross profit	1,417	1,697	1,170	21%	-16.5%	5,510	26	24
Net income/(loss) after minority	88	427	(580)	-115%	-79.3%	828	11	9

^{*}improvement over MIBG and consensus estimates

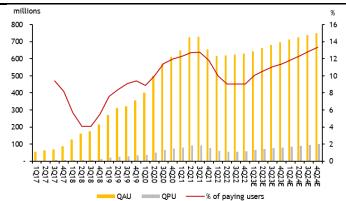
Source: Company, FactSet for consensus, Maybank IBG Research

Fig 2: AEBITDA margin
Overall group profitability continues to improve on better unit economics



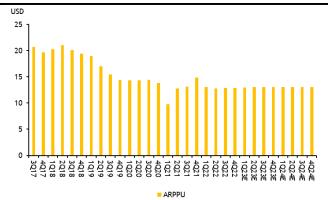
Source: Sea, Maybank IBG Research

Fig 3: Garena user metrics



Source: Company, Maybank IBG Research

Fig 4: Garena ARPPU



Source: Company, Maybank IBG Research

Fig 5: Shopee's GMV, revenue and take-rate

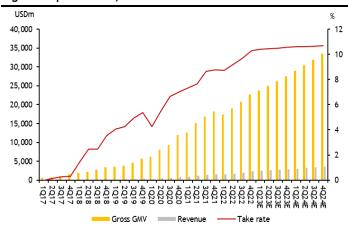
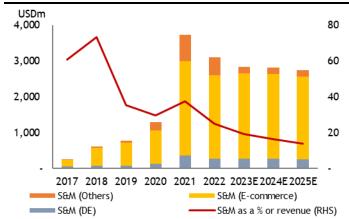


Fig 6: Sales & marketing expenses



Source: Company, Maybank IBG Research

Source: Company, Maybank IBG Research

2. Segment Outlook

We expect weaker FY23-24E top line growth on continued softness at Garena due to reopening/ economic slowdown, and slower GMV growth for Shopee and its stronger focus on unit economics. With Sea's faster-than-expected improvement in cost-cutting measures and e-commerce and fintech monetisation, the company is likely to break-even in FY23E and sustain its profit growth in the quarters ahead.

In view of macro uncertainty, Shopee is focused on nimble execution—market investments will be decided from a bottom-up perspective, taking into account specific market conditions including user behaviour, competitive landscape and macro conditions. Management adopted a long-term strategy to 1) lower ecosystem costs to strengthen its longer-term competitive moat and grow a profitable total addressable market (TAM) and 2) enhance user experience with better logistics and customer support.

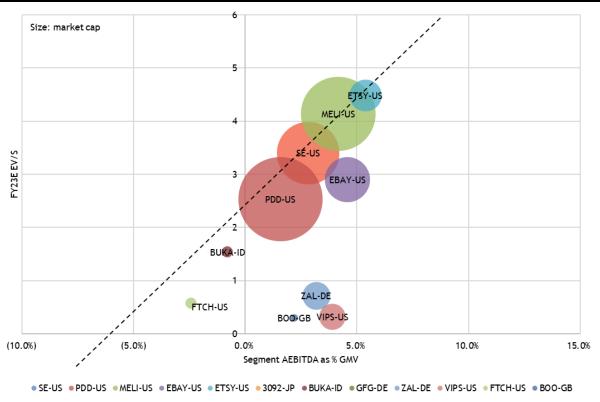
While we see further booking declines from Free Fire due to weaker user trends and reduction in consumer discretionary spending, Sea plans to focus on monetising its core games and promising projects to improve margins this year. Garena plans to roll out two new games via its publishing business within 1H23E.

For Sea's Digital Financial Services (DFS), we think SE will 1) remain focused on building a wider user base, 2) find ways to diversify its sources of funding for its credit business as the group still funds the bulk of SeaMoney's loan book using its balance sheet, and 3) deepening the penetration of its consumer credit products.

