

Petronas Chemicals (PCHEM MK)

Firmer ASPs ahead

Balanced risk-reward; HOLD maintained

Risk-reward dynamics for PCHEM remain balanced as we move into 4Q23. Despite S. Arabia and Russia's decision to extend oil production cuts lending a floor to declining ASPs, we expect PCHEM's outlook to remain challenging in the near-term. Hence, our thesis of an earnings recovery only materialising in mid-to-late FY24 is maintained. Our unchanged MYR7.00 TP is pegged to 8x FY24E EV/EBITDA, at -0.5SD to LT mean.

O&D: Oil majors' production cuts lends floor to ASPs

Following Saudi Arabia and Russia's decision in early September to extend voluntary crude production cuts to the tune of 1.3-1.5m bpd through to Dec 2023, we expect firmer O&G and downstream ASPs in 4Q23. To recap, polymer prices (PP/HDPE) roughly breached a 3-year low end-2Q23 but has since rebounded c.5-10% on firmer feedstock prices and restocking activities ahead of regional festivities in 2H23 (China's Golden Week, Diwali, Christmas). Despite easing demand constraints however, polymer ASPs remained marginally weaker (per Fig. 1) on a QoQ basis in 3Q23 QTD.

F&M: Improving urea outlook, but methanol drags

PCHEM's F&M segment has also seen urea and ammonia ASPs rebound (+10%/30% QoQ) from multi-year lows in recent weeks, underpinned by stronger demand from the onset of planting seasons in Brazil/Mexico and tight ammonia supply stemming from supply shortages in Australia and Indonesia. Methanol's ASP outlook (-11%) however remains soft due to persistently weak downstream derivative demand. Positively, the segment's plant utilisation (PU) is expected to pick-up substantially in 2H23 to >90% following the unscheduled 20-day SSGP feedstock pipeline shut down in 2Q23 that lowered QoQ production volumes by c.24%.

Near-term operational challenges to limit upside

Notwithstanding firmer ASPs and positive demand drivers across most product classes, we still expect PCHEM's 2H23 to be challenging from (i) two major turnarounds and maintenance activities potentially impacting production volumes, and (ii) ongoing start-up losses at PIC putting a dampener on earnings recovery (c.MYR100m/70m LBITDA in 1Q/2Q23). Separately, PCHEM will also acquire a 113kTpa maleic anhydride plant from BASF Petronas Chemicals S/B which will commence production in 2H25. Although the transaction price was not disclosed, it is expected to contribute positively to its Specialties segment from FY26 onwards.

FYE Dec (MYR m)	FY21A	FY22A	FY23E	FY24E	FY25E
Revenue	23,025	28,953	27,677	29,492	31,549
EBITDA	8,287	8,090	4,914	6,225	7,998
Core net profit	7,206	6,411	2,605	3,920	5,027
Core EPS (sen)	90.1	80.1	32.6	49.0	62.8
Core EPS growth (%)	296.8	(11.0)	(59.4)	50.5	28.2
Net DPS (sen)	56.0	41.0	16.3	24.5	31.4
Core P/E (x)	9.9	10.7	21.8	14.5	11.3
P/BV (x)	2.0	1.8	1.4	1.3	1.3
Net dividend yield (%)	6.3	4.8	2.3	3.5	4.4
ROAE (%)	22.5	17.1	6.6	9.5	11.6
ROAA (%)	16.7	12.6	4.7	6.8	8.4
EV/EBITDA (x)	7.0	7.8	10.3	7.9	5.8
Net gearing (%) (incl perps)	net cash	net cash	net cash	net cash	net cash
Consensus net profit	-	-	2,667	3,555	4,111
MIBG vs. Consensus (%)	-	-	(2.3)	10.3	22.3

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HOLD

Share Price	MYR 7.10
12m Price Target	MYR 7.00 (+2%)
Previous Price Target	MYR 7.00

Company Description

Petronas Chemicals Group Bhd manufactures, markets, and sells petrochemicals.

