

Malaysia Gaming Enter the dragon in 2024

POSITIVE

Unchanged i

Maintain BUYs on GENM, GENS & GENT

For the upcoming lunar year of the Wood Dragon, we update the 3 themes we flagged last year:- (i) return of Chinese visitors; (ii) downstate casino license tender in New York City; and (iii) potential legalisation of Thai IRs. We raise our TPs for GENM to MYR2.93 from MYR2.70, GENS to SGD1.21 from SGD1.16 and GENT to MYR5.84 from MYR5.49 as we roll forward our valuation base year to end-FY24E from end-FY23E. Our top BUY pick is GENT as we believe it is also a good proxy to the recovering MYR.

GENM - Ought to have better luck this year

We expect RWG visitor arrivals to recover to pre-COVID levels of 24m this year. It helps that Malaysia recently granted 30-days visa free entry to Chinese visitors. We forecast GENM's FY24E earnings to recover 60% YoY. This ought to enable GENM to offer decent dividend yields of ≥5.4% p.a. going forward. Moreover, our earnings estimates and DCF-TP could be raised by a whopping c.MYR625m and MYR0.56 respectively should RWNYC win a downstate commercial casino license. Should RWNYC be successful, we expect this to spur foreign interest in GENM shares. Maintain BUY call with a higher MYR2.93 DCF-TP (+9%).

GENS - Main beneficiary of Chinese tourism revival

The return of Chinese tourists en masse in 3Q23 drove RWS mass market gross gaming revenue to 8% above the FY19A quarterly average and VIP volume to 36% above the FY19A quarterly average. We expect this growth to consolidate and continue in FY24E as seat capacity for flights from China to Singapore recovers. Singapore also recently granted 30-days visa free entry to Chinese visitors. In the long term, we expect RWS VIP volume and mass market GGR to exceed 2019 levels by c.20%. While Thai IRs may be a threat, we do not discount the possibility that GENS may jointly bid for one. Maintain BUY call with a higher SGD1.21 DCF-TP (+4%).

GENT - Triple play on GENS, GENM and MYR

GENT provides a cheaper exposure to 53%-owned GENS which has been recovering above pre-COVID levels. GENT shareholders also get a secondary exposure to 49%-owned GENM's RWNYC potentially winning a downstate commercial casino license in New York City. We also note that foreign investors tend to BUY GENT when the MYR appreciates. Our house view is that the MYR/USD exchange rate will appreciate to 0.23 vs. 0.22 currently. Thus, we expect GENT's discount to SOP/sh valuation, which is currently c.65% or -2SD to its 25-year mean, to narrow this year to 60%. Maintain BUY call with a higher MYR5.84 SOP-TP (+6%).

Analyst

Yin Shao Yang (603) 2297 8916 samuel.y@maybank-ib.com

Stock	Bloomberg	Mkt cap	Rating	Price	TP	Upside	P/E	(x)	P/B	(x)	Div y	ld (%)
	code	(USD'm)		(LC)	(LC)	(%)	24E	25E	24E	25E	24E	25E
Genting S'pore	GENS SP	8,981	Buy	0.99	1.21	27	13.7	13.7	1.4	1.3	4.1	4.1
Genting Bhd	GENT MK	3,932	Buy	4.72	5.84	27	8.3	7.2	0.5	0.5	4.2	4.2
Genting Malaysia	GENM MK	3,573	Buy	2.80	2.93	10	17.4	15.7	1.3	1.3	5.4	6.1



2023: Recovery consolidated and continued

<u>Malaysia</u>

For GENM's Resorts World Genting (RWG), the Batang Kali landslide of 16 Dec 2022 that claimed 31 lives caused 1Q23 RWG visitor arrivals to fall 11% QoQ to 4.7m. As lingering fears of the landslide subsided, 3Q23 RWG visitor arrivals recovered to 5.4m or 90% of 3Q19 levels. It also helped a lot that most of RWG's 10,500 rooms were available throughout the year thanks to sufficient labour (FY22A: 7,000-8,000 rooms). It is well documented in the gaming industry that hotel guests spend way more than day trippers due to longer lengths of stay and play (Fig. 2). GENM 3Q23 EBITDA had recovered to 111% of 3Q19 levels. To be sure, GENM 3Q23 core net profit was still only 66% of 3Q19 levels on higher depreciation caused by Genting Skyworlds and share of Empire Resort's losses.



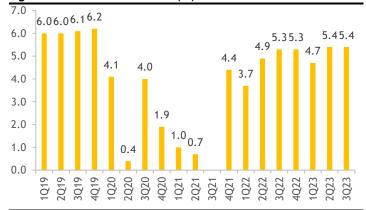
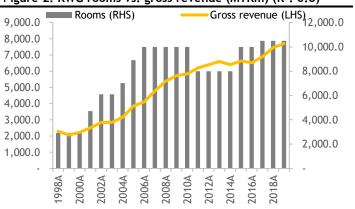


Figure 2: RWG rooms vs. gross revenue (MYRm) (R2: 0.8)



Source: GENM Source: GENM

Singapore

For GENS' Resorts World Sentosa (RWS), its 1Q23 EBITDA fell 22% QoQ although China reopened its border on 8 Jan 2023 due to Chinese tourists taking time to return to Singapore and Singaporeans travelling overseas en masse during the Mar school holidays. As the year progressed, things also improved for RWS. RWS 3Q23 VIP volume surged c.65% QoQ to SGD11.3b and RWS 3Q23 mass market GGR grew c.10% QoQ to SGD375m as Chinese visitors returned en masse. Most notably, both metrics were above pre-COVID levels. 3Q23 VIP volume was 36% above the FY19A quarterly average while 3Q23 mass market GGR was 8% above the FY19 quarterly average. Consequently, GENS 3Q23 EBITDA of SGD346.1m was the highest since 1Q18.

Figure 3: RWS VIP volume (SGDm)

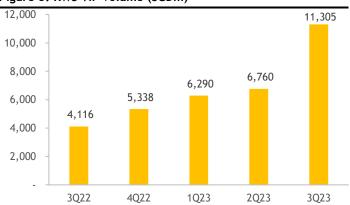
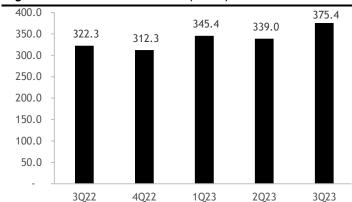


Figure 4: RWS mass market GGR (SGDm)



Source: GENS, Maybank IBG Research

Source: GENS, Maybank IBG Research

2024: More positive going into the new year

Malaysia

Source: GENM

For GENM's RWG, we expect visitor arrivals to recover to pre-COVID levels of 24m in FY24E (FY23E: 21m) (Fig. 5). While Malaysian and Singaporean visitation (c.85% of total visitation pre-COVID) has recovered to their pre-COVID levels, Indonesian (c.10% during pre-COVID) and Chinese visitations (c.4% during pre-COVID) have not. We are hopeful that air connectivity from the latter two source markets will be fully restored this year. It also helps a tad that Malaysia recently granted 30-days visa free entry to Chinese visitors. In terms of GGR per visitor, we expect FY24E to be similar to FY23E at c.MYR300 (Fig. 6). We gather that GGR per visitor improved to c.MYR300 in FY23E from MYR271 in FY22A due to more hotel guests as explained in the preceding page.

Figure 5: RWG visitor arrivals (m)

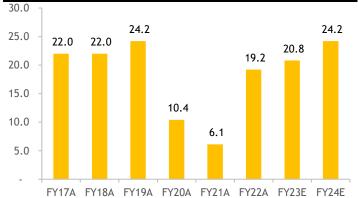
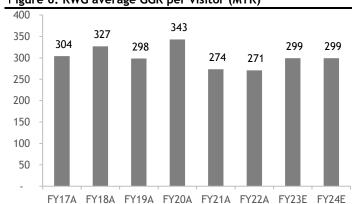


Figure 6: RWG average GGR per visitor (MYR)



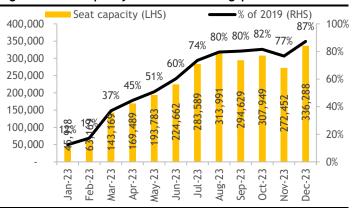
Source: GENN, Maybank IBG Research



Singapore

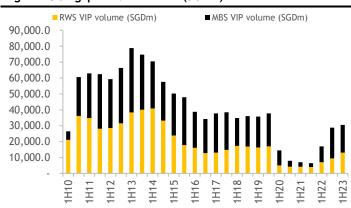
For GENS' RWS, we expect operations to continue to improve as seat capacity for flights from major source markets like China to Singapore continues to recover. According to OAG data, Dec 2023 seat capacity from China to Singapore stands at 87% of Dec 2019 levels (Fig. 7). Like Malaysia, Singapore also recently granted 30-days visa free entry to Chinese visitors. Thus, we hope that Chinese visitation to RWS will recover completely if not exceed pre-COVID levels this year. In the long term, we expect RWS VIP volume and mass market GGR to exceed FY19A levels by c.20%.

Figure 7: Seat capacity from China to Singapore



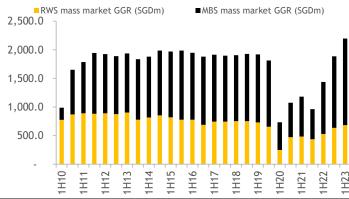
Source: OAG

Figure 8: Singapore VIP volume (SGDm)



Source: GENS, Las Vegas Sands, Maybank IBG Research

Figure 9: Singapore mass market GGR (SGDm)



Source: GENS, Las Vegas Sands, Maybank IBG Research

2024: Chinese visitation to Malaysia and Singapore have room to improve, in our view

China reopened its borders to the world on 8 Jan 2023. Since then, the recovery in seat capacity for flights from China to various countries has been uneven (Fig. 10). Among the top 20 international seat capacity distributions, the recovery has been slowest in the United States (22% of Dec 2019 levels as at Dec 2023) but the fastest in the United Kingdom (117% of Dec 2019 levels as at Dec 2023). But within South East Asia itself, the recovery has been the fastest in Singapore (87% of Dec 2019 levels as at Dec 2023). Despite the strong SGD and high hotel room rates, Singapore remains a popular destination for Chinese tourists. To be sure, there is more seat capacity from China to Thailand but relative to 2019, Thailand has been slower to recover (51% of Dec 2019 levels as at Dec 2023).



Figure 10: Distribution of international seat capacity for flights from China as at Dec 2023

Country	Seat capacity	As % of Dec 2019
South Korea	665,289	66%
Japan	620,232	48%
Hong Kong	570,241	93%
Thailand	558,978	51%
Singapore	336,288	87%
Taiwan	304,842	60%
Malaysia	210,309	62%
Australia	198,696	93%
Macau	190,256	81%
Vietnam	172,947	61%
United Arab Emirates	160,675	97%
United Kingdom	117,299	117%
Russian Federation	111,143	72 %
Germany	94,559	89%
United States Of America	89,347	22%
Indonesia	88,386	53%
Philippines	78,878	39%
Italy	73,211	123%
Qatar	63,454	120%
France	63,213	62%

Source: OAG

Then all of a sudden, China unilaterally announced on 24 Nov 2023 that citizens of France, Germany, Italy, the Netherlands, Spain and Malaysia will be exempted from requiring a visa to enter China from 1 Dec 2023 to 30 Nov 2024 for stays not exceeding 15 days. This is significant because while many countries have exempted Chinese from requiring a visa to enter their country in the past, China had rarely reciprocated. On 27 Nov 2023, Malaysia reciprocated by exempting Chinese from requiring a visa to enter Malaysia from 1 Dec 2023 to 31 Dec 2024 for stays not exceeding 30 days. On 7 Dec 2024, China and Singapore announced that they plan to exempt each other's citizens from requiring a visa to enter each other's country early this year for stays not exceeding 30 days.

In our view, this is good news for seat capacity growth from China to Malaysia and Singapore. Pre-COVID, airlines often told us that load factors on flights to China were often not as high as flights from China due to Chinese visa requirements. This discouraged airlines from expanding seat capacity to and from China as the flights to China may not be profitable. With China exempting citizens of Malaysia and Singapore from requiring a visa to enter China, we understand that airlines are excited at the prospect of load factors on flights to China and thus, the profitability of those flights improving significantly. This will encourage them to expand seat capacity to and from China, which will eventually result in more Chinese tourists to Malaysia and Singapore.

Thus, there is a lot of room for seat capacity from China to Malaysia and Singapore to improve from 62% and 87% of Dec 2019 levels as at Dec 2023 (Fig. 11 & 12). To be sure, we believe that any growth in Chinese tourist arrivals will benefit GENS more than GENM. Pre-COVID, Chinese accounted for only 4% of RWG visitor arrivals. The great majority of RWG visitor arrivals were sourced domestically and from Singapore at c.85%. Even if the number of Chinese tourists to Malaysia were to double, the impact to RWG visitor arrivals would not be very meaningful. That said, it will still be positive albeit marginally to RWG. The reverse is true for GENS. We estimate that Chinese accounted for c.50% of RWS 3Q23 VIP volume and c.10% of RWS 3Q23 mass market GGR. Thus, GENS will be the prime beneficiary of any growth in Chinese tourist arrivals.