3. Valuation: Sea should outperform peers

We continue to like Sea for its longer-term potential given its strong e-commerce (Shopee) leadership in ASEAN and with SeaMoney continuing to grow its fintech offerings and enhance operational capabilities. While the share price may be volatile in the near term as the company aims to rapidly achieve its profitability milestones, which may sacrifice its top line, we expect a more sustainable valuation re-rating once its achieves self-sufficiency. Reiterate add and our SOTP-based TP of USD105.

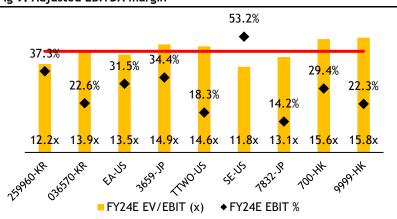
Fig 8: FY23E EV/S and e-commerce AEBITDA as % of GMV of various e-commerce players
Maintaining 3.4x EV/S for Shopee, justified by line of best fit, conservative by removing premium for size



Source: Company, FactSet, Bloomberg, Maybank IBG Research

 e-commerce: We are maintain our FY24E EV/S multiple at 3.4x, based on our analysis in Fig 8 as we think it's the best balance to account for Shopee's profitability being below industry peers (MELI, BABA and PDD).

Fig 9: Adjusted EBITDA margin



Note: As of 16 May 2023

Source: FactSet, Maybank IBG Research

 Digital Entertainment: We are maintaining our multiple at a 15% discount to global peers, considering the single-game concentration with Free Fire.
 We roll forward our valuation from 12.4x FY23E EV/EBIT to 11.8x FY24E EV/EBIT.

Fig 10: SOTP

Business	Methodol ogy	Multiple	Metric	Value of metric (USDm)	Value of business (USDm)	Note
Digital entertainment	EV/EBIT	11.8	FY24E EBIT	1,685	19,882	15% discount to global peers (13.4x) on account of Free Fire concentration
E-commerce	EV/Sales	3.4	FY24E Revenue	11,825	39,733	Based on cluster analysis in Fig 8
Digital financial services	EV/TPV	0.1	FY24E TPV	63,197	6,320	
				Net cash (USDm)	4,985	4Q22 balance sheet. Includes ST investments
				Equity value (USDm)	70,920	
				Number of shares (m)	631	
				Value per share (USD)	105	

Source: Maybank IBG Research

Downside risks include: 1) weaker-than-expected consumer spending in the region amid macro uncertainty - hurting Shopee's GMV growth; 2) higher-than-expected credit costs for SeaMoney due to a slowdown in economic growth; and 3) further increase in policy rate expectations, impacting valuations.