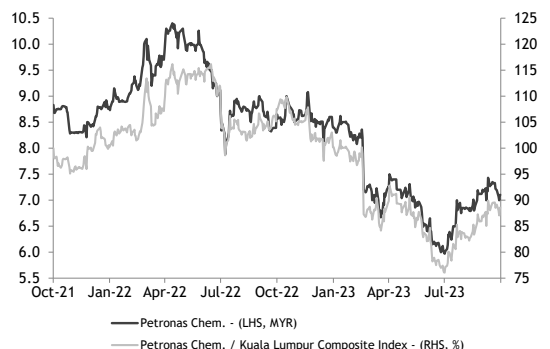
Statistics

52w high/low (MYR)	9.08/5.97
3m avg turnover (USDm)	5.4
Free float (%)	24.2
Issued shares (m)	8,000
Market capitalisation	MYR56.8B USD12.0B

Major shareholders:

Government of Malaysia	64.4%
Employees Provident Fund	11.0%
Permodalan Nasional Bhd.	4.9%

Price Performance



	-1M	-3M	-12M
Absolute (%)	(1)	19	(18)
Relative to index (%)	2	16	(18)

Source: FactSet

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Risk Rating & Score¹	22.6 (Medium)
Score Momentum²	-0.8
Last Updated	13 Apr 2023
Controversy Score³ (Updated: 26 Jan 2023)	0 - No reported incidents

Business Model & Industry Issues

- As an integrated chemicals producer, PCHEM’s biggest ESG challenge lies in the negative sentiment surrounding single-use plastics. However, we note that its single-use plastic capacity is only <5% of its total capacity and PCHEM is actively expanding its bio-friendly product portfolio. Meanwhile, much of the world’s recyclable plastics end up in landfills/oceans due to low recycling rates. Hence, via its New Plastic Economy (NPE) initiatives, PCHEM hopes to raise awareness amongst the local communities whilst simultaneously investing in infrastructure to enable recycling initiatives in the future.
- PCHEM primarily uses natural gas as its fuel, which is the cleaner option. Its key 2024 targets include: (i) capping GHG emissions at 6.98 million tonnes (2022: 7.05 million tonnes) and (ii) increasing its waste recycling (3R) rate to 82% (2022: 76%).
- We are positive on the sector’s long-term growth as we believe the demand for plastics will remain robust given that there is no real alternative.
- PCHEM also scores above-average in our proprietary scoring methodology (see Pg. 3) with an overall score of 69/100.

Material E issues

- Energy intensity was 17.08 GJ/T in 2022 (2021: 15.76 GJ/T), representing a 3% reduction against the baseline in 2014. It had achieved its 10% reduction target in 2020.
- GHG emission intensity increased to 0.7 tonne CO_{2e}/tonne (+4% YoY). Its target is to cap its Scope 1/2 emissions at 6.92 million tonnes by 2024 (FY22: 7.05 million tonnes).
- In 2022, its freshwater withdrawal intensity was up to 3.89m³/tonne (+5% YoY); wastewater discharge was also higher at 204.2 tonnes (+19% YoY). It is currently in the midst of setting water reduction targets and is currently investing in wastewater recycling for its Specialty division.
- PCHEM’s hazardous waste recycling (3R) rate was 76% in 2022 (2021: 75%) - It has a formal target of increasing and maintaining the 3R rate to 82% by 2024.
- Its SO_x emissions were markedly lower in 2022, with a YoY reduction of 30%. Overall emissions intensity (inc. NO_x) was also lower by 23%.
- PCHEM aims to recover plastic waste that is the equivalent of 100% of its domestic polymer sales volume by 2030.

Material S issues

- Recorded a fourth straight year of zero fatalities across its scope of operations in 2022.
- Lost time injury frequency (LTIF) increased YoY to 0.17 incidents per million man-hours in 2022 (2021: 0.07).
- Women made up only c.21% of its workforce in 2022 (2021: 17%) as its manufacturing ops workers are mostly male. Encouragingly, 1/4 hires were female in FY22 while female representation at Senior Mgmt/Mgmt Committee level was 23%/36% (2021: 18%/26%) respectively.
- Its CSR initiatives’ (e.g. *ecoCare*, *Be Green*, *Back To School*) reach was 300,000 people in 2022 (2021: 295,000). It has set itself a new target to reach 1 million people by 2024.