Source: OAG

Figure 11: Seat capacity from China to Malaysia

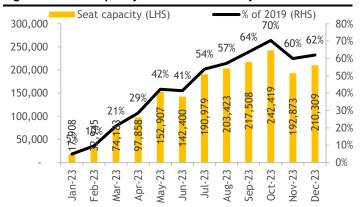
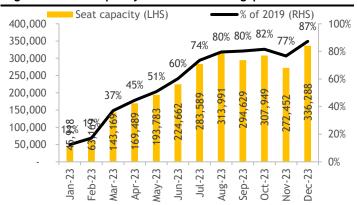


Figure 12: Seat capacity from China to Singapore



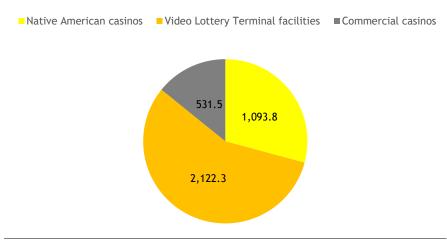
Source: OAG

2024: Progress has been painstaking at New York City but progressing nonetheless

The New York State Gaming Commission (NYSGS) launched a request for applications (RFA) process for 3 downstate commercial casino licenses in New York State on 3 Jan 2023. The NYSGS resumed the RFA process by issuing the first round of responses to Q&As on 30 Aug 2023 (<u>link</u>). While progress has been unhurried, the RFA process is ongoing. GENM's 100%-owned Resorts World New York City (RWNYC) is a downstate Video Lottery Terminal (VLT) facility and its 49%-owned Empire Resorts' Resorts World Catskills (RWC) is an upstate commercial casino. VLTs are similar to slot machines. RWNYC is located in New York City but is not allowed to deploy table games. RWC is allowed to deploy table games but is located outside New York City.

A downstate commercial casino will be the 'ultimate prize' for RWNYC as it will be allowed to deploy table games and be located in or near New York City. New York State recorded 2019 gross gaming revenue (GGR) of USD3.7b (Fig. 13). We were not able to obtain New York State's 2022 GGR as Native American casinos are not obliged to report their GGR regularly. Yet, the 5 states with casinos that surround New York State recorded 2022 GGR of another whopping USD14.1b (Fig. 14). Suffice to say, the GGR of New York State and the states surrounding it is more than thrice the pre-COVID-19 GGR of Singapore (2019: USD4.5b).

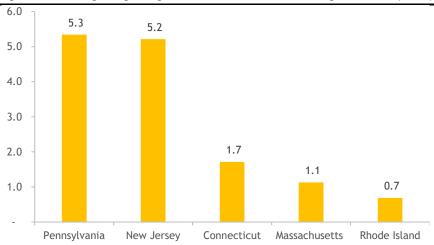
Figure 13: New York State 2019 gross gaming revenue by sector (USDm)



Source: New York State Gaming Commission

@ Maybank

Figure 14: 2022 gross gaming revenue of states surrounding New York (USDb)



Source: American Gaming Association, Mohegan Sun, Mashantucket Pequot Tribal Nation

In our view, a downstate commercial casino will be in a good position to capture some of the GGR that has been flowing from New York State to its surrounding states. Our channel checks reveal that casinos in Pennsylvania (Bethlehem, Mount Pocono, King Of Prussia, Bensalem, Philadelphia, Chester), New Jersey (Atlantic City) and Connecticut (Mohegan Sun and Foxwoods) in particular are prime beneficiaries of New York City residents crossing inter-state borders to gamble at tables which are still not allowed in New York City. It is this prospect that has also lured Las Vegas Sands (LVS US, CP: USD50.81, Not Rated), Wynn Resorts (WYNN US, CP: USD95.65, Not Rated), Caesar's Entertainment (CZR US, CP: USD44.91, Not Rated), Hard Rock (Not Listed) and Bally's (BALY US, CP: USD11.92, Not Rated) to New York City.

What excites us is the prospect of converting RWNYC into 1 of the 3 aforesaid downstate commercial casinos. We gather that the NYSGS will give a slight preference to the 2 existing downstate VLT facilities, MGM Resorts International's (MGM US, CP: USD44.83, Not Rated) Empire City Casino at Yonkers Raceway and GENM's RWNYC. The rationale is that the 2 existing properties can deploy table games and generate additional tax revenue for New York State quickly. GENM even informed us that they have already built extra gaming floor area to potentially deploy table games via the new 400-room Hyatt Regency JFK at Resorts World New York hotel (Fig. 15).

Figure 15: Artist impression of the expanded RWNYC



Source: GENM



Successful applicants will:- (i) pay a licensing fee of at least USD500m within 30 days of the award (the tenure of the license will be between 10 and 30 years); (ii) invest at least USD500m over and above the licensing fee (that said, due consideration will be given to past investments made by RWNYC and Empire City Casino at Yonkers Raceway); (iii) pay an annual fee of USD500 or USD750 per slot machine and table game depending on zoning; and (iv) pay at least 25% of slot machines GGR and at least 10% of table games GGR as casino tax. The NYSGS will score applicants based on the following factors:-

- Economic activity and business development factors (70%)
- Local impact siting (10%)
- Workforce enhancement (10%)
- Diversity framework (10%)

Assessing the potential impact of RWNYC being converted from a VLT facility into a downstate commercial casino, we make the following assumptions:-

- Incremental GGR We assume that just c.10% of the 2022 GGR of Pennsylvania, New Jersey, Connecticut, Massachusetts and Rhode Island will migrate to the 3 downstate commercial casinos amounting to USD1.5b. We then assume that the USD1.5b GGR will be split equally amounting to USD500m per downstate commercial casino. As a sanity check, we divide USD500m GGR p.a. over 250 new tables, the number of tables we gather that RWNYC can accommodate given its current infrastructure, to derive an average win per day of c.USD5,500 which we deem as reasonable given its superior location. Sands Bethlehem casino's tables in Pennsylvania recorded average win per day of USD3,224 in 6M19 before being sold to Wind Creek Hospitality (Not Listed).
- Operating expenses, staff cost, gaming tax and annual fees For operating expenses, we assume that 15% of GGR will be incurred as operating expenses. We note that the historical range is c.10% for GENS' RWS and c.20% for GENM's RWG. For staff cost, we assume that RWNYC will hire c.1,100 staff to man 250 tables based on 4 staff per table and 1 pit supervisor per 4 tables and each staff will be paid an average of USD72,000 p.a., which is close to the average income per casino worker estimated by gaming consultancy, Spectrum Gaming (Not Listed) at USD74,200 p.a. in 2020. For gaming tax, we assume that the new tables will be taxed at 20% of GGR or double the rate that RWC's tables are taxed at. For annual fees, we assume that they will be levied at USD750 p.a. on RWNYC's 6,548 existing VLTs and 250 new tables as per the preceding page.
- Licensing fees, depreciation, tax and capex For licensing fees, we assume that RWNYC will pay a one-off licensing fee of USD500m as per the preceding page. For depreciation, we assume that the 250 new tables will be housed in the USD400m expanded part of RWNYC and the aforesaid USD400m will be depreciated over 20 years. For corporate tax, we assume that pre-tax profit will be taxed at 34% (United States federal tax: 21%, New York State tax: 5%, New York City tax: 7%, Metropolitan Transportation Authority tax: 1%). For capex, we assume that RWNYC will reinvest 5% of GGR p.a. as maintenance capex. We note that casinos tend to reinvest 3-5% of GGR p.a. as maintenance capex.



All in all, our calculations indicate that RWNYC can deliver an incremental net profit of c.USD145m (c.MYR625m assuming MYR4.40:USD1.00 exchange rate, our house view is that the USD/MYR exchange rate will end at MYR4.40:USD1.00 by year end) p.a. to GENM should it be allowed to be converted from a VLT facility into a downstate commercial casino. Assuming long term growth rate (g) of 1% and discounting future free cash flows at 11.8% which is the weighted average cost of capital (WACC) we employ to discount GENM's existing cash flows, we estimate that the conversion of RWNYC from a VLT facility into a downstate commercial casino will accrete MYR0.56 to our DCF-based TP for GENM (Fig. 16).

Our aforementioned estimates are based on the existing infrastructure at RWNYC. Should RWNYC win a downstate commercial casino license and choose to invest more in order to expand, it will have the capacity to add more tables, slot machines and/or VLTs that will accrete more upside to the aforementioned earnings estimates and DCF-based TP. Thus, we believe that the scenario analysis we posited above is reasonable and is by no means aggressive.

Figure 16: Potential earnings and value accretion from RWNYC being converted into a downstate commercial casino

	Legend	2024	2025	2026	2027	2028	2029	TV
Incremental GGR (A)	Α	-	500.0	505.0	510.1	515.2	520.3	
Operating expenses (15% of GGR) (B)	В	-	(75.0)	(75.8)	(76.5)	(77.3)	(78.0)	
Gaming tax (20% of GGR) ©	C	-	(100.0)	(101.0)	(102.0)	(103.0)	(104.1)	
Staff cost (1.1k staff at USD72k p.a.) (D)	D	-	(79.2)	(80.0)	(80.8)	(81.6)	(82.4)	
Annual fees (USD750 on 6,548 slot machines & 250 gaming tables) (E) E	-	(5.1)	(5.1)	(5.1)	(5.1)	(5.1)	
EBITDA (F=A+B+C+D+E)	F=A+B+C+D+E	-	240.7	243.2	245.6	248.1	250.7	
Depreciation (5% of USD400m expansion) (G)	G	-	(20.0)	(20.0)	(20.0)	(20.0)	(20.0)	
EBIT (H=F+G)	H=F+G	-	220.7	223.2	225.6	228.1	230.7	
Tax (34% combined corporate tax rate) (I)	I=HX-34%	-	(75.1)	(75.9)	(76.8)	(77.6)	(78.5)	
Net profit (J=H+I)	J=H+I	-	145.6	147.2	148.9	150.5	152.2	
Capex (5% of incremental GGR) (K)	K=5%XA	-	(25.0)	(25.3)	(25.5)	(25.8)	(26.0)	
Licensing fee (L)	L	(500.0)	-	-	-	-	-	
FCF (M=F+I+K+L)	M=F+I+K+L	(500.0)	140.6	142.0	143.4	144.8	146.2	1,358.5
DCF (WACC: 11.8%, g: 1.0%)	714.0		(M)	/R3,141.6	óm or MY	R0.56/sh	r)	

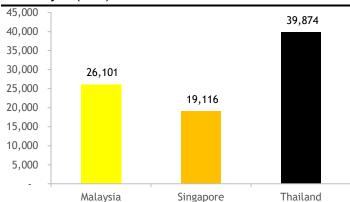
^{*} TV = terminal value. Calculated at 2027 FCF/(11.8% WACC - 1.0% g)

Source: Maybank IBG Research

2024: Thailand likely to decide on integrated resorts this year

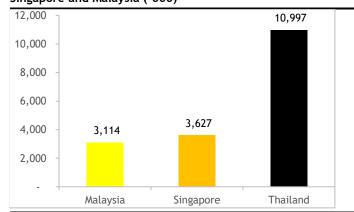
Thailand has always been 'the' tourism juggernaut of South East Asia. In 2019, Thailand welcomed a whopping 40m tourists of which 11m or 28% were from China (Fig. 17 & 18). Thailand has been especially popular with Chinese tourists since 2012 due to the release of the Chinese comedy film 'Lost In Thailand'. To put things into perspective, Thailand welcomed more Chinese tourists in 2019 than Singapore and Malaysia combined. While some Chinese have recently shunned Thailand due to the Siam Paragon shooting (3 Oct 2023) that claimed the life of 1 Chinese and the release of the Chinese crime thriller 'No more bets' (8 Aug 2023) that portrayed Indochinese countries in an unfavourable light, Thailand remains popular with Chinese tourists. Moreover, Thailand has no IRs which are always popular with Chinese tourists but Singapore and Malaysia do.

Figure 17: 2019 total visitor arrivals to Thailand, Singapore and Malaysia ('000)



Source: Tourism Authority of Thailand, Tourism Malaysia, Singapore Tourism Board

Figure 18: 2019 Chinese visitor arrivals to Thailand, Singapore and Malaysia ('000)



Source: Tourism Authority of Thailand, Tourism Malaysia, Singapore Tourism Board

That said, Thailand might be about to change its mind. On 12 Jan 2023, the Thai House Of Representatives formally received a report by a special committee studying the feasibility of allowing an entertainment complex (a euphemism for integrated resort) to be built that includes legal casinos for further consideration. Its aim is to raise tax revenues from legalising casino gaming in a yet to be designated area. The entertainment complex is envisioned to feature 5-star hotels, shopping malls, beauty and spa parlours, amusement parks, zoos, indoor and outdoor sports stadiums and legal casinos. Casinos are expected to take up c.5% of the total area.

The special committee also proposed that another committee be set up to regulate the complex. The tentative budget for the complex is bigger than the Singaporean IRs (MBS: SGD8.0b, RWS: SGD7.0b) back in 2006 to 2010. Investments should jointly come from the public and private sectors. Proposed locations in order of preference are:- (i) Bangkok, together with areas inside the Eastern Economic Corridor (i.e. Chon Buri, Rayong and Chachoengsao) and those within a 100km radius of Suvarnabhumi and U-Tapao airports; (ii) any of 22 key tourism provinces; and (iii) provinces of Phuket, Phangnga, Krabi, Chiang Mai, Chiang Rai, Phayao, Udon Thani, Khon Kaen, Ubon Ratchathani and Nong Khai.

Curiously, the special committee proposed 8 types of gambling including online casinos, betting on the stock exchange index and foreign exchange rates, betting on the results of international and local sporting events, betting on key events such as election results, online bingo, betting on government lottery draw results and betting on the results of e-sports and online games like Baccarat. The casino would be open to tourists and Thais but the latter would have to be at least 21 years old and able to prove they had THB500,000 in their bank accounts for 6 months. Casino winnings will also be taxable.

The special committee also included in its report findings a public opinion survey carried out by Suan Sunandha Rajabhat University which showed that 81% of respondents approved of the project, 56% saw Bangkok and the Eastern Economic Corridor as the most suitable location but only 36% agreed it should include legal casinos. The special committee also envisions that public hearings and referendums among locals will be organised to gauge public support for the complex in the proposed locations. Regulatory deliberations paused for the Thai general election that was held on 14 May 2023.