Fig 11: Peer comparables

Company	FS	MKE	MKE TP	Price	Мсар	EV/	S (x)	EV/E	BIT (x)	EV/TI	PV (x)
	Code	Rec	(LC)	(LC)	USDm	FY1	FY2	FY1	FY2	FY1	FY2
Sea	SE-US	BUY	105	88.1	45,905	3.2	2.8	37.3	28.6	0.58	0.53
Digital Enterta	inment										
Tencent	700-HK	NR	-	344.6	421,475	5.1	4.6	18.2	15.6		
Netease	9999-HK	NR	-	138.9	58,188	3.9	3.5	17.9	15.8		
Electronic					,						
Arts	EA-US	NR	-	124.8	34,235	4.6	4.2	16.0	13.5		
Nexon	3659-JP	NR	-	3015.0	19,226	5.7	5.1	18.4	14.9		
Take Two											
Interactive	TTWO-US	NR	-	125.1	21,096	3.5	3.2	22.6	14.6		
Bandai					,						
Namco	7832-JP	NR	-	3268.0	15,987	1.9	1.9	14.4	13.1		
Krafton	259960-KR	NR	-	200000.0	7,366	5.0	4.5	13.2	12.2		
NCSoft	036570-KR	NR	-	369500.0	6,068	3.8	3.1	21.6	13.9		
Netmarble	251270-KR	NR	-	58100.0	3,735	2.4	2.2	nm	nm		
	2012/0144			50.00.0	2,7.55	4.0	3.6	17.8	14.2		
									,_		
Marketplace (3	P) e-commer	ce									
Alibaba	BABA-US	NR	-	88.3	1,871,066	13.9	12.6	nm	nm	1.64	1.59
Pinduoduo	PDD-US	NR	-	66.1	83,538	3.1	2.5	14.0	10.4	0.14	0.12
MercadoLibre	MELI-US	NR	-	1296.8	65,109	5.1	4.1	nm	33.5	1.65	1.43
eBay	EBAY-US	NR	-	45.1	24,122	3.0	2.9	10.8	10.3	0.42	0.41
Etsy	ETSY-US	NR	-	97.9	12,070	4.9	4.5	35.8	27.5	nm	nm
Rakuten	4755-JP	NR	-	609.0	7,123	1.0	1.0	nm	nm	nm	nm
ZOZO	3092-JP	NR	-	3080.0	7,050	4.7	4.3	15.3	14.4	1.58	1.48
Allegroeu	ALE-PL	NR	-	35.8	9,112	4.0	3.5	30.1	21.6	0.73	0.64
Bukalapak	BUKA-ID	NR	-	206.0	1,435	2.0	1.5	nm	nm	nm	nm
Global					.,						
Fashion	GFG-DE	NR	-	0.6	155	0.2	0.2	nm	nm	nm	nm
Group											
Mean						4.2	3.7	21.2	19.6	1.0	0.9
B2C (1P) e-cor											
Amazon	AMZN-US	NR	-	111.2	1,140,951	2.2	2.0	nm	36.1	1.71	1.51
JD.com	JD-US	NR	-	37.7	102,893	0.7	0.6	28.8	22.5	0.21	0.20
Coupang	CPNG-US	NR	-	16.5	26,455	1.1	0.9	nm	24.8	nm	nm
Ocado	OCDO-GB	NR	-	4.3	4,457	1.5	1.3	nm	nm	nm	nm
Zalando	ZAL-DE	NR	-	31.7	9,086	0.8	0.7	29.8	19.1	0.54	0.48
Vipshop	VIPS-US	NR	-	15.8	8,033	0.3	0.3	5.4	5.2	nm	nm
Farfetch	FTCH-US	NR	-	4.1	1,435	0.7	0.6	nm	nm	0.41	0.27
Baozun	BZUN-US	NR	-	4.7	772	0.7	0.6	nm	26.3	0.07	0.07
Asos	ASC-GB	NR	-	4.0	501	0.3	0.3	nm	14.8	nm	nm
PChome	8044-TW	NR	-	54.0	225	0.2	0.2	nm	nm	nm	nm
Boohoo	BOO-GB	NR	-	0.4	610	0.3	0.3	nm	30.5	nm	nm
Mean						0.8	0.7	21.4	22.4	0.6	0.5
Financial											
services											
Visa	V-US	NR	_	232.8	377,437	11.4	10.3	16.8	15.0	0.03	0.02
Mastercard	MA-US	NR	-	383.4	360,475	14.6	12.9	25.1	21.7	0.05	0.05
PayPal	PYPL-US	NR	-	62.3	69,453	2.5	2.3	11.0	9.8	0.05	0.04
Square	SQ-US	NR	-	56.9	30,952	1.5	1.3	nm	241.3	0.14	0.11
Mean	JQ 03	. 111		33.7	30,732	7.5	6.7	17.7	72.0	0.07	0.06