Key G metrics and issues

- As of 31 Dec 2022, the Board had a total of 9 Directors, out of which, 5 (or 56%) were Independent Non-Executive Directors (INEDs).
- The Board has 3 female Directors, representing 33% of the Board’s composition. PCHEM achieved its 2022 target of hiring another female Director in order to achieve the minimum target of 30%.
- PCHEM’s major shareholder is PETRONAS, which holds a 64.4% equity stake. PETRONAS has 4 Directors on the Board (or 44% of the Board’s composition).
- Datuk Ir. (Dr.) Abdul Rahim Hashim was the Non-Independent Non-Executive Chairman and also represents PETRONAS. His remuneration package was MYR343,000 in 2022. However, as a PETRONAS appointee, the remuneration was paid to PETRONAS instead.
- The Top 5 Senior Management (MD/CEO, CFO, Chief Manufacturing Officer, Chief Commercial Officer and Head of Strategic Planning and Ventures) are seconded from PETRONAS. Their remuneration packages are benchmarked against the industry but PCHEM does not disclose the remuneration amounts as it is subject to the Personal Data Protection Act (PDPA) 2010.
- KPMG PLT is the external auditor and has served PCHEM for more than 10 years.
- PCHEM has numerous related party transactions (RPTs) with PETRONAS as the businesses are inter-related. PETRONAS explores and produces gas while PCHEM uses the gas as feedstock and fuel to produce a wide range of chemical products. In FY22, the largest RPT was for the purchase of processed gas and natural gas from PETRONAS, which amounted to MYR8.9b (or 43% of its FY22 COGS). Transactions with Government related entities are also considered RPTs as the ultimate holding company of PCHEM and PETRONAS is the Government of Malaysia. Examples of these RPTs include the purchase of electricity from Tenaga Nasional (TNB MK, HOLD, TP: MYR10.00) and sale of petro-chemical products to Pertubuhan Peladang Kebangsaan.

¹**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. ²**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. ³**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).

Quantitative Parameters (Score: 39)							
	Particulars	Unit	2020	2021	2022	TPIA IJ (2021)	
E	Scope 1 GHG emissions	m tCO ₂ e	5.77	5.67	5.70	1.96	
	Scope 2 GHG emissions	m tCO ₂ e	1.33	1.33	1.35	0.47	
	Total	m tCO₂e	7.10	7.00	7.05	2.43	
	Scope 3 GHG emissions	m tCO ₂ e	3.06	3.27	N/A	N/A	
	Total	m tCO₂e	10.16	10.27	7.05	N/A	
	GHG intensity (Scope 1 and 2)	tCO ₂ e/t	0.66	0.67	0.70	0.63	
	Energy intensity	GJ/ton	15.73	15.76	17.08	11.43	
	Share of renewable energy use in operations	%	N/A	N/A	N/A	N/A	
	Wastewater discharge (chemical O ₂ demand)	tonnes	177.8	171.4	204.2	22.7	
	Hazardous waste 3R rate	%	85%	75%	76%	98%	
	Air emissions intensity	ton/kT	2.21	2.42	1.86	N/A	
	NPE (New Plastic Economy) investments	MYR m	3	3	N/A	N/A	
	Cases of environmental non-compliance	number	0	0	0	N/A	
	S	% of women in workforce	%	17.2%	17.3%	21.6%	15.2%
		% of women in senior management roles	%	30.2%	21.9%	22.9%	21.3%
Lost time injury frequency (LTIF) rate		number	0.14	0.07	0.17	0.11	
Lives impacted by CSR outreach ('000)		number	70	295	300	N/A	
G	MD/CEO salary as % of reported net profit	%	0.10%	0.02%	0.02%	N/A	
	Board salary as % of reported net profit	%	0.21%	0.04%	0.04%	N/A	
	Independent directors on the Board	%	50%	50%	56%	33%	
	Female directors on the Board	%	25%	25%	33%	0%	