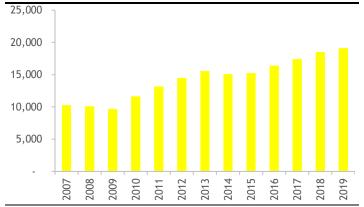


Eventually, Srettha Thavisin of Pheu Thai emerged as Prime Minister on 22 Aug 2023. Pheu Thai is linked to billionaire former Prime Minister Thaksin Shinawatra. Recall that Thaksin Shinawatra was supportive of liberalising Thailand's IR industry before he was ousted in a military coup in 2006. Thailand's House of Representatives then established a new 60-member committee to consider the possibility of developing the nation's first legal entertainment complex on 27 Oct 2023. Significantly, the establishment of this new committee has bipartisan support. The committee has 90 days to complete its task. Coupled with public hearings and referendums, it is widely believed that Thailand will require 2 to 3 years before liberalising its IR industry, if at all.

Following his appointment, Srretha Thavisin toured Thailand's provinces and unveiled an array of government infrastructure investments, including new highways, railways and airports that would be supportive of entertainment complexes. The main Suvarnabhumi International Airport in Bangkok is set to receive a new terminal, increasing its annual capacity to 60 m from 45m passengers p.a. Phuket will see significant tourism infrastructure improvements, including a second airport and new highways, with an investment exceeding USD4b. Neighbouring Phangnga province has been allocated USD2b for a new international airport, while the current airport in Krabi will also undergo expansion.

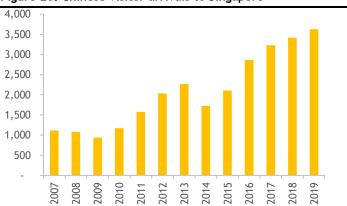
Thus, we believe it necessary to consider the risks that Thai IRs may pose to their counterparts in Singapore and Malaysia. It is well documented that the Singaporean IRs did wonders for the Singaporean tourism industry when they opened in 1H10. Between 2009 and 2013, total visitor arrivals grew at an impressive 13% CAGR while Chinese visitor arrivals grew at an even more impressive 25% CAGR (Fig. 19 & 20). The aforementioned robust growth came to a halt in 2014 due to China clamping down on 'zero cost' tours from Oct 2013 and the MH370 tragedy in neighbouring Malaysia on 8 Mar 2014. That said, growth resumed in the years after and the Singaporean IRs are still often cited as the most visited sites in Singapore by Chinese visitors.

Figure 19: Total visitor arrivals to Singapore



Source: Singapore Tourism Board

Figure 20: Chinese visitor arrivals to Singapore



Source: Singapore Tourism Board

Crossing the Causeway and Second Link into Malaysia, we notice that total visitor arrivals flatlined at 2% CAGR while Chinese visitor arrivals grew at a more modest 15% CAGR during the same period (i.e. 2009 to 2013) (Fig. 21 & 22). One could argue that the Singaporean IRs did wonders for the Singaporean tourism industry at the Malaysian one's expense. What is more poignant is that during the same period, Chinese visitor arrivals to Singapore surged by 1.3m but Chinese visitor arrivals to Malaysia grew by only 772k. Until today, many Chinese visitors to Singapore also visit Malaysia and vice versa due to their proximity. That said, we posit that the Singaporean IRs did persuade more Chinese to visit Singapore exclusively.

Maybank
Investment Bank

Figure 21: Total visitor arrivals to Malaysia

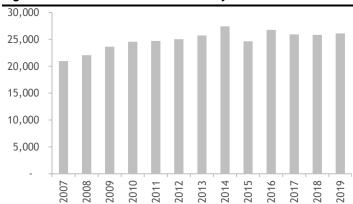
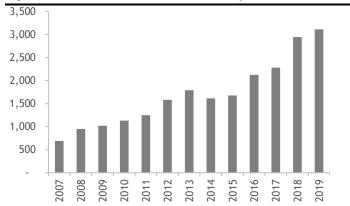


Figure 22: Chinese visitor arrivals to Malaysia



Source: Tourism Malaysia

Source: Tourism Malaysia

We fear that should Thailand proceed to liberalise its IR industry, Thai IRs will 'supercharge' the already large Thai tourism industry at the expense of the Singaporean and Malaysian tourism industries. Now, the tourism and gaming industries are not always one and the same. For example, visitor arrivals to and GGR at RWG in Malaysia was >75% driven by locals in 2019. Thus, we do not expect Thai IRs to pose much of a threat to RWG. That said, the reverse is true in Singapore where we estimate that visitor arrivals to and GGR at the Singaporean IRs was 66-75% driven by tourists in 2019.

To be sure, we do not expect many Malaysians and Indonesians to visit Thai IRs over the Singaporean ones should Thailand proceed to liberalise its IR industry due to deep personal and commercial ties between the 3 countries. That said, we would expect many Chinese to visit Thai IRs over the Singaporean ones should Thailand proceed to liberalise its IR industry. As stated above, Thailand is already very popular with Chinese tourists even without IRs currently. Again, we estimate that Chinese accounted for c.50% of Singapore 3Q23 VIP volume and c.10% of Singapore 3Q23 mass market GGR.

To exacerbate things, recall that the Singaporean IRs (i.e. Marina Bay Sands and RWS) have to reinvest at least SGD6.8b each into their IRs until as late as 2031. Should more tourists not be forthcoming, we fear that the financial viability of 'MBS 2.0' and 'RWS 2.0' will be called into question. Thus, the threat of Thai IRs is more clear and present to GENS than GENM. Then again, the end-game could turn out differently as the Singaporean government will likely go back to the drawing board if Thai IRs materialise, to counter/soften the impact on its tourism/gaming industry.

Moreover, we note from history that GENS is not averse to expanding overseas to partially stave of competition. Recall that GENS tried to expand into Jeju, South Korea until Nov 2016 and Yokohama, Japan until Sep 2021 in order to partially stave of competition from them. Thus, we do not discount the possibility that GENS may form a JV to bid for a Thai IR license should Thailand liberalise its casino industry.

Maybank Investment Bank

Genting Malaysia (GENM MK)

Ought to have better luck this year

Maintain BUY call with higher MYR2.93 DCF-TP (+9%)

RWG visitor arrivals ought to recover to pre-COVID levels this year. This will drive FY24E earnings to recover 60% YoY and enable GENM to offer dividend yields of ≥5.4% p.a. A potentially positive catalyst this year is RWNYC securing a downstate commercial casino license which could add MYR0.56 to our TP. Success ought to spur foreign interest in GENM shares. We maintain our earnings estimates but roll forward our valuation base year to end-FY24E from end-FY23E, leading to a higher DCF-TP of MYR2.93.

Hope to fully exorcise ghost of COVID-19 this year

We expect RWG visitor arrivals to recover to pre-COVID levels of 24m in FY24E (FY23E: 21m) (Fig. 1). While Malaysian and Singaporean visitation (c.85% of total visitation pre-COVID) has recovered to pre-COVID levels, Indonesian (c.10% during pre-COVID) and Chinese visitations (c.4% during pre-COVID) have not. We are hopeful that air connectivity from the latter two source markets will be fully restored this year. It also helps that Malaysia recently granted 30-days visa free entry to Chinese visitors.

Attractive dividend yields and New York 'call option'

Thanks to the above and despite the service tax hike to 8% from 6% effective 1 Mar 2024, we expect GENM's FY24E earnings to recover 60% YoY. This ought to enable GENM to pay DPS of 15sen p.a. which offers decent dividend yields of ≥5.4% p.a. As explained in the main sector report, our earnings estimates and DCF-TP could be raised by a whopping c.MYR625m and MYR0.56 (assumes MYR4.40:USD1.00 exchange rate) respectively should RWNYC win a downstate commercial casino license.

Low foreign shareholding may turn a corner

We hope results for RWNYC's bid for a downstate commercial casino license will be made known before year end. Should RWNYC be successful, we expect this to spur foreign interest in GENM shares. Note that the current foreign shareholding in GENM is at a multi-year low (end-3Q23: 15.0%) (Fig. 2). If we may, another way of interpreting its low foreign shareholding is that downside risk to GENM's share price from foreign fund outflows could be minimal.

FYE Dec (MYR m)	FY21A	FY22A	FY23E	FY24E	FY25E
Revenue	4,157	8,603	9,718	10,955	11,287
EBITDA	532	2,378	2,816	3,344	3,485
Core net profit	(915)	236	576	913	1,012
Core FDEPS (sen)	(16.2)	4.2	10.2	16.1	17.9
Core FDEPS growth(%)	nm	nm	143.9	58.5	10.8
Net DPS (sen)	9.0	15.0	15.0	15.0	17.0
Core FD P/E (x)	nm	64.6	27.6	17.4	15.7
P/BV (x)	1.2	1.2	1.3	1.3	1.3
Net dividend yield (%)	3.1	5.6	5.4	5.4	6.1
ROAE (%)	(6.6)	(3.9)	4.6	7.4	8.1
ROAA (%)	(3.1)	0.8	2.1	3.3	3.8
EV/EBITDA (x)	44.2	9.6	8.1	6.4	5.9
Net gearing (%) (incl perps)	69.0	82.6	78.4	66.9	56.4
Consensus net profit	-	-	534	957	1,153
MIBG vs. Consensus (%)	-	-	7.8	(4.6)	(12.2)

Yin Shao Yang samuel.y@maybank-ib.com (603) 2297 8916

BUY

Share Price MYR 2.80 12m Price Target MYR 2.93 (+10%)

MYR 2.70 **Previous Price Target**

Company Description

Owns and operates Resorts World Genting, the only integrated resort in Malaysia. Also owns casinos in the UK, US and Bahamas.

Statistics

52w high/low (MYR)	2.92/2.40
3m avg turnover (USDm)	4.3
Free float (%)	48.1
Issued shares (m)	5,938
Market capitalisation	MYR16.6B
	USD3.6B
Major shareholders:	
Genting Rhd	47 19

	USD3.6B
Major shareholders:	
Genting Bhd.	47.1%
Genting Malaysia Bhd.	4.6%
The Vanguard Group, Inc.	1.9%

Price Performance



-12M -1M -3M Absolute (%) 4 14 1 2 Relative to index (%) 1

Source: FactSet

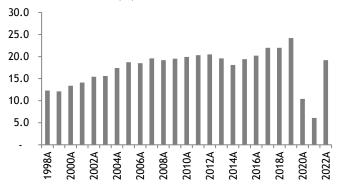


Maybank Investment Bank

Value Proposition

- Owns and operates Resorts World Genting (RWG), Genting United Kingdom (GENUK), Resorts World New York City (RWNYC) and Resorts World Bimini (RWB).
- RWG is ~80% of group earnings and resilient. RWG is expanding via the Genting Integrated Tourism Plan (GITP).
- GITP involves 1,536 hotel rooms, outdoor theme park, indoor theme park, mall, plaza and new cable car line.
- ROEs fell to <10% after 2013, dragged by start-up losses at RWB
- ROE may remain below WACC due to the acquisition of the remaining 24% shareholding in Empire Resorts.

RWG visitor arrivals (m)

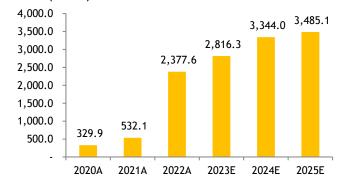


Source: Company

Financial Metrics

- Key financial metric is EBITDA. Most casino operators are valued on EV/EBITDA basis.
- Forecast FY23E EBITDA to grow by 18% YoY as more rooms for gamblers are made available at RWG.
- Forecast FY24E EBITDA to grow by another 19% YoY as the COVID-19 pandemic fully subsides.
- We expect balance sheet to remain in net debt as GENM has been more progressive in paying dividends.

EBITDA (MYRm)



Source: Company (historical), Maybank IBG Research (forecasts)

Price Drivers

Historical share price trend



Source: Company, Maybank IBG Research

- 1. COVID-19 pandemic spreads in Malaysia. RWG was shut from 18 Mar 2020 until 18 Jun 2020.
- 2. Pfizer and AstraZeneca announced that they developed effective COVID-19 vaccines.
- 3. RWG reopened from the Full Movement Control Order on 30 Sep 2021.
- 4. Batang Kali landslide that claimed 31 lives discouraged visits to RWG.
- GENM reported 3Q23 EBITDA that returned to pre-COVID levels.

Swing Factors

Upside

- VIP win rate if it is above theoretical levels, it can positively influence earnings.
- VIP: mass market mix tilt towards mass market will expand margins due to less commissions and rebates.
- Higher visitor arrivals to RWG the purpose of the GITP is to attract more high margin mass market gamblers.

Downside

- Related party transactions (RPT) GENM has a history of executing RPTs that do not favour minority shareholders.
- Regional expansion new jurisdictions often require high capex commitments without guaranteeing returns.
- Politics NFO outlets in states controlled by the opposition have been shut. There is no guarantee that RWG will not be shut if the opposition comes to power.

samuel.y@maybank-ib.com





samuel.y@maybank-ib.com

28.9 (Medium)
+1.2
13 Apr 2023
1- Governance Incidents - Corporate Governance

Business Model & Industry Issues

- GENM's Resorts World Genting (RWG) has always been the 'cash cow' of the group. With the cash flows generated by RWG,
 GENM has attempted to expand beyond Malaysia.
- Resorts World New York City (RWNYC) is a successful green-field investment. That said, GENM has not been averse to employing related party transactions (RPT) to expand (e.g. acquisition of Genting UK (GENUK) and Empire Resorts.
- To be fair, not all RPTs were negative for minority shareholders. The acquisition of GENUK turned out to be more positive than we expected and we viewed the disposal of 17% of Genting Hong Kong (GENHK) positively.
- Yet, the recurrence of RPTs continues to raise eyebrows with the latest being the acquisition of 49% of loss generating Empire Resorts. On another note, GENM has been a lot more progressive with dividends.
- GENM also scores average in our proprietary scoring methodology (see page 4) with an overall score of 59/100.