Note: As of 16 May 2023, TPV refers to GMV for e-commerce

Source: FactSet

FY21A	FY22A	FY23E	FY24E	FY25E
nm	nm	49.6	30.1	18.9
nm	nm	49.6	30.1	18.9
nm	nm	51.4	30.6	18.7
16.9	5.1	5.7	4.3	3.1
16.9	5.1	5.3	4.1	3.0
0.0	0.0	0.0	0.0	0.0
nm	nm	4.0	6.6	9.2
nm	nm	17.7	11.8	7.1
nm	nm	27.8	18.4	10.4
0.055.2	12 440 0	14 675 0	17 101 7	19,911.1
•	•	•	<u>-</u>	•
, , , ,	, ,	•	<u>-</u>	3,940.1
, ,	, ,	, ,		(1,260.6)
				0.0
, , , ,	, , , ,		<u>-</u>	2,679.5
				(45.1)
				11.2
				0.0
, ,	` ,	, ,	, ,	(139.3)
				2,506.2
, ,	, ,	, ,		(238.2)
` '				6.0
				0.0
	(1,651.8)	827.8	1,390.5	2,274.0
(2,047.0)	(1,651.8)	827.8	1,390.5	2,274.0
10 700 /	7 570 /	0 575 0	12 285 8	16,195.0
•		•	•	600.1
				149.3
•			•	2,266.5
				112.5 0.0
•	*		•	7,721.2
			•	27,044.5
				88.4
				311.9
•	•	•	•	0.0
,	•	,	,	11,916.0
				12,315.9
•				14,155.5
				77.1
•	•		•	14,232.6 27,044.5
10,730.0	17,002.0	17,023.3	22,010.2	27,044.5
(1,710.4)	(1,489.4)	1,076.6	1,608.8	2,506.2
279.0	490.9	738.8	998.6	1,260.6
0.0	0.0	0.0	0.0	0.0
1,276.2	(1,306.2)	310.2	520.2	441.3
0.0	0.0	0.0	0.0	0.0
363.8	477.7	674.2	836.3	937.4
208.6	(1,827.0)	2,799.8		5,145.6
(722.2)	(1,094.1)	(1,174.0)	(1,202.7)	(1,194.7)
(513.5)	(2,921.0)	1,625.8	2,761.2	3,950.9
				0.0
				0.0
2,960.3	(11.6)	0.0	0.0	0.0
2,700.3 226.5 0.0	(2,704.9)	191.6 0.0	(25.1)	(48.8)
	nm nm nm 16.9 16.9 0.0 nm nm nm nm nm 9,955.2 (1,304.0) (279.0) 0.0 (1,583.1) (102.9) 5.0 0.0 (29.5) (1,710.4) (332.9) (3.7) 0.0 (2,047.0) (2,047.0) (2,047.0) 10,799.4 388.3 117.5 1,030.0 52.5 0.0 6,368.3 18,756.0 100.0 213.6 3,475.7 7,542.0 11,331.6 7,398.7 25.7 7,424.4 18,756.0 (1,710.4) 279.0 0.0 1,276.2 0.0 363.8 208.6 (722.2)	nm nm nm nm nm nm nm nm 16.9 5.1 16.9 5.1 0.0 0.0 nm nm nm	nm nm 49.6 nm nm 49.6 nm nm 49.6 nm nm 49.6 nm nm 51.4 16.9 5.1 5.3 0.0 0.0 0.0 nm nm 4.0 nm nm 4.0 nm nm 17.7 nm nm 40.0 1,304.0 (996.6) 2,038.3 (279.0 (490.9) 738.8 nm 0.0 0.0	nm nm 49.6 30.1 nm nm 49.6 30.1 nm nm 51.4 30.6 16.9 5.1 5.7 4.3 16.9 5.1 5.3 4.1 0.0 0.0 0.0 0.0 nm nm 4.0 6.6 nm nm 17.7 11.8 nm nm 17.7 11.8 nm nm 27.8 18.4 P.955.2 12,449.0 14,675.0 17,181.7 11.8 nm nm nm 17.7 11.8 nm nm 27.8 18.4 P.955.2 12,449.0 14,675.0 17,181.7 11.8 nm nm nm 17.7 11.8 nm nm 27.8 18.4 P.955.2 12,449.0 14,675.0 17,181.7 11.8 nm nm nm 17.7 11.8 nm nm 17.7 11.8 nm nm 17.7 11.8 18.0 17.98.6 198.6