Qualitative Parameters (Score: 100)	
a) is there an ESG policy in place and whether there is a standalone ESG committee or is it part of a risk committee?	<i>Yes - as of FY21, it has an established framework and a working sustainability committee that reports quarterly to the Board.</i>
b) is the senior management salary linked to fulfilling ESG targets?	<i>Yes - in FY21, sustainability KPIs were introduced in top management performance appraisals.</i>
c) Does the company follow the task force of climate related disclosures (TCFD) framework for ESG reporting?	<i>Yes</i>
e) Does the company have a mechanism to capture Scope 3 emissions - which parameters are captured?	<i>Yes - purchased goods and services (Cat. I) and use of sold products (Cat. II); calculated using Simplified IPCC Tier 1 method.</i>
f) What are the 2-3 key carbon mitigation/water/waste management strategies adopted by the company?	<i>It has a framework to reduce 20%/80% of emissions by 2030/40 based on the 2020 baseline, in line with its 2050 NCZE aspiration. It conducted a feasibility study with a private firm to turn non-recyclable plastic waste into crude naphtha and also invested MYR40m in a plant that produces Bio-MEG from palm biomass. To reduce air emissions, it utilises UHPM fuel cell applications (24% lower CO₂ emissions) while for water mgmt, it deployed mobile reverse osmosis tech to reduce raw water consumption by 16% and has invested MYR3m in an automated water quality management system powered by renewable energy.</i>
g) Does carbon offset form part of the net zero/carbon neutrality target of the company?	<i>Yes</i>

Target (Score: 100)		
Particulars	Target	Achieved
Reduce Scope 1 & 2 GHG emissions (tonnes) by 2024	6.98	7.00
Reduce energy intensity (GJ/tonne) vs 2014 baseline	10%	11%
Recover plastic waste from total MY polymer production volume by 2030	100%	N/A
Increase hazardous waste 3R (reduce, reuse, recycle) rate by 2024	82%	75%
Increase number of people reached by CSR outreach initiatives ('000)	1,000	295
Reduce 2030/40 carbon emissions vis-a-vis 2020 baseline	20%/80%	N/A
Net-zero carbon emissions by 2050	Net 0	N/A
Impact		
NA		
Overall Score: 69		
As per our ESG matrix, Petronas Chemicals Group (PCHEM MK) has an overall score of 69.		

ESG score	Weights	Scores	Final Score
Quantitative	50%	39	19
Qualitative	25%	100	25
Target	25%	100	25
Total			69

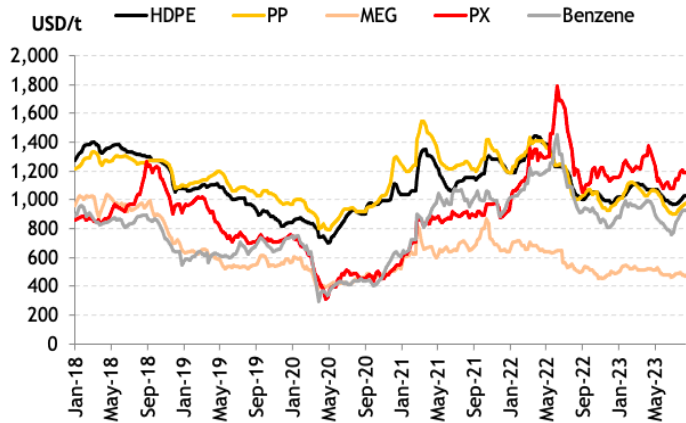
As per our ESG assessment, PCHEM has an established framework, internal policies, and tangible mid/long-term targets but needs to make headway in improving its quantitative "E" metrics YoY. PCHEM's overall ESG score is **69**, which makes its ESG rating **above average** in our view (average ESG rating = 50; refer to Appendix I for our ESG Assessment Scoring).