Material E issues

- RWG sits at the peak of Mount Ulu Kali. Thus, it is not served by municipal or national sewerage companies
- Although RWG recently increased its gross floor area by -50%, 94% of its -10k acre virgin rainforest remains intact.
- RWG has 3 pumping stations which extract raw water from Sungai Cherok to 6 water treatment plants.
- Consumed more energy and water while generating more greenhouse gas emissions in FY22 (see page 4).
- That said, this was due to all properties operating on a full year basis in FY22. FY22 intensity/customer actually fell.
- Invested in a new cable car system called Awana Skyway that can carry 3.6k pax/hour. It opened in 2016.
- Awana Skyway has not only reduced traffic congestion and pollution but also traffic accidents at RWG.
- RWG phased out plastic straws and replaced food boxes with biodegradable and compostable food containers.

Material S issues

- Access to RWG casino is denied to persons below the age of 21 and Malaysian Muslims.
- Bank Negara Malaysia precludes RWG from extending credit to gamblers.
- RWG has a 24 hour Responsible Gaming Hotline and Self Exclusion Programme (SEP).
- GENUK and RWNYC have similar responsible gaming initiatives and SEPs.
- RWG promotes Request For Assistance programme to problem gamblers.
- In 2020, GENUK was awarded AML Team of the Year Award by Gambling Compliance Global Regulatory Awards.
- GENUK also accorded GamCare's Safer Gambling Standard (Level 3) by Safer Gambling Standard Great Britain.
- GENUK contributes 0.1% of gross gaming revenue (GGR) to responsible gaming causes.
- RWNYC is required to contribute 44% of GGR to the New York
 State education fund as a form of gaming tax.
- Women account for 40% of GENM's workforce. The ratio of total remuneration for women and men is equal at 1:1.
- RWG operates 11 residential staff complexes with 9,844 rooms that can accommodate 22,488 staff.

Key G metrics and issues

- BOD comprises Chairman, Deputy Chairman & Chief Executive, President, Deputy Chief Executive and 8 Independent Non-Executive Directors (INED).
- Tan Sri Lim Kok Thay (TSLKT), Deputy Chairman & Chief Executive and Mr. Lim Keong Hui, Deputy Chief Executive represent Genting Bhd.
- Mr. Lim Keong Hui, Deputy Chief Executive is a son of TSLKT, Deputy Chairman & Chief Executive.
- Madam Chong Kwai Ying, INED and Dato' Dr. Lee Bee Phang, INED are women directors.
- Directors still received remuneration of MYR76.6m (+35% YoY) in FY22 despite GENM incurring losses.
- Only one of the RWG key management personnel is a woman, the Chief Financial Officer.
- PricewaterhouseCoopers LLP is the independent auditor.
 They have been appointed for >10 years.
- GENM has a history of related party transactions. Last major related party transaction was in 2019.
- Then, GENM acquired 49% of Empire Resorts from Kien Huat Realty III, linked to TSLKT for MYR661.1m.
- Empire Resorts has been generating losses since opening in Feb 2018
- In 2019, GENM acquired the super yacht, Equanimity from the Malaysian government.
- In 2016, GENM sold 17% of GENHK to Golden Hope, linked to TSLKT for USD415m.
- That said, GENHK was not declaring many dividends and its share price has fallen since the disposal.
- To be sure, GENM had invested >USD750m and impaired >MYR2.0b of its investment in GENHK since 1998.
- In 2010, GENM acquired GENUK from Genting Singapore for GBP340m.
- GENM acquired GENUK at valuation multiples that were higher than its own.
- That said, GENUK EBITDA grew from GBP30.2m in FY09 to a high of GBP50m in FY16.
- In 2008, GENM acquired 10% of Walker Digital Gaming from KH Digital, linked to TSLKT for USD69m.
- GENM's investment in Walker Digital Gaming has since been partially impaired.

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. ***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. **Scort 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).



ESG@MAYBANK IBG

	Quant	itative Parameters (S	core: 69)			
	Particulars	Unit	2020	2021	2022	LVS US (2022)
	Scope 1 emissions	tCO2e	49,080*	40,058*	44,277	58,341
	Scope 2 emissions	tCO2e	218,061*	225,855*	193,124	373,003
	Total	tCO2e	267,141*	265,913*	237,401	431,344
Е	Scope 3 emissions	tCO2e	N/A	N/A	N/A	642,008
-	Total	tCO2e	267,141	265,913	237,401	1,073,352
	Scope 1 & 2 emissions intensity - RWG	kgCO2e/customer	10.0	17.1	6.8	N/A
	Energy consumption intensity - RWG	MJ/customer	74.3	109.9	50.6	N/A
	Water consumption intensity - RWG	m3/customer	0.4	0.6	0.3	N/A
	Recycled waste collection	tonnes	1,583.2*	1,241.1*	1,514.3	N/A
	% of women in workforce	%	39.0%	39.7%	40.3%	50.5%
c	% of local suppliers - RWG	%	90.0%	88.0%	90.0%	79.0%
3	Employee attrition rate	%	39.4%	27.4%	31.8%	12.0%
	Road accidents per 10,000 vehicles - RWG	number	0.24*	0.31*	0.22	N/A
	Board salary as % of reported net profit	%	N/M	N/M	N/M	N/M
	Independent directors on the Board	%	70%	73%	75%	56%
G	Female directors on the Board	%	10%	9 %	17%	33%
	Distribution to shareholders	% of net profit	N/M	N/M	N/M	0%
	Investment in loss generating related companies	MYRm	724.2	774.2	440.2	N/A

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?

 Yes. GENM has an ESG policy. It also has a Sustainability Steering Committee and Sustainability Working Committee (in order of hierarchy). The Sustainability Steering Committee reports to the Board Of Directors.
- b) is the senior management salary linked to fulfilling ESG targets?
- 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? Installing LED bulbs, upgrading water pumps, upgrading hot water heating systems (water heater and heat pump), upgrading compressor systems to reduce air leakages, installing rainwater harvesters, replacing single-use toiletry bottles in guest room showers with bigger and pump-topped bottles, installing recycling bins (guests who recycle can collect points that can be redeemed as theme park tickets) and recycle cooking oil.
- g) Does carbon offset form part of the net zero/carbon neutrality target of the company? No.

Target (Score: 67)		
Particulars	Target	Achieved
Reduce energy consumption by 1% p.a. till 2023 at RWG (2018 as base year)	7%	17%
Install 4 rainwater harvesters at RWG by 2023	4	3
Carbon neutral	N/A	N/A

Impact NA

Overall Score: 59

As per our ESG matrix, Genting Malaysia (GENM MK) has an overall score of 59.

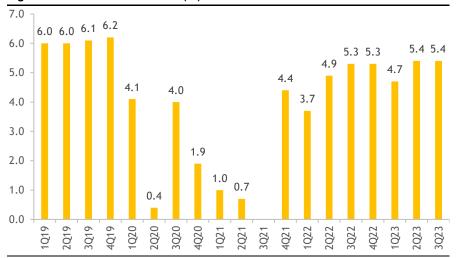
ESG score	Weights	Scores	Final Score
Quantitative	50%	69	34
Qualitative	25%	33	8
Target	25%	67	17
Total			59

* denotes annualised figures

As per our ESG assessment, GENM has an established framework, internal policies, and tangible mid/long-term targets but needs to make headway in capturing Scope 3 emissions, follow TCFD framework for ESG reporting and adopt a net zero/carbon neutral policy. GENM's overall ESG score is 59, which makes its ESG rating above average in our view (average ESG rating = 50; refer to Appendix I for our ESG Assessment Scoring).

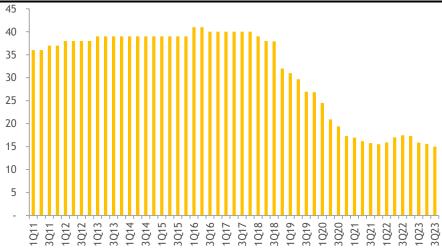
Maybank
Investment Bank

Figure 23: RWG visitor arrivals (m)



Source: Company

Figure 24: GENM foreign shareholding (%), 15% as at end-Sep 2023



Source: Company

Figure 25: GENM DCF-based valuation

	Value	Value/sh	Comments
	MYRm	MYR	
Resorts World Genting	19,048.8	3.36	WACC: 11.8%, g: 2%
Resorts World New York City	3,802.6	0.67	40-year DCF @11.8%
Resorts World Bimini	-	-	Nil
Genting UK	947.7	0.17	WACC: 11.8%, g: 0%
Other investment securities	106.7	0.02	Cost
Malaysian property	483.2	0.09	Cost
Miami property	1,945.0	0.34	Cost
Equanimity	407.9	0.07	End-FY24E BVPS
Empire Resorts	-	-	Nil
Net debt ex-finance lease liabilities	(7,200.2)	(1.27)	End-FY24E ex-lease liabilities
(15% discount)	(2,931.2)	(0.52)	
Equity value	16,610.4	2.93	

Source: Maybank IBG Research



FY21A	FY22A	FY23E	FY24E	FY25E
nm	nm	27.5	17.4	15.7
				15.7
				15.7
				1.3
				1.9
				6.1
				16.0
				5.9
nm	20.1	14.6	10.3	9.1
1 156 7	8 603 0	0 717 0	10 055 1	11 286 0
•	•	•		11,286.9 3,485.1
			•	(1,251.3)
				2,233.8
				(427.4)
				(224.1)
				0.0
				1,582.3
				(492.9)
				(77.7)
, ,				1,011.7
(915.1)	235.9	5/6.0	913.1	1,011.7
4,641.4	3,044.3	2,817.2	4,022.9	3,306.9
717.4	542.1	590.2	665.4	685.6
126.6	150.6	115.1	129.8	133.7
16,007.9	15,380.8	14,575.5	13,816.8	13,068.6
4,183.4	4,083.6	4,083.6	4,083.6	4,083.6
1,728.4	2,105.0	1,852.1	1,627.9	1,403.8
3,005.2	3,324.6	3,324.6	3,324.6	3,324.6
30,410.3	28,631.0	27,358.4	27,670.9	26,006.8
489.7	973.8	81.2	1,870.4	1,870.4
2,483.0	2,666.5	2,645.4	2,917.4	2,990.5
13,296.7	11,926.2	11,845.0	9,974.6	8,104.1
888.0	1,136.0	1,172.0	1,212.0	1,218.0
17,157.7	16,702.0	15,743.4	15,974.0	14,183.6
13,783.8	12,635.9	12,362.1	12,425.4	12,474.1
(531.2)	(706.9)	(747.2)	(728.5)	(650.9)
13,252.6	11,929.0	11,614.9	11,696.9	11,823.2
30,410.3	28,631.0	27,358.4	27,670.9	26,006.8
(1,147.7)	(342.2)	807.0	1,392.0	1,582.3
1,106.3	1,238.8	1,251.3	1,251.3	1,251.3
348.7	562.8	505.1	476.5	427.4
(28.0)	331.9	(33.8)	182.2	49.0
2.3	(65.4)	(234.9)	(420.5)	(486.1)
189.4	637.0	252.9	224.1	224.1
				3,048.1
				(503.1)
				2,545.0
				(963.1)
				0.0
3,248.9	(1,478.3)	(973.8)	(81.2)	(1,870.4)
3,2 .0.7	(., ., 5.5)	(7, 3.0)	(01.2)	(1,0701)
(204.4)	(837.2)	(505.1)	(476.5)	(477.4)
(204.4) 39.0	(837.2) 35.6	(505.1) 0.0	(476.5) 0.0	(427.4) 0.0
	nm nm nm nm 1.2 1.7 3.1 nm 44.2 nm 45.2 (357.6) (183.7) (32.2) (1,147.7) 96.7 104.2 (946.8) (915.1) 4,641.4 717.4 126.6 16,007.9 4,183.4 1,728.4 3,005.2 30,410.3 489.7 2,483.0 13,296.7 888.0 17,157.7 13,783.8 (531.2) 13,252.6 30,410.3 (1,147.7) 1,106.3 348.7 (28.0) 2.3 189.4 471.0 (864.8) (393.8) (480.3) (21.3)	nm nm 64.6 nm 64.6 nm 64.6 1.2 1.2 1.7 1.8 3.1 5.6 nm 10.1 44.2 9.6 nm 20.1 4,156.7 8,603.0 532.1 2,377.6 (1,106.3) (1,238.8) (574.2) 1,138.8 (357.6) (563.0) (183.7) (153.3) (32.2) (764.7) (1,147.7) (342.2) 96.7 (325.2) 104.2 147.4 (946.8) (520.0) (915.1) 235.9 4,641.4 3,044.3 717.4 542.1 126.6 150.6 16,007.9 15,380.8 4,183.4 4,083.6 1,728.4 2,105.0 3,005.2 3,324.6 30,410.3 28,631.0 489.7 973.8 2,483.0 2,666.5 13,296.7 11,926.2 888.0 1,136.0 17,157.7 16,702.0 13,783.8 12,635.9 (531.2) (706.9) 13,252.6 11,929.0 30,410.3 28,631.0 (1,147.7) (342.2) 1,106.3 1,238.8 348.7 562.8 (28.0) 331.9 2.3 (65.4) 189.4 637.0 471.0 2,362.9 (864.8) (831.6) (393.8) 1,531.3 (480.3) (848.7) (21.3) 0.0	nm nm 27.5 nm 64.6 27.5 nm 64.6 27.6 1.2 1.2 1.3 1.7 1.8 1.9 3.1 5.6 5.4 nm 10.1 13.2 44.2 9.6 8.1 nm 20.1 14.6 4,156.7 8,603.0 9,717.9 532.1 2,377.6 2,816.3 (1,106.3) (1,238.8) (1,251.3) (574.2) 1,138.8 1,565.0 (357.6) (563.0) (505.1) (183.7) (153.3) (252.9) (32.2) (764.7) 0.0 (1,147.7) (342.2) 807.0 96.7 (325.2) (271.3) 104.2 147.4 40.3 (946.8) (520.0) 576.0 (915.1) 235.9 576.0 4,641.4 3,044.3 2,817.2 717.4 542.1 590.2	nm nm 27.5 17.4 nm 64.6 27.5 17.4 nm 64.6 27.5 17.4 nm 64.6 27.5 17.4 1.2 1.2 1.3 1.3 1.7 1.8 1.9 1.9 3.1 5.6 5.4 5.4 nm 10.1 13.2 16.5 44.2 9.6 8.1 6.4 nm 20.1 14.6 10.3 4,156.7 8,603.0 9,717.9 10,955.1 532.1 2,377.6 2,816.3 3,344.0 (1,106.3) (1,238.8) (1,251.3) (1,251.3) (574.2) 1,138.8 1,565.0 2,092.7 (357.6) (563.0) (505.1) (476.5) (183.7) (153.3) (252.9) (224.1) (32.2) (764.7) 0.0 0.0 (1,147.7) (342.2) 807.0 1,392.0 (1,147.7) (342.