FYE 31 Dec	FY21A	FY22A	FY23E	FY24E	FY25E
Key Ratios					
Growth ratios (%)					
Revenue growth	127.5	25.1	17.9	17.1	15.9
EBITDA growth	nm	nm	nm	37.8	40.3
EBIT growth	nm	nm	nm	39.3	48.0
Pretax growth	nm	nm	nm	49.4	55.8
Reported net profit growth	nm	nm	nm	68.0	63.5
Core net profit growth	nm	nm	nm	68.0	63.5
Profitability ratios (%)					
EBITDA margin	nm	nm	13.9	16.3	19.8
EBIT margin	nm	nm	8.9	10.5	13.5
Pretax profit margin	nm	nm	7.3	9.4	12.6
Payout ratio	0.0	0.0	0.0	0.0	0.0
DuPont analysis					
Net profit margin (%)	nm	nm	5.6	8.1	11.4
Revenue/Assets (x)	0.5	0.7	0.7	0.8	0.7
Assets/Equity (x)	2.5	3.0	2.7	2.3	1.9
ROAE (%)	na	na	na	na	na
ROAA (%)	(14.0)	(9.2)	4.5	6.6	9.1
Liquidity & Efficiency					
Cash conversion cycle	9.0	3.4	1.8	4.0	4.2
Days receivable outstanding	13.6	9.5	8.2	9.1	9.7
Days inventory outstanding	5.4	5.6	5.4	4.9	5.0
Days payables outstanding	10.0	11.7	11.8	10.1	10.5
Dividend cover (x)	nm	nm	nm	nm	nm
Current ratio (x)	2.1	1.8	2.0	2.0	1.9
Leverage & Expense Analysis					
Asset/Liability (x)	1.7	1.5	1.7	1.8	2.2
Net gearing (%) (incl perps)	net cash				
Net gearing (%) (excl. perps)	net cash				
Net interest cover (x)	na	21.2	17.9	24.8	59.5
Debt/EBITDA (x)	nm	nm	1.8	0.9	0.0
Capex/revenue (%)	7.3	8.8	8.0	7.0	6.0
Net debt/ (net cash)	(7,223.7)	(4,152.3)	(5,947.7)	(9,627.6)	(16,106.6)

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) 6231 8467

hana.thuhuong @maybank.com

Saktiandi SUPAAT (65) 6320 1379

saktiandi@maybank.com

(65) 6320 1374 fionalim@maybank.com

(65) 6320 1378 alanlau@maybank.com

(65) 6320 1371 shaunlim@maybank.com

STRATEGY

Anand PATHMAKANTHAN

ASEAN (603) 2297 8783

anand.pathmakanthan@maybank-ib.com

FIXED INCOME

Winson PHOON, FCA

Head of Fixed Income (65) 6340 1079 winsonphoon@maybank.com

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

PORTFOLIO STRATEGY

ONG Seng Yeow (65) 6231 5839

ongsengyeow@maybank.com

MIBG SUSTAINABILITY RESEARCH

Head of Sustainability Research (91) 22 4223 2632 jigars@maybank.com

Neerav DALAL (91) 22 4223 2606 neerav@maybank.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

ΜΑΙ ΔΥSΙΔ

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 Renewable Energy • REITs

Arvind JAYARATNAM

(603) 2297 8692

arvind.jayaratnam@maybank.com
• Petrochemicals • Technology

Shafiq KADIR, CFA

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

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

Eugene HOO Yee Hui (603) 2082 6819

eugene.hoo@maybank.com • Media

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

Amirah AZMI (603) 2082 8769 amirah.azmi@maybank-ib.com

SINGAPORE

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

• Consumer

Eric ONG (65) 6231 5849 ericong@maybank.com

· Healthcare · Transport · SMIDs

Kelvin TAN (65) 6231 5837 kelvin.tan1@maybank.com • Telcos • Industrials

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

Jarick SEET (65) 6231 5848 jarick.seet@maybank.com Technology

Krishna GUHA (65) 6231 5842 krishna.guha@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