Figure 1: Product ASPs by quarter (USD per mT)

Segments/ Products	3Q23 (QTD)	2Q23	QoQ (Q3/2)	1Q23	QoQ (Q2/1)	FY23 (YtD) (Avg.)	FY22 (Avg.)	YoY
O&D Segment								
HDPE	1,004	1,035	-3%	1,075	-4%	1,042	1,177	-11%
PP	948	1,002	-5%	1,072	-6%	1,014	1,171	-13%
MEG	482	498	-3%	526	-5%	504	584	-14%
PX	1,167	1,183	-1%	1,233	-4%	1,197	1,263	-5%
Benzene	892	875	2%	955	-8%	909	1,053	-14%
F&M Segment								
Urea	361	329	10%	498	-34%	400	705	-43%
Ammonia	307	237	30%	623	-62%	398	1,017	-61%
Methanol	292	327	-11%	377	-13%	337	395	-15%

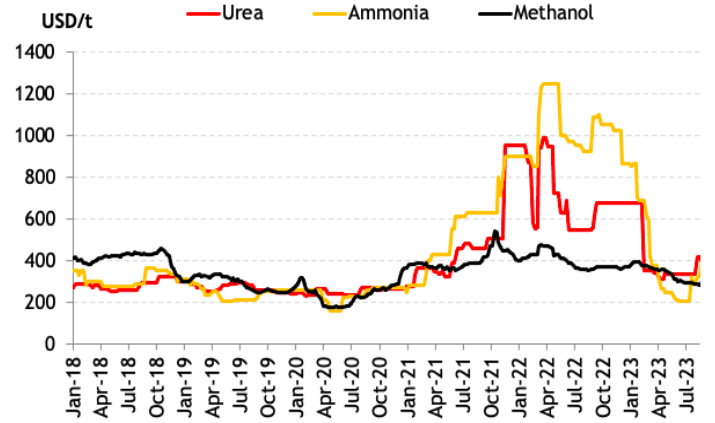
Source: Bloomberg, Maybank IBG Research (compilation)

Figure 2: Olefin & Derivatives (O&D) division's key ASPs



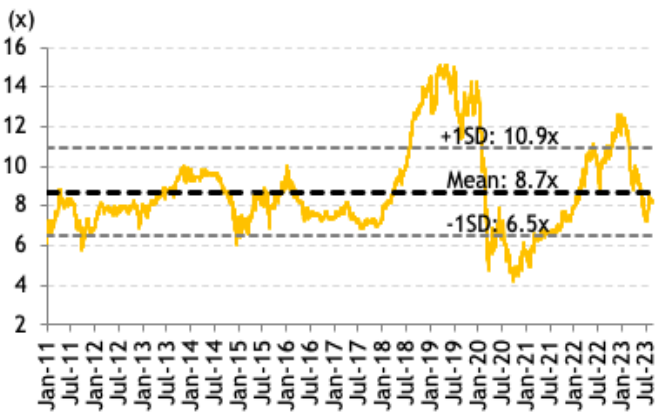
Source: Bloomberg, Maybank IBG Research (compilation)

Figure 3: Fertiliser & Methanol (F&M) division's key ASPs



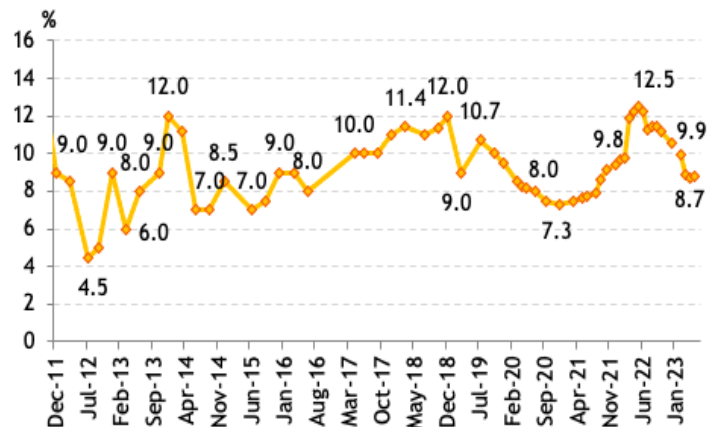
Source: Bloomberg, Maybank IBG Research (compilation)