FYE 31 Dec	FY21A	FY22A	FY23E	FY24E	FY25E
Key Ratios					
Growth ratios (%)					
Revenue growth	(8.2)	107.0	13.0	12.7	3.0
EBITDA growth	61.3	346.8	18.5	18.7	4.2
EBIT growth	nm	nm	37.4	33.7	6.7
Pretax growth	nm	nm	nm	72.5	13.7
Reported net profit growth	nm	nm	nm	58.5	10.8
Core net profit growth	nm	nm	144.2	58.5	10.8
Profitability ratios (%)					
EBITDA margin	12.8	27.6	29.0	30.5	30.9
EBIT margin	nm	13.2	16.1	19.1	19.8
Pretax profit margin	nm	nm	8.3	12.7	14.0
Payout ratio	nm	nm	147.5	93.1	95.2
DuPont analysis					
Net profit margin (%)	nm	nm	5.9	8.3	9.0
Revenue/Assets (x)	0.1	0.3	0.4	0.4	0.4
Assets/Equity (x)	2.2	2.3	2.2	2.2	2.1
ROAE (%)	(6.6)	(3.9)	4.6	7.4	8.1
ROAA (%)	(3.1)	0.8	2.1	3.3	3.8
Liquidity & Efficiency					
Cash conversion cycle	(176.6)	(114.5)	(110.6)	(105.1)	(108.7)
Days receivable outstanding	55.5	26.4	21.0	20.6	21.5
Days inventory outstanding	12.3	8.0	6.9	5.8	6.1
Days payables outstanding	244.3	148.9	138.5	131.6	136.3
Dividend cover (x)	(1.9)	(0.6)	0.7	1.1	1.1
Current ratio (x)	1.8	1.0	1.2	1.0	0.8
Leverage & Expense Analysis					
Asset/Liability (x)	1.8	1.7	1.7	1.7	1.8
Net gearing (%) (incl perps)	69.0	82.6	78.4	66.9	56.4
Net gearing (%) (excl. perps)	69.0	82.6	78.4 78.4	66.9	56.4
Net interest cover (x)	na	2.0	3.1	4.4	5.2
Debt/EBITDA (x)	nm	5.4	4.2	3.5	2.9
Capex/revenue (%)	20.8	9.7	4.6	4.5	4.5
Net debt/ (net cash)	9.145.0	9,855.7	9,109.0	7,822.1	6,667.6

Source: Company; Maybank IBG Research



1.18/0.82

Genting Singapore (GENS SP)

Main beneficiary of Chinese tourism revival

Maintain BUY call with higher SGD1.21 DCF-TP (+4%)

Despite higher tax rates, we expect earnings to recover to pre-Covid levels this year thanks to higher than pre-Covid gaming revenues. We expect most of the growth in gaming revenue this year to come from Chinese tourists. On another note, we gather that GENS may jointly bid for a Thai IR license should Thailand liberalise its IR industry. We maintain our earnings estimates but roll forward our valuation base year to end-FY24E from end-FY23E, leading to a higher DCF-TP of SGD1.21 vs. SGD1.16.

Gaming operations already exceeded pre-Covid levels

Even before 3Q23, mass market (which traditionally contributes c.75% of earnings) was already hitting pre-Covid levels despite the lack of Chinese tourists due to new migrants and wealth created by higher property prices. The return of Chinese tourists en masse in 3Q23, drove mass market gross gaming revenue to 8% above the FY19A quarterly average (Fig. 2) and VIP volume to 36% above the FY19A quarterly average (Fig. 1). In fact, the 3Q23 VIP volume of SGD11.3b was the highest since 2Q15.

En masse return of Chinese tourists to drive growth

We expect this growth to consolidate and continue in FY24E as seat capacity for flights from China to Singapore recovers. According to OAG data, Dec 2023 seat capacity from China to Singapore currently stands at 87% of Dec 2019 levels (Fig. 3). Singapore also recently granted 30-days visa free entry to Chinese visitors. Thus, we hope that Chinese visitation to RWS will recover completely this year. In the long term, we expect RWS VIP volume and mass market GGR to exceed 2019 levels by c.20%.

Thailand a threat but may also be an opportunity

While we acknowledge that Thai IRs are more likely to be a threat to GENS than to GENM, we note from history that GENS is not averse to expanding overseas to partially stave of competition. Recall that GENS tried to expand into Jeju, South Korea until Nov 2016 and Yokohama, Japan until Sep 2021 in order to partially stave of competition from them. Thus, we do not discount the possibility that GENS may form a JV to bid for a Thai IR license should Thailand liberalise its casino industry.

FYE Dec (SGD m)	FY21A	FY22A	FY23E	FY24E	FY25E
Revenue	1,067	1,725	2,390	2,660	2,668
EBITDA	448	774	1,082	1,247	1,252
Core net profit	149	374	712	871	867
Core FDEPS (cts)	1.2	3.1	5.9	7.2	7.2
Core FDEPS growth(%)	20.3	151.1	90.3	22.2	(0.4)
Net DPS (cts)	1.0	3.0	4.0	4.0	4.0
Core FD P/E (x)	62.8	30.8	16.7	13.7	13.7
P/BV (x)	1.2	1.4	1.4	1.4	1.3
Net dividend yield (%)	1.3	3.1	4.1	4.1	4.1
ROAE (%)	2.3	4.3	8.8	10.3	9.8
ROAA (%)	1.7	4.3	7.9	9.3	8.9
EV/EBITDA (x)	13.9	10.4	8.0	7.2	7.6
Net gearing (%) (incl perps)	net cash				
Consensus net profit	-	-	697	736	804
MIBG vs. Consensus (%)	-	-	2.2	18.2	7.7

Yin Shao Yang samuel.y@maybank-ib.com (603) 2297 8916

BUY

Share Price SGD 0.99

12m Price Target SGD 1.21 (+27%)

Previous Price Target SGD 1.16

Company Description

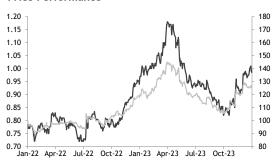
52w high/low (SGD)

Owns and operates Resorts World Sentosa, one of two integrated resorts in Singapore.

Statistics

· ,	
3m avg turnover (USDm)	19.1
Free float (%)	46.8
Issued shares (m)	12,094
Market capitalisation	SGD11.9B
	USD9.0B
Major shareholders:	
Genting Bhd.	52.5%
The Vanguard Group, Inc.	1.6%
Norges Bank Investment Management	0.8%

Price Performance



Genting S'pore - (LHS, SGD) ——Genting S'pore / Straits Times Index - (RHS, %)

	-1M	-3M	-12M
Absolute (%)	8	20	3
Relative to index (%)	4	19	6

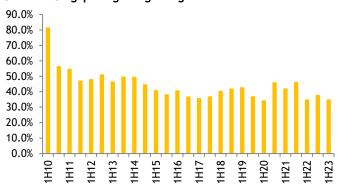
Source: FactSet



Value Proposition

- Owns and operates Resorts World Sentosa, one of two integrated resorts in Singapore.
- Only listed pure exposure to a Singaporean integrated resort.
 Marina Bay Sands is part of multinational Las Vegas Sands.
- Will consider expanding into other markets if projected IRR>15% and group ROEs return to >10%.
- Redeemed SGD2.3b perpetual securities in 2017. Balance sheet in a resoundingly net cash position.
- We gather that GENS may pay special DPS if there are no major expansion opportunities.

Share of Singapore gross gaming revenue

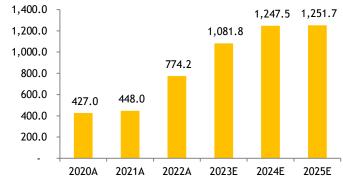


Source: Company, Las Vegas Sands, Maybank IBG Research

Financial Metrics

- Key financial metric is EBITDA. Most casino operators are valued on EV/EBITDA basis.
- Forecast FY23E EBITDA to recover 40% YoY due to full year effect of returning Malaysian and Indonesian gamblers and gradual return of Chinese gamblers.
- Forecast FY24E EBITDA to grow 15% YoY due to the full return of Chinese gamblers.
- Balance sheet in net cash position of SGD3.4b, or SGD0.28/share as at end-2Q23.

EBITDA (SGDm)



Source: Company (historical), Maybank IBG Research (forecasts)

Price Drivers



Source: Company, Maybank IBG Research

- 1. Casino entry levy hiked by 50% and casino tax rates will be hiked by 3-7ppts in Mar 2022.
- 2. Covid-19 pandemic struck Singapore. RWS was shut from 6 Apr until 30 Jun 2020.
- 3. Pfizer, Moderna and AstraZeneca announced that they have developed effective Covid-19 vaccines.
- 4. Bloomberg reported that MGM Resorts Int'l is interested in buying Genting's 53% shareholding in GENS.
- 5. China reopened its borders on 8 Jan 2023, allowing Chinese to travel abroad en masse once again.

Swing Factors

Upside

- VIP win rate if VIP win rate is above theoretical levels, it can positively influence earnings.
- VIP: mass market mix tilt towards mass market will expand margins due to less commissions and rebates.
- SGD6.8b RWS expansion dubbed 'RWS2.0', this will expand gaming and non-gaming capacity.

Downside

- VIP win rate if VIP win rate is below theoretical levels, it can negatively influence earnings.
- Bad debts Chinese accounts for the majority of VIPs but gambling debts are not enforceable in China.
- Regional expansion new jurisdictions often require high capex commitments without guaranteeing returns.

samuel.y@maybank-ib.com





samuel.y@maybank.com

Risk Rating & Score ¹	19.5 (Low)
Score Momentum ²	-0.3
Last Updated	16 Dec 2023
Controversy Score ³ (Updated: 20 Dec 2023)	1 - Business Ethics Incidents - Business Ethics

Business Model & Industry Issues

- GENS' Resorts World Sentosa (RWS) operates, in our opinion, in the most highly regulated casino jurisdiction in the world. In our view, GENS has strong ESG credentials which stand out among its regional peers, especially the Macanese ones.
- To be sure, the strong ESG credentials are not without 'costs'. For example, RWS has to bear VIP credit risk as the engagement of Macau style junkets which have often been accused of money laundering is not permitted.
- Moreover, the 50% increase in casino entry levies for Singaporean citizen and permanent resident (SCPR) gamblers effective 4
 Apr 2019 also caused RWS to rely less on the steadier base of local gamblers and more on fickle international gamblers.
- That said, countries seeking to liberalise their casino industries often look to Singapore's highly regulated casino industry and the strong ESG credentials it engenders for guidance. This could give GENS an advantage in bidding for a casino license there.
- GENS also scores above average in our proprietary scoring methodology (see Pg. 4) with an overall score of 74/100.

Material E issues

- No material environmental issues. RWS was built on the demolished plot of the Imbiah lookout on Sentosa Island.
- RWS even houses 2.9 ha of protected secondary forest and >100,000 marine animals in the S.E.A. Aquarium (SEAA)
- SEAA is accredited by the Association of Zoos and Aquariums and World Association of Zoos and Aquariums.
- SEAA partners Marine Stewardship Council and James Cook University Singapore for research.
- Phased out plastic straws/bottles in 2018/2019, saving 3m straws and 6.7m plastic bottles p.a.
- Committed SGD10m for research on biodiversity, decarbonisation and nature-based solutions in 2021.
- Won the inaugural Special Award for Sustainability at the Singapore Tourism Awards 2021.
- RWS and its hotels are the first to be certified to the Global Sustainable Tourism Council's criteria in 2021.
- RWS pledges to be carbon neutral by 2030.

Material S issues

- Regulated by the Casino Regulatory Authority (CRA) under the Casino Control Act (CCA).
- Problem gambling regulated by the National Council on Problem Gambling (NCPG).
- SCPR gamblers required to pay casino entry levies of SGD150 per 24 hours or SGD3,000 p.a.
- NCPG can issue visit limits and exclusion orders at the request of individuals, casinos or on its own initiative.
- In Nov 2015, RWS became the first casino in Asia Pacific to receive RG Check accreditation from the Responsible Gambling Council.
- Since Dec 2018, RWS attained RG Check reaccreditation and achieved the highest score amongst >150 venues.
- Launched Manage Game Play Programme in 2020, a tool to help patrons self-regulate time spent at gaming machines.
- Stations RG Ambassadors to inform and assist patrons on responsible gambling. RWS also holds RG road shows.
- Won the Special Award for Community Care (Business and Individuals) at the Singapore Tourism Awards 2021.
- Added to Bloomberg Gender-Equality Index which tracks public companies' commitment to gender equality in 2021.