Danhne S7F

(63) 2 8849 8847 daphne.sze@maybank.com

Consumer

Miguel SEVIDAL (63) 2 8849 8844

miguel.sevidal@maybank.com

• REITs • Property • Gaming

Fiorenzo de JESUS (63) 2 8849 8846

fiorenzo.dejesus@maybank.com

• Utilities

Alexa Mae CARVAJAL

(63) 2 8849 8838 alexamae.carvajal@maybank.com Consumer

THAILAND

Chak REUNGSINPINYA Head of Research (66) 2658 5000 ext 1399

chak.reungsinpinya @maybank.com

• Strategy • Energy

(66) 2658 5000 ext 1395 jesada.t@maybank.com

Banking & Finance

Wasu MATTANAPOTCHANART

(66) 2658 5000 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

INDONESIA

Jeffrosenberg CHENLIM Head of Research (62) 21 8066 8680

Jeffrosenberg.lim@maybank.com

Strategy • Banking & Finance • Property

Willy GOUTAMA (62) 21 8066 8500

willy.goutama@maybank.com
• Consumer

Richard SUHERMAN

(62) 21 8066 8691 richard.suherman@maybank.com
• Metals & Mining

Ftta Rusdiana PUTRA

(62) 21 8066 8683 etta.putra@maybank.com

William Jefferson W (62) 21 8066 8563 william.jefferson@maybank.com

Property

Satriawan Haryono, CEWA, CTA (62) 21 8066 8682

satriawan@maybank.com Chartist

VIETNAM

Telcos

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

• Strategy • Banks

Hoang Huy, CFA (84 28) 44 555 888 ext 8181

hoanghuy@maybank.com • Strategy • Technology

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 Discretionary Tran Thi Thanh Nhan

(84 28) 44 555 888 ext 8088 nhan.tran@maybank.com Consumer Staples

Nguyen Le Tuan Loi (84 28) 44 555 888 ext 8088 loi.nguyen@maybank.com Industrials

Nguyen Thi Ngan Tuyen Head of Retail Research

(84 28) 44 555 888 ext 8081 tuyen.nguyen@maybank.com • Retail Research

Nguven Thanh Lam (84 28) 44 555 888 ext 8086 thanhlam.nguyen@maybank.com

Chartist

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. 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 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 Wedbush Securities Inc. ("Wedbush"), 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 Wedbush in the US shall be borne by Wedbush. This report is not directed at you if Wedbush 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 Wedbush 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: Wedbush Securities Inc. 1000 Wilshire Blvd, Los Angeles, California 90017, +1 (646) 604-4232 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). 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 17 May 2023, 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 17 May 2023, 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 17 May 2023, 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

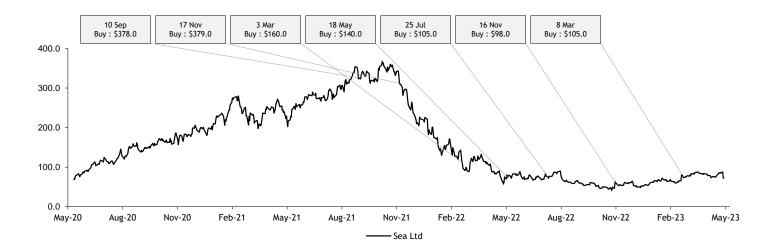
The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed 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: Sea Ltd (SE US)



Definition of Ratings

Maybank IBG Research uses the following rating system

BUY Return is expected to be above 10% in the next 12 months (including dividends)

HOLD Return is expected to be between 0% to 10% in the next 12 months (including dividends)

SELL 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

Indonesia

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

Tel: (62) 21 2557 1188 Fax: (62) 21 2557 1189

Thailand

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

Tel: (66) 2 658 6817 (sales) Tel: (66) 2 658 6801 (research)

India

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

Maybank Securities (London) Ltd

77 Queen Victoria Street

London EC4V 4AY, UK

Tel: (44) 20 7332 0221

Fax: (44) 20 7332 0302

Tel: (91) 22 6623 2600 Fax: (91) 22 6623 2604

Vietnam

London

PNB House

Maybank Securities Limited Floor 10, Pearl 5 Tower, 5 Le Quy Don Street, Vo Thi Sau Ward, District 3 Ho Chi Minh City, Vietnam

Tel: (84) 28 44 555 888 Fax: (84) 28 38 271 030

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

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

Sales Trading

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

Philippines Keith Roy keith_roy@maybank.com Tel: (63) 2 848-5288 London Greg Smith

gsmith@maybank.com Tel: (44) 207-332-0221

India

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

> www.maybank.com/investment-banking www.maybank-keresearch.com