Figure 4: 12M-fwd rolling EV/EBITDA



Source: Bloomberg, Company data, Maybank IBG Research

Figure 5: Foreign shareholding (end-May 2023: 8.8%)



Source: Company data, Maybank IBG Research

Risk statements

Key downside risks to our call/earnings forecasts: (i) slower-than-expected global demand; (ii) a sudden cooling of the fertiliser market in the event planters switch to alternative crops that do not require a heavy dependence on nitrogen based fertilisers; (iii) the collapse of the natural gas market should governments unify efforts to stabilise constrained supply heading towards the winter months in the northern hemisphere; (v) re-escalation of US-China trade tensions resulting in increased dumping activities from the US into the region; (vi) more countries adopting a firmer stance towards banning the usage of single-use/non-biodegradable plastics; (vii) Pengerang plants achieving poor operating earnings on a weaker-than-expected utilisation rate of <35% in FY23E.

Appendix I

Methodology of our proprietary ESG scoring methodology are as follows:

We evaluate the ESG ratings based on quantitative, qualitative and ESG targets. We assign a score for each of these three parameters. The overall rating is based on the weighted average of the scores: quantitative (50%), qualitative (25%) and ESG target (25%).

For the quantitative, qualitative and ESG target, the sub-parameters are assigned a score - '0' for data not available, '+1' for improving trajectory, positive change, 'Yes', better than peers or a positive number if historical is not available and '-1' for declining trajectory, negative change, 'No', lower than peers or a negative number. The total of the scores of all the sub-parameters is divided by the total number of sub-parameters is the score of each of the three parameters.

The sub-parameters may be different for different industries depending on the key areas to monitor for each industry. A company should achieve a minimum score of 50 for an average ESG rating.

FYE 31 Dec	FY21A	FY22A	FY23E	FY24E	FY25E
Key Metrics					
P/E (reported) (x)	8.8	11.5	21.8	14.5	11.3
Core P/E (x)	9.9	10.7	21.8	14.5	11.3
P/BV (x)	2.0	1.8	1.4	1.3	1.3
P/NTA (x)	2.0	1.8	1.4	1.3	1.3
Net dividend yield (%)	6.3	4.8	2.3	3.5	4.4
FCF yield (%)	9.3	9.0	4.0	6.0	9.0
EV/EBITDA (x)	7.0	7.8	10.3	7.9	5.8
EV/EBIT (x)	8.7	9.7	17.9	11.7	8.5

INCOME STATEMENT (MYR m)

Revenue	23,025.0	28,953.0	27,676.6	29,492.3	31,549.3
EBITDA	8,287.0	8,090.0	4,913.5	6,224.6	7,997.8
Depreciation	(1,650.0)	(1,589.0)	(2,092.8)	(2,031.8)	(2,535.6)
Amortisation	0.0	0.0	0.0	0.0	0.0
EBIT	6,637.0	6,501.0	2,820.7	4,192.8	5,462.2
Net interest income / (exp)	(29.0)	(66.0)	(93.0)	(66.0)	(159.0)
Associates & JV	729.0	165.0	50.0	50.0	50.0
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	7,710.0	6,733.0	2,777.7	4,176.8	5,353.2
Income tax	(391.0)	(406.0)	(167.5)	(251.9)	(321.2)
Minorities	26.0	(5.0)	(5.0)	(5.0)	(5.0)
Discontinued operations	0.0	0.0	0.0	0.0	0.0
Reported net profit	7,345.0	6,322.0	2,605.2	3,919.9	5,027.0
Core net profit	7,206.0	6,411.0	2,605.2	3,919.9	5,027.0