Key G metrics and issues

- BOD comprises Executive Chairman, CEO, Lead Independent Director and 3 Independent Non-Executive Directors (INED).
- Madam Chan Swee Liang Carolina, Lead Independent Director is the sole woman director.
- Tan Sri Lim Kok Thay, Executive Chairman represents Genting Berhad, GENS' largest shareholder at 53%.
- No members of Tan Sri Lim's family hold management positions in GENS.
- FY22 reported directors' remuneration of SGD17.4m accounted for 5% of net profit (FY21: 8%).
- Audit & Risk, Nominating and Remuneration Committees comprise three members each who are all INEDs.
- Two of five RWS key management personnel are women, the CFO and CCO.
- PricewaterhouseCoopers LLP is the independent auditor.
 They have been appointed for >10 years.
- Last major related party transaction was in 2010 when Genting UK was sold to Genting Malaysia for GBP340m.
- That said, the investment community was of the opinion that the transaction favoured GENS over GENM.
- This was because GENM acquired Genting UK at valuation multiples that were higher than its own.
- Occasionally fined by the CRA but the fines were for infractions which were minor, in our view.
- Most fines were for SCPRs entering/remaining in the casino without valid casino entry levies
- Governed by the CCA which contains anti-money laundering regulations.
- CCA does not permit Macau style junkets which have often been accused of money laundering.
- Developed and employs a Prevention Of Money Laundering and Terrorism Financing Framework.

<u>Risk 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>PScore 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>PSCONTOVERSY 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: 47)								
	Particulars	Unit	2020	2021	2022	LVS US (2022)		
	Scope 1 emissions	tCO2e	5,907*	3,327	3,903	58,341		
	Scope 2 emissions	tCO2e	82,693*	64,374	61,245	373,003		
	Total	tCO2e	88,599*	67,701	65,148	431,344		
	Scope 3 emissions	tCO2e	29,418*	29,902	26,786	642,008		
Ε	Total	tCO2e	118,018*	97,603	91,934	1,073,352		
- E	Scope 1 & 2 emissions intensity	tCO2e/m2	0.22*	0.17	0.16	0.10		
	Energy consumption intensity	GJ/m2	1.9*	1.5	1.4	0.8		
	Water withdrawal intensity	m3/m2	6.5*	4.8	4.9	1.4		
	Operational waste generated intensity	tonnes/m2	0.01*	0.01	0.01	0.01		
	% of waste diverted away from landfill	%	17%	29 %	41%	28%		
	% of women in workforce	%	46.7%	45.9%	47.4%	50.5%		
	% of women in management roles	%	42.2%	41.4%	41.1%	43.0%		
	Locals as a % to total employees (localisation)	%	82%	79 %	69 %	N/A		
S	Investment in community projects	% of net profit	N/A	1.3%	0.1%	N/M		
3	% of local suppliers	%	82%	87%	90%	79%		
	Employee attrition rate	%	12.8%	19.9%	16.9%	12.0%		
	Employee training per employee	hours	32	34	41	69		
	Significant fines imposed by regulators	number	-	1	-	-		
	Board salary as % of reported net profit	%	50%	8%	5%	N/M		
G	Independent directors on the Board	%	67%	67%	67%	56%		
G	Female directors on the Board	%	17%	17%	17%	33%		
	Distribution to shareholders	% of net profit	174%	66%	106%	0%		

Qualitative Paramaters (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?

 Yes. It also has a Sustainability Steering Committee, Sustainability Working Committee and Sustainability Department (in order of hierarchy). The Sustainability Steering Committee reports to the CEO.
- b) Is the senior management salary linked to fulfilling ESG targets?
- c) Does the company follow the task force of climate related disclosures (TCFD) framework for ESG reporting? Yes
- e) Does the company have a mechanism to capture Scope 3 emissions which parameters are captured?
 Yes. Captures fuel & energy (Category 3), upstream transportation & distribution (Category 4), waste (Category 5), business travel (Category 6), employee commute (Category 7), downstream leased assets (Category 13) and water.
- f) What are the 2-3 key carbon mitigation/water/waste management strategies adopted by the company?

 Has installed solar panels, ETFE roofs that deflect heat, lagoon that harvests rainwater, LED lights, EV charging stations, recycling bins, food grinders and waste digesters; eliminate single use plastics; and upgraded district cooling plant.
- g) Does carbon offset form part of the net zero/carbon neutrality target of the company?
- Yes. Developing nature-based carbon offset strategy. Benchmarking and sourcing of carbon offset standards and sources ongoing.

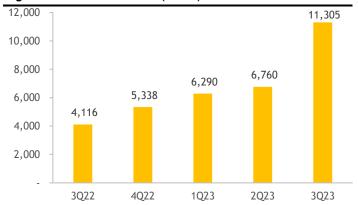
Target (Score: 100)		
Particulars	Target	Achieved
Reduce carbon emission intensity by 30% by 2030 (2015 as baseline year)	30%	38%
Reduce operational waste-to-landfill intensity by 50% (2015 as baseline year)	50%	49%
Quadruple renewable energy and procure from low carbon sources	4.0	WIP
Green 75% of buildings by GFA by 2030	75 %	64%
100% electric transportation by 2030	100%	WIP
Quadruple EV charging stations by 2030 (2015 as baseline year)	4.0	1.5
>500,000 hours in cumulative volunteer hours by 2030	500,000	471,734
>90% spend on local suppliers by 2030	90%	90%
Carbon neutrality by 2030	Net 0	N/A
Impact		
NA		
Overall Score: 74		
As per our ESG matrix, Genting Singapore (GENS SP) has an overall score of 74.		

ESG score	Weights	Scores	Final Score
Quantitative	50%	47	24
Qualitative	25%	100	25
Target	25%	100	25
Total			74

As per our ESG assessment, GENS has an established framework, internal policies, and tangible mid/long-term targets. GENS' overall ESG score is 74, which makes its ESG rating above average in our view (average ESG rating = 50; refer to Appendix I for our ESG Assessment Scoring).

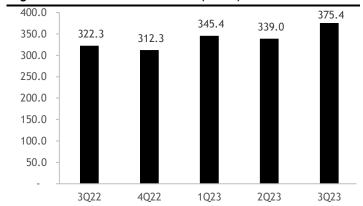
^{*} denotes annualised figures

Figure 26: RWS VIP volume (SGDm)



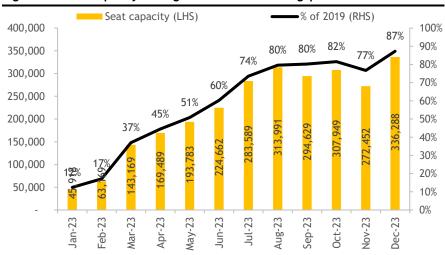
Source: Company, Maybank IBG Research

Figure 27: RWS mass market GGR (SGDm)



Source: Company, Maybank IBG Research

Figure 28: Seat capacity for flights from China to Singapore



Source: OAG

Figure 29: GENS DCF-based valuation

	SGDm	SGD/sh	Comments
RWS	9,069.1	0.75	WACC: 10.4%, g: 0%
Net cash	2,836.2	0.23	End-FY24E
Investments	110.6	0.01	End-FY24E
RWS 2.0	2,606.9	0.22	Amount invested
Equity value	14,622.8	1.21	

Source: Maybank IBG Research



FYE 31 Dec	FY21A	FY22A	FY23E	FY24E	FY25E
Key Metrics	54.5	20.2	44.7	42.7	42.7
P/E (reported) (x)	54.5 62.6	28.3 30.8	16.7 16.7	13.7 13.7	13.7 13.7
Core P/E (x)	62.8	30.8	16.7	13.7	13.7
Core FD P/E (x) P/BV (x)	1.2	30.6 1.4	1.4	13.7	13.7
P/NTA (x)	1.2	1.5	1.5	1.4	1.3
Net dividend yield (%)	1.3	3.1	4.1	4.1	4.1
FCF yield (%)	nm	5.4	2.3	0.6	0.0
EV/EBITDA (x)	13.9	10.4	8.0	7.2	7.6
EV/EBIT (x)	35.3	18.3	11.0	9.2	9.7
INCOME STATEMENT (SGD m)					
Revenue	1,067.3	1,725.3	2,390.1	2,659.6	2,667.9
EBITDA	448.0	774.2	1,081.8	1,247.5	1,251.7
Depreciation	(271.6)	(334.6)	(303.1)	(271.5)	(271.5)
EBIT	176.4	439.6	778.7	976.0	980.2
Net interest income /(exp)	14.2	48.5	76.4	68.8	61.9
Associates & JV	1.9	2.8	2.8	2.8	2.8
Exceptionals	33.9	(34.2)	0.0	0.0	0.0
Pretax profit	226.3	456.7	857.9	1,047.6	1,044.9
Income tax	(43.0)	(116.6)	(145.8)	(177.0)	(178.3)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued operations	0.0	0.0	0.0	0.0	0.0
Reported net profit	183.3	340.1	712.1	870.5	866.6
Core net profit	149.4	374.3	712.1	870.5	866.6
BALANCE SHEET (SGD m)					
Cash & Short Term Investments	3,325.6	3,464.6	3,251.9	2,836.2	2,358.3
Accounts receivable	60.9	97.4	140.1	152.4	152.4
Inventory	43.2	43.2	46.9	52.2	52.4
Property, Plant & Equip (net)	5,135.9	4,927.9	5,419.4	6,280.9	7,142.7
Intangible assets	107.6	155.1	155.1	155.1	155.1
Investment in Associates & JVs	65.3	68.1	71.0	73.8	76.6
Other assets	53.5	43.9	43.9	43.9	43.9
Total assets	8,791.9	8,800.3	9,128.3	9,594.4	9,981.4
ST interest bearing debt	242.1	3.3	2.3	0.0	0.0
Accounts payable	353.6	446.5	496.2	535.5	537.1
LT interest bearing debt	5.5	2.3	0.0	0.0	0.0
Other liabilities	295.0	349.0	402.0	443.0	445.0
Total Liabilities	896.8	801.4	900.2	978.7	981.9
Shareholders Equity	7,895.1	7,998.8	8,228.0	8,615.7	8,999.5
Minority Interest	0.0	0.0	0.0	0.0	0.0
Total shareholder equity	7,895.1	7,998.8	8,228.0	8,615.7	8,999.5
Total liabilities and equity	8,791.9	8,800.3	9,128.3	9,594.4	9,981.4
CASH FLOW (SGD m)					
Pretax profit	226.3	456.7	857.9	1,047.6	1,044.9
Depreciation & amortisation	271.6	334.6	303.1	271.5	271.5
Adj net interest (income)/exp	(14.2)	(48.5)	(76.4)	(68.8)	(61.9)
Change in working capital	36.6	37.4	3.2	21.8	1.4
Cash taxes paid	(96.9)	(64.3)	(93.4)	(135.7)	(176.6)
Other operating cash flow	(45.7)	90.8	73.7	66.0	59.1
Cash flow from operations	377.7	806.7	1,068.1	1,202.4	1,138.4
Capex	(944.8)	(187.0)	(794.5)	(1,133.0)	(1,133.4)
Free cash flow	(567.1)	619.7	273.6	69.4	5.0
Dividends paid	(120.6)	(241.4)	(482.9)	(482.9)	(482.9)
Equity raised / (purchased)	0.0	0.0	0.0	0.0	0.0
Change in Debt	(4.7)	(204.2)	(3.3)	(2.3)	0.0
Other invest/financing cash flow	21.3	(1.4)	(0.1)	(0.0)	0.0
Effect of exch rate changes	2.6	(33.7)	0.0	0.0	0.0
Net cash flow	(668.5)	139.0	(212.7)	(415.7)	(477.9)



FYE 31 Dec	FY21A	FY22A	FY23E	FY24E	FY25E
Key Ratios					
Growth ratios (%)					
Revenue growth	0.3	61.7	38.5	11.3	0.3
EBITDA growth	4.9	72.8	39.7	15.3	0.3
EBIT growth	41.6	149.1	77.2	25.3	0.4
Pretax growth	100.3	101.8	87.8	22.1	(0.3)
Reported net profit growth	164.8	85.5	109.4	22.2	(0.4)
Core net profit growth	20.3	150.4	90.3	22.2	(0.4)
Profitability ratios (%)					
EBITDA margin	42.0	44.9	45.3	46.9	46.9
EBIT margin	16.5	25.5	32.6	36.7	36.7
Pretax profit margin	21.2	26.5	35.9	39.4	39.2
Payout ratio	65.8	106.5	67.8	55.5	55.7
DuPont analysis					
Net profit margin (%)	17.2	19.7	29.8	32.7	32.5
Revenue/Assets (x)	0.1	0.2	0.3	0.3	0.3
Assets/Equity (x)	1.1	1.1	1.1	1.1	1.1
ROAE (%)	2.3	4.3	8.8	10.3	9.8
ROAA (%)	1.7	4.3	7.9	9.3	8.9
Liquidity & Efficiency					
Cash conversion cycle	(157.5)	(118.6)	(99.4)	(99.1)	(102.5)
Days receivable outstanding	19.7	16.5	17.9	19.8	20.6
Days inventory outstanding	25.3	16.3	12.4	12.6	13.3
Days payables outstanding	202.5	151.4	129.7	131.5	136.3
Dividend cover (x)	1.5	0.9	1.5	1.8	1.8
Current ratio (x)	5.1	6.1	5.0	4.0	3.3
Leverage & Expense Analysis					
Asset/Liability (x)	9.8	nm	nm	9.8	nm
Net gearing (%) (incl perps)	net cash				
Net gearing (%) (excl. perps)	net cash				
Net interest cover (x)	na	na	na	na	na
Debt/EBITDA (x)	0.6	0.0	0.0	0.0	0.0
Capex/revenue (%)	88.5	10.8	33.2	42.6	42.5
Net debt/ (net cash)	(3,077.9)	(3,459.1)	(3,249.7)	(2,836.2)	(2,358.3)

Source: Company; Maybank IBG Research

Maybank Investment Bank

Genting Bhd (GENT MK)

Triple play on GENS, GENM and **MYR**

Maintain BUY call with higher MYR5.84 SOP-TP (+6%)

GENT provides a cheaper exposure to our investment thesis on GENS and GENM. We also expect its discount to SOP/sh valuation to narrow this year as the MYR recovers. Then, there is the 'call option' on TauRx. We maintain our earnings estimates but roll forward our valuation base year to end-FY24E from end-FY23E. Utilising our revised TPs for GENS (SGD1.21 vs. SGD1.16 previously) and GENM (MYR2.93 vs. MYR2.70), we raise our SOP-TP for GENT to MYR5.84 (+35sen) on an unchanged 60% discount to SOP/sh.