BALANCE SHEET (MYR m)

Cash & Short Term Investments	16,390.0	8,888.0	9,790.0	11,163.4	13,584.4
Accounts receivable	2,737.0	3,619.0	3,459.5	3,686.4	3,943.5
Inventory	2,214.0	3,465.0	3,312.2	3,529.5	3,775.7
Reinsurance assets	0.0	0.0	0.0	0.0	0.0
Property, Plant & Equip (net)	22,195.0	27,213.0	27,620.2	28,088.4	28,052.8
Intangible assets	684.0	9,364.0	9,364.0	9,364.0	9,364.0
Investment in Associates & JVs	1,480.0	1,753.0	1,715.0	1,765.0	1,815.0
Other assets	908.0	1,128.0	844.0	844.0	844.0
Total assets	46,608.0	55,430.0	56,104.9	58,440.7	61,379.4
ST interest bearing debt	232.0	229.0	229.0	229.0	229.0
Accounts payable	4,378.0	5,914.0	5,653.3	6,024.2	6,444.3
Insurance contract liabilities	0.0	0.0	0.0	0.0	0.0
LT interest bearing debt	2,156.0	2,489.0	2,489.0	2,489.0	2,489.0
Other liabilities	4,302.0	7,065.0	6,693.0	6,693.0	6,693.0
Total Liabilities	11,068.0	15,697.0	15,064.3	15,435.2	15,855.3
Shareholders Equity	34,923.2	38,996.2	40,298.8	42,258.8	44,772.3
Minority Interest	616.8	736.8	741.8	746.8	751.8
Total shareholder equity	35,540.0	39,733.0	41,040.6	43,005.6	45,524.1
Total liabilities and equity	46,608.0	55,430.0	56,104.9	58,440.7	61,379.4

CASH FLOW (MYR m)

Pretax profit	7,710.0	6,733.0	2,777.7	4,176.8	5,353.2
Depreciation & amortisation	1,650.0	1,589.0	2,092.8	2,031.8	2,535.6
Adj net interest (income)/exp	(88.0)	(181.0)	(80.7)	(125.3)	(59.2)
Change in working capital	(188.0)	910.0	51.6	(73.4)	(83.1)
Cash taxes paid	(197.0)	(462.0)	(167.5)	(251.9)	(321.2)
Other operating cash flow	(622.0)	(325.0)	117.5	201.9	271.2
Cash flow from operations	8,185.0	8,049.0	4,797.6	5,899.4	7,593.5
Capex	(1,538.0)	(1,881.0)	(2,500.0)	(2,500.0)	(2,500.0)
Free cash flow	6,647.0	6,168.0	2,297.6	3,399.4	5,093.5
Dividends paid	(3,206.0)	(3,844.0)	(1,302.6)	(1,960.0)	(2,513.5)
Equity raised / (purchased)	0.0	0.0	0.0	0.0	0.0
Change in Debt	(533.0)	(323.0)	(93.0)	(66.0)	(159.0)
Other invest/financing cash flow	(18.0)	37.0	0.0	0.0	0.0
Effect of exch rate changes	238.0	1,206.0	0.0	0.0	0.0
Net cash flow	3,128.0	3,244.0	902.0	1,373.4	2,421.0

FYE 31 Dec	FY21A	FY22A	FY23E	FY24E	FY25E
Key Ratios					
Growth ratios (%)					
Revenue growth	60.3	25.7	(4.4)	6.6	7.0
EBITDA growth	135.2	(2.4)	(39.3)	26.7	28.5
EBIT growth	258.2	(2.0)	(56.6)	48.6	30.3
Pretax growth	315.2	(12.7)	(58.7)	50.4	28.2
Reported net profit growth	351.2	(13.9)	(58.8)	50.5	28.2
Core net profit growth	296.8	(11.0)	(59.4)	50.5	28.2
Profitability ratios (%)					
EBITDA margin	36.0	27.9	17.8	21.1	25.4
EBIT margin	28.8	22.5	10.2	14.2	17.3
Pretax profit margin	33.5	23.3	10.0	14.2	17.0
Payout ratio	61.0	51.9	50.0	50.0	50.0
DuPont analysis					
Net profit margin (%)	31.9	21.8	9.4	13.3	15.9
Revenue/Assets (x)	0.5	0.5	0.5	0.5	0.5
Assets/Equity (x)	1.3	1.4	1.4	1.4	1.4
ROAE (%)	22.5	17.1	6.6	9.5	11.6
ROAA (%)	16.7	12.6	4.7	6.8	8.4
Liquidity & Efficiency					
Cash conversion cycle	(4.0)	(1.4)	8.0	5.8	4.4
Days receivable outstanding	36.5	39.5	46.0	43.6	43.5
Days inventory outstanding	50.1	50.4	53.8	53.4	55.3
Days payables outstanding	90.6	91.4	91.9	91.2	94.4
Dividend cover (x)	1.6	1.9	2.0	2.0	2.0
Current ratio (x)	4.3	2.5	2.7	2.8	3.0
Leverage & Expense Analysis					
Asset/Liability (x)	4.2	3.5	3.7	3.8	3.9
Net gearing (%) (incl perps)	net cash	net cash	net cash	net cash	net cash
Net gearing (%) (excl. perps)	net cash	net cash	net cash	net cash	net cash
Net interest cover (x)	nm	98.5	30.3	63.5	34.4
Debt/EBITDA (x)	0.3	0.3	0.6	0.4	0.3
Capex/revenue (%)	6.7	6.5	9.0	8.5	7.9
Net debt/ (net cash)	(14,002.0)	(6,170.0)	(7,072.0)	(8,445.4)	(10,866.4)

Source: Company; Maybank IBG Research

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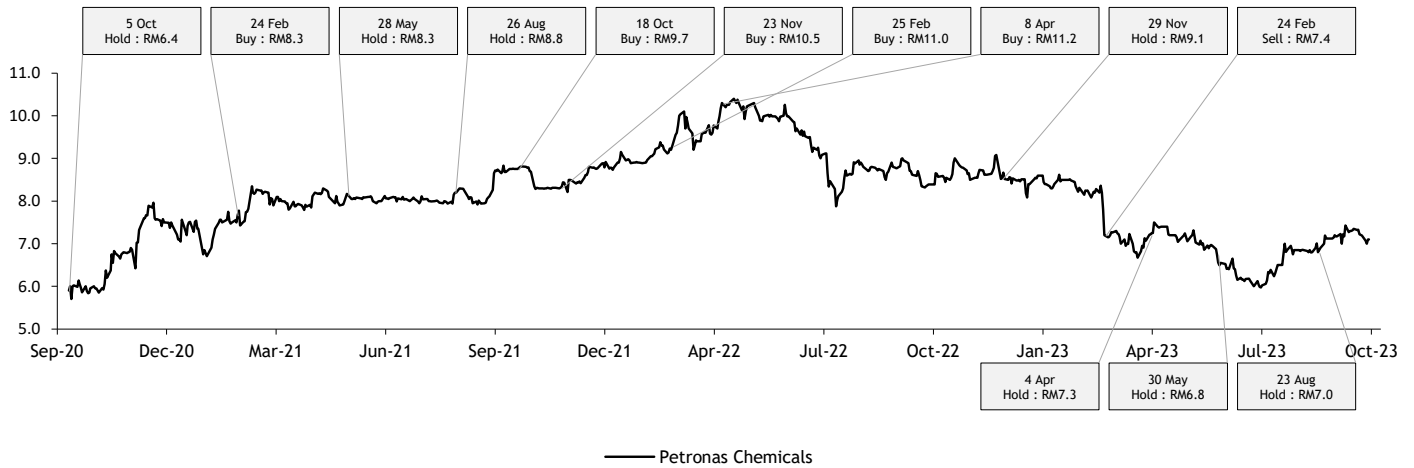
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