Cheaper exposure to GENS and GENM

GENT provides a cheaper exposure to 53%-owned GENS which has been recovering above pre-COVID levels. GENT shareholders also get a secondary exposure to 49%-owned GENM's RWNYC potentially winning a downstate commercial casino license in New York City. Traditionally, GENS and GENM account for 70-80% of GENT's own SOP valuation (including RWG licensing & management fees). Based on our estimates, GENT is trading at <10x FY24E PER and <1.0x FY24E P/BV.

MYR recovery positive for GENT valuations

Our observation over the last 15 years reveals a strong correlation between MYR/USD and GENT's discount to SOP/sh valuation likely due to its highish foreign shareholding (Fig. 1 & 2). We note that foreign investors tend to BUY/SELL GENT when the MYR appreciates/depreciates. Our house view is that the MYR/USD exchange rate will appreciate to 0.23 vs. 0.22 currently. Thus, we expect GENT's discount to SOP/sh valuation, which is currently c.65% or -2SD to its 25-year mean, to narrow this year to 60%.

There is also the 'call option' in TauRx

Recall also that GENT has a 'call option' in 20%-owned TauRx (Not Listed), which is developing a drug to combat Alzheimer's disease. We understand that TauRx has submitted its lead investigative drug, hydromethylthionine mesylate (HMTM) for consideration for approval in the United Kingdom via the Medicines and Healthcare Products Regulatory Agency. We currently value TauRx at only USD1b. Our TP for GENT may be revised to > MYR8 should TauRx be valued at USD15b as once widely reported.

FYE Dec (MYR m)	FY21A	FY22A	FY23E	FY24E	FY25E
Revenue	13,530	22,384	26,539	29,211	29,588
EBITDA	3,798	7,548	8,923	10,324	10,521
Core net profit	(1,193)	87	1,221	2,189	2,511
Core EPS (sen)	(31.0)	2.3	31.7	56.8	65.2
Core EPS growth (%)	nm	nm	1,299.7	79.3	14.7
Net DPS (sen)	11.0	16.0	15.0	20.0	20.0
Core P/E (x)	nm	197.8	14.9	8.3	7.2
P/BV (x)	0.6	0.5	0.6	0.5	0.5
Net dividend yield (%)	2.4	3.6	3.2	4.2	4.2
ROAE (%)	(4.2)	(0.9)	3.8	6.6	7.3
ROAA (%)	(1.2)	0.1	1.2	2.2	2.6
EV/EBITDA (x)	16.3	8.2	6.8	5.8	5.6
Net gearing (%) (incl perps)	33.1	32.9	27.4	23.8	20.6
Consensus net profit	-	-	1,321	1,717	1,990
MIBG vs. Consensus (%)	-	-	(7.5)	27.5	26.2

Yin Shao Yang samuel.y@maybank-ib.com (603) 2297 8916

BUY

Share Price MYR 4.72

MYR 5.84 (+27%) 12m Price Target

MYR 5.49 **Previous Price Taraet**

Company Description

Genting Bhd. engages in the leisure and hospitality, oil palm plantations, property development, biotechnology, and oil and gas businesses.

Statistics

52w high/low (MYR)	5.11/4.02
3m avg turnover (USDm)	4.5
Free float (%)	54.1
Issued shares (m)	3,877
Market capitalisation	MYR18.3B
	USD3.9B

Major shareholders:	
Lim Family	43.79
The Vanguard Group, Inc.	2.39
Great Eastern Life Assurance Co. Ltd.	1.09

Price Performance



	-1M	-3M	-12M
Absolute (%)	3	16	1
Relative to index (%)	0	11	0

Source: FactSet

Companies mentioned in this report:-

- 1. Genting Malaysia (GENM MK, BUY, CP: MYR2.80, TP: MYR2.93)
- 2. Genting Singapore (GENS SP, BUY, CP: SGD0.985, TP: SGD1.21)

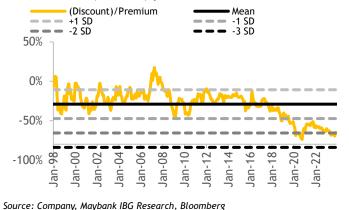


Maybank

Value Proposition

- Largest casino conglomerate in South East Asia with interests in power, plantations, property and oil & gas.
- Via 49%-owned Genting Malaysia (GENM) and 53%-owned Genting Singapore (GENS), operates Resorts World Genting (RWG) and Resorts World Sentosa (RWS).
- ROEs have fallen from >10% pre FY12 to <10% post FY18 due to RWS being pressured by the weak Chinese economy.
- Requires better performance from major subsidiaries to drive reversion to mean discount to SOP/sh.
- GENM expanding RWG via Genting Integrated Tourism Plan (GITP). RWG is Malaysian centric and especially resilient.

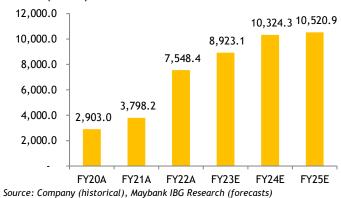
GENT historical (discount)/premium to SOP/sh valuation



Financial Metrics

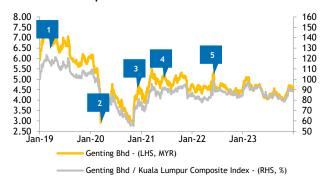
- Key financial metric is EBITDA. Most casino operators are valued on EV/EBITDA basis.
- Forecast FY23E and FY24E EBITDA to rebound gradually as more visitors return to RWG and RWS post-COVID-19.
- Forecast FY25E EBITDA to grow by a modest 2% YoY as operations return to/are close to pre-COVID levels.
- We expect balance sheet to remain in net debt as GENT has been more progressive in paying dividends.

EBITDA (MYRm)



Price Drivers

Historical share price trend



Source: Company, Maybank IBG Research

- 1. RWS casino entry levy hiked by 50% and casino tax rates will be hiked by 3-7ppts in Mar 2022.
- 2. COVID-19 outbreak. RWG and RWS were both shut from 18 Mar until 18 Jun 2020 and 6 Apr until 30 Jun 2020.
- 3. Pfizer, Moderna and AstraZeneca announced that they have developed effective COVID-19 vaccines.
- 4. Resorts World Las Vegas (RWLV) soft opens on 24 Jun 2021.
- 5. 20%-owned TauRx reported positive results from its Phase 3 trials for hydromethylthionine mesylate.

Swing Factors

Upside

- VIP volume and win rate these tend to be volatile and can greatly influence earnings.
- VIP: mass market mix tilting towards mass market will expand margins due to less commissions and rebates.
- Higher visitor arrivals to RWG as GITP's purpose is to attract more high margin mass market gamblers.

Downside

- Bad debts Chinese account for most of GENS and GENUK
 VIPs but gambling debts are not enforceable in China.
- CPO and oil prices plantations and oil & gas contribute <10% to EBITDA but CPO and oil prices can impact GENT group earnings nonetheless.
- Regional expansion new jurisdictions often require high capex commitments without guaranteeing returns

samuel.y@maybank-ib.com





samuel.y@maybank.com

Risk Rating & Score ¹	26.8 (Medium)
Score Momentum ²	-0.2
Last Updated	11 May 2023
Controversy Score ³ (Updated: 20 Dec 2023)	3 - Operations Incidents - Land Use and Biodiversity

Business Model & Industry Issues

- In our view, it is business as usual for Resorts World Genting (RWG) but GENS' Resorts World Sentosa (RWS) operates in the most highly regulated casino jurisdiction in the world which puts it at a disadvantage vis-à-vis its regional competitors.
- GENP will likely have to redirect its efforts to raising palm oil yields rather than growing its land bank due to anti-palm oil campaigns. It will also need to focus on achieving group-wide Roundtable on Sustainable Palm Oil (RSPO) certification.
- Genting Energy's net capacity will likely be still fossil fuel-focused due to the abundance of coal in Indonesia. That said, GENP
 and Genting Energy are addressing environmental issues via certifications and technology.
- Main risk to GENT's profitability and ESG credentials continues to be the recurrence of RPTs by GENM with the latest being the acquisition of 49% of loss generating Empire Resorts and increasingly stricter regulations being imposed on RWS.
- GENT is also an active investor in life sciences (GT Diagnostics, TauRx, DNAe, Celularity) which could pay off handsomely one
 day.
- GENT now scores slightly above-average in our proprietary scoring methodology (see pg.4) with an overall score of 59/100 (46 previously) based on our review on its FY22 (FY21 previously) sustainability efforts and achievements.

Material E issues

- Although RWG recently increased its gross floor area by ~50%, 94% of its ~10k acre virgin rainforest remains intact.
- RWG phased out plastic straws and replaced food boxes with biodegradable and compostable food containers.
- RWS houses 2.9 ha of protected secondary forest and >100,000 marine animals in the S.E.A. Aquarium.
- RWS phased out plastic straws/bottles in 2018/2019, saving 3m straws and 6.7m plastic bottles p.a.
- Only 5% of Genting Energy's net capacity of 1,872MW is fuelled by renewable sources (i.e. Jangi wind farm).
- Latest 55%-owned 660MW coal-fired Banten power plant is more fuel efficient due to supercritical boiler technology.
- GENP has had a 'zero burning policy' with regards to developing oil palm plantation land since the 1990s.
- GENP also has a 'No Deforestation, No Peat and No Exploitation' policy.
- Currently, 22 of 32 estates, 8 of 13 mills, 1 refinery and 2 biodiesel plant owned by GENP are RSPO certified.

Material S issues

- Bank Negara precludes RWG from extending credit to gamblers.
- GENUK accorded GamCare's Safer Gambling Standard (Level 3) by Safer Gambling Standard Great Britain.
- SCPR gamblers required to pay entry levies of SGD150 per 24 hours/SGD3,000 p.a. to enter RWS casino.
- Problem gambling at RWS regulated by the National Council on Problem Gambling.
- RWS is the first casino in Asia Pacific to receive RG Check accreditation from the Responsible Gambling Council.
- In Dec 2018, RWS attained RG Check reaccreditation and achieved the highest score amongst >150 venues.
- GENT employed c.52k people globally in 2022. The male to female employee ratio was 65%:35%.
- GENT invests in life sciences and sponsors the Dementia Care Centre in collaboration with University of Malaya.

Key G metrics and issues

- BOD comprises Chairman & Chief Executive, Deputy Chief Executive, President & Chief Operating Officer and 5 Independent Non-Executive Directors (INED).
- Tan Sri Lim Kok Thay (TSLKT), Chairman & Chief Executive and Mr. Lim Keong Hui, Deputy Chief Executive represent the Lim family.
- Mr. Lim Keong Hui, Deputy Chief Executive is a son of TSLKT, Chairman & Chief Executive.
- Madam Koid Swee Lian, INED is the sole woman director on the BOD.
- FY22 directors' remuneration substantial at MYR179.9m (+46% YoY) but lower as % of EBITDA at 2.4% (FY21: 3.2%).
- 2 key management personnel are women, the Chief Financial Officer and Senior Vice President - Legal.
- PricewaterhouseCoopers LLP is the independent auditor.
 They have been appointed for >10 years.
- GENM has a history of RPTs. The last major RPT was in 2019.
- Then, GENM acquired 49% of Empire Resorts from Kien Huat Realty III, linked to TSLKT for MYR661.1m.
- Empire Resorts has been generating losses since opening in Feb 2018.
- In 2016, GENM sold 17% of GENHK to Golden Hope, linked to TSLKT for USD415m.
- GENM had invested >USD750m and impaired >MYR2.0b of its investment in GENHK since 1998.
- In 2008, GENM acquired 10% of Walker Digital Gaming from KH Digital, linked to TSLKT for USD69m.
- RWS occasionally fined by the Casino Regulatory Authority.
 They were for minor infractions, in our view.
- Most fines were for SCPRs entering/remaining in the casino without valid casino entry levies
- RWS governed by the Casino Control Act (CCA) which contains anti money laundering regulations.
- CCA does not permit Macau style junkets which have often been accused of money laundering.
- RWS also developed and employs a Prevention Of Money Laundering and Terrorism Financing Framework.

1Risk 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. 2Score 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. 3Controversy 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).



ESG@MAYBANK IBG

	Quantitative Parameters (Score: 44)								
	Particulars	Unit	2020	2021	2022	LVS US (2022)			
	Scope 1 emissions	m tCO2e	4.0	4.1	3.7	0.1			
	Scope 2 emissions	m tCO2e	0.2	0.3	0.3	0.4			
	Total	m tCO2e	4.2	4.3	4.0	0.4			
Ε	Scope 3 emissions	m tCO2e	0.0	0.0	0.0	0.6			
	Total emissions	m tCO2e	4.2	4.4	4.1	1.1			
	Water consumption	m m3	978.8	855.2	806.9	6.1			
	Waste recycling rate	%	97.2%	98.4%	98.0%	28.1%			
	% of women in workforce	%	33%	33%	35%	50%			
	% of women in management roles	%	N/A	N/A	N/A	43.0%			
	Investment in community projects	% of EBITDA	0.6%	0.4%	0.2%	N/M			
S	% of local suppliers	%	N/A	93%	93%	79%			
	Employee training - company level	hours	32	15	6	69			
	Total number of lost days from injuries	days	3,361	6,556	2,764	12			
	Employee attrition rate	%	32%	17%	31%	12%			
	Board salary	% of EBITDA	6.1%	3.2%	2.4%	N/M			
	Independent directors on the Board	%	62.5%	62.5%	62.5%	56.0%			
G	Female directors on the Board	%	12.5%	12.5%	12.5%	33.3%			
- G	Distribution to shareholders	% of net profit	N/M	N/M	N/M	0%			
	Investment in loss generating related companies	MYRm	724.2	774.2	440.2	N/A			
	Board salary as % of EBITDA	% of EBITDA	6.1%	3.2%	2.4%	N/M			

Qualitative Paramaters (Score: 50)

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

 GENT has an ESG policy but it does not have a standalone ESG Committee. Sustainability Working Teams from Genting Singapore (GENS), Genting Malaysia (GENM), Genting Plantations (GENP), Genting Energy and Resorts World Las Vegas report to the GENT Executive Committee. The GENT Executive Committee does conduct meetings which deliberates on ESG matters alone.
- b) Is the senior management salary linked to fulfilling ESG targets?
- c) Does the company follow the task force of climate related disclosures (TCFD) framework for ESG reporting?
- No. Only GENS follows 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? Yes but not for all major subsidiaries. Only GENS and GENP capture Scope 3 emmissions.
- f) What are the 2-3 key carbon mitigation/water/waste management strategies adopted by the company? GENS has installed solar panels and a lagoon that harvests rainwater. It also has plans to quadruple number of solar panels. GENM is upgrading water pumps, hot water heating systems and compressor systems and installing rainwater harvesters. GENS and GENM have eliminated the use of single use plastics. GENP has a no deforestation, no peat, no exploitation and zero burning policy.
- g) Does carbon offset form part of the net zero/carbon neutrality target of the company? Yes. GENS is developing nature-based carbon offset strategy.

Target (Score: 100)					
Particulars	Target	Achieved			
GENS - Reduce carbon emission intensity by 30% by 2030 (2015 as baseline year)	30%	38%			
GENS - Reduce operational waste-to-landfill intensity by 50% (2015 as baseline year)	50%	49 %			
GENS - Quadruple renewable energy and procure from low carbon sources	4.0	WIP			
GENS - Green 75% of buildings by GFA by 2030	75%	64%			
GENS - 100% electric transportation by 2030	100%	WIP			
GENS - Quadruple EV charging stations by 2030 (2015 as baseline year)	4.0	1.5			
GENS - >90% spend on local suppliers by 2030	90%	90%			
GENM - Reduce energy consumption by 1% p.a. till 2023 at RWG (2018 as base year)	7%	17%			
GENP - Commitment to No Exploitation adopted in the entire supply chain by 2025	0%	N/A			
GENP - Zero fatality	-	2			
GENP - Traceability to Plantation (FFB Suppliers) - Own mills by 2026	100%	92%			
GENP - Traceability to Plantation (FFB Suppliers) - External mills by 2030	100%	79%			
Carbon neutral	By 2050	N/A			
Impact					
NA					
Overall Score: 59					

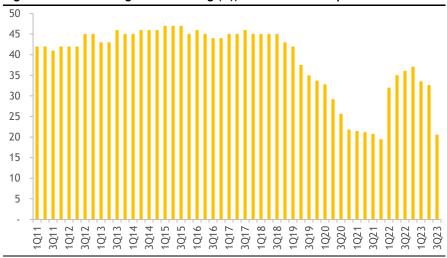
ESG score	Weights	Scores	Final Score
Quantitative	50%	44	22
Qualitative	25%	50	13
Target	25%	100	25
Total			59

As per our ESG matrix, Genting (GENT MK) has an overall score of 59.

As per our ESG assessment, GENT has an established framework, internal policies, and tangible mid/long-term targets. GENS' overall ESG score is 59, which makes its ESG rating above average in our view (average ESG rating = 50; refer to Appendix I for our ESG Assessment Scoring).

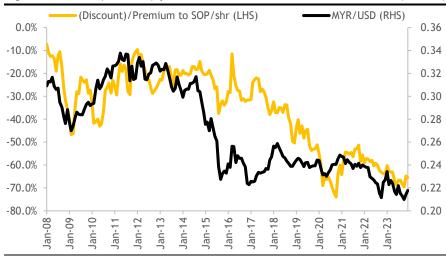
Maybank
Investment Bank

Figure 30: GENT foreign shareholding (%), 21% as at end-Sep 2023



Source: Company

Figure 31: GENT (discount)/premium to SOP/sh valuation vs. MYR/USD (R²: 0.7)



Source: Company, Maybank IBG Research, Bloomberg

Figure 32: GENT SOP-based valuation

	Forex	TP/Shr px	Shares	Stake	Value	Value/sh
		MYR	m	%	MYRm	MYR
	Α	В	С	D	E=AXBXCXD	
Genting Malaysia	1.00	2.93	5,665.2	49.4%	8,199.9	2.13
Genting Singapore	3.10	1.21	12,072.0	52.6%	23,818.4	6.19
Genting Plantations	1.00	6.00	897.2	55.4%	2,982.3	0.77
Landmarks	1.00	0.24	671.5	21.7%	35.0	0.01
icensing & management fees		DCF at 10.5%			7,342.8	1.91
Oil & Gas		End-FY23E BV			3,441.9	0.89
Power		EV/MW of USD0.5m 3,158.2			3,158.2	0.82
PT Lestari Banten			Capitalised cost 1,612.8			
Net cash/(debt) at GENT level			End-FY23E		(13,317.6)	(3.46)
Resorts World Las Vegas			Capitalised cost 18,0			4.69
「auRx			20.3% of USD1.0b 852.6			0.22
SOP		56,186.2			14.59	
60% discount)						(8.75)
ТР						5.84

Source: Maybank IBG Research



FYE 31 Dec	FY21A	FY22A	FY23E	FY24E	FY25E
Key Metrics			440	0.2	7.2
P/E (reported) (x)	nm	nm	14.9	8.3	7.2
Core P/E (x)	nm	197.8	14.9	8.3	7.2
P/BV (x)	0.6	0.5	0.6	0.5	0.5
P/NTA (x)	0.7	0.6	0.7	0.6	0.6
Net dividend yield (%)	2.4	3.6	3.2	4.2	4.2
FCF yield (%)	nm	32.4	32.2	25.2	23.9
EV/EBITDA (x) EV/EBIT (x)	16.3 59.8	8.2 16.1	6.8 11.4	5.8 8.8	5.6 8.5
(X)	37.0	10.1		0.0	0.3
INCOME STATEMENT (MYR m)	42 500 5	00 202 7	04 500 0	20.242.7	20 500 0
Revenue	13,529.5	22,383.7	26,539.2	29,210.7	29,588.0
EBITDA	3,798.2	7,548.4	8,923.1	10,324.3	10,520.9
Depreciation	(2,764.3)	(3,724.6)	(3,628.7)	(3,539.1)	(3,547.5)
EBIT	1,033.9	3,823.8	5,294.4	6,785.2	6,973.5
Net interest income /(exp)	(1,101.3)	(1,502.8)	(1,399.1)	(1,208.4)	(949.3)
Associates & JV	(335.7)	(198.5)	(52.9)	(24.1)	(24.1)
Exceptionals	(567.7)	(857.4)	0.0	0.0	0.0
Pretax profit	(970.8)	1,265.1	3,842.3	5,552.7	6,000.0
Income tax	(442.3)	(1,220.6)	(1,096.6)	(1,423.6)	(1,481.4)
Minorities	43.4	(344.4)	(1,524.9)	(1,940.5)	(2,007.3)
Discontinued operations	0.0	0.0	0.0	0.0	0.0
Reported net profit	(1,369.7)	(299.9)	1,220.8	2,188.7	2,511.3
Core net profit	(1,193.1)	87.2	1,220.8	2,188.7	2,511.3
BALANCE SHEET (MYR m)					
, ,	22 447 0	22 545 0	22 769 6	40 OOF 3	12.072.4
Cash & Short Term Investments	23,147.0	22,515.0	22,768.6	18,085.3	13,973.4
Accounts receivable	2,582.9	2,631.7	2,840.7	3,126.7	3,167.1
Inventory	656.5	827.5	831.3	913.9	925.6
Property, Plant & Equip (net)	49,403.8	49,082.6	49,094.9	50,311.0	51,535.0
Intangible assets	5,028.5	5,101.9	5,101.9	5,101.9	5,101.9
Investment in Associates & JVs	3,896.2	4,729.2	4,676.3	4,652.1	4,628.0
Other assets	17,733.2	17,621.7	17,621.7	17,621.7	17,621.7
Total assets	102,448.1	102,509.6	102,935.4	99,812.6	96,952.6
ST interest bearing debt	2,900.8	2,414.3	6,063.7	5,449.2	5,449.2
Accounts payable	5,212.8	5,812.2	7,355.1	7,885.5	7,961.0
LT interest bearing debt	37,837.8	37,500.4	31,436.7	25,987.5	20,538.3
Other liabilities	3,338.0	3,893.0	4,237.0	4,508.0	4,556.0
Total Liabilities	49,289.5	49,619.7	49,092.7	43,830.4	38,504.6
Shareholders Equity	31,794.1	31,675.1	32,318.3	33,736.9	35,478.1
Minority Interest	21,364.5	21,214.8	21,524.4	22,245.3	22,969.9
Total shareholder equity	53,158.6	52,889.9	53,842.7	55,982.2	58,448.0
Total liabilities and equity	102,448.1	102,509.6	102,935.4	99,812.6	96,952.6
CASH FLOW (MYR m)					
Pretax profit	(970.8)	1,265.1	3,842.3	5,552.7	6,000.0
Depreciation & amortisation	2,764.3	3,724.6	3,628.7	3,539.1	3,547.5
Adj net interest (income)/exp	1,101.3	1,502.8	1,399.1	1,208.4	949.3
Change in working capital	167.2	536.5	1,330.1	161.8	23.4
Cash taxes paid	(539.9)	(687.1)	(752.2)	(1,152.5)	(1,433.5)
Other operating cash flow	490.7	966.1	52.9	24.1	24.1
Cash flow from operations	3,012.8	7,308.0	9,501.0	9,333.6	9,110.9
Capex	(6,101.8)	(1,711.3)	(3,641.0)	(4,755.2)	(4,771.4)
Free cash flow	(3,089.0)	5,596.7	5,860.0	4,578.4	4,339.5
Dividends paid	(327.3)	(693.1)	(577.6)	(770.1)	(770.1)
Equity raised / (purchased)	0.0	0.0	0.0	0.0	0.0
Change in Debt	2,871.5	(2,535.3)	(2,414.3)	(6,063.7)	(5,449.2)
Other invest/financing cash flow	(3,444.9)	(3,972.7)	(2,614.5)	(2,427.9)	(2,232.1)
Effect of exch rate changes	597.3	941.3	0.0	0.0	0.0
Net cash flow	(3,392.4)	(663.1)	253.6	(4,683.3)	(4,111.9)



FYE 31 Dec	FY21A	FY22A	FY23E	FY24E	FY25E
Key Ratios					
Growth ratios (%)					
Revenue growth	17.0	65.4	18.6	10.1	1.3
EBITDA growth	30.8	98.7	18.2	15.7	1.9
EBIT growth	116.8	269.8	38.5	28.2	2.8
Pretax growth	nm	nm	203.7	44.5	8.1
Reported net profit growth	nm	nm	nm	79.3	14.7
Core net profit growth	nm	nm	1,299.7	79.3	14.7
Profitability ratios (%)					
EBITDA margin	28.1	33.7	33.6	35.3	35.6
EBIT margin	7.6	17.1	19.9	23.2	23.6
Pretax profit margin	nm	5.7	14.5	19.0	20.3
Payout ratio	nm	nm	47.3	35.2	30.7
DuPont analysis					
Net profit margin (%)	nm	nm	4.6	7.5	8.5
Revenue/Assets (x)	0.1	0.2	0.3	0.3	0.3
Assets/Equity (x)	3.2	3.2	3.2	3.0	2.7
ROAE (%)	(4.2)	(0.9)	3.8	6.6	7.3
ROAA (%)	(1.2)	0.1	1.2	2.2	2.6
Liquidity & Efficiency					
Cash conversion cycle	(104.0)	(73.8)	(80.5)	(91.8)	(93.9
Days receivable outstanding	61.2	41.9	37.1	36.8	38.3
Days inventory outstanding	22.9	18.0	16.9	16.6	17.4
Days payables outstanding	188.0	133.8	134.5	145.3	149.6
Dividend cover (x)	(3.2)	(0.5)	2.1	2.8	3.3
Current ratio (x)	3.1	3.0	1.9	1.5	1.3
Leverage & Expense Analysis					
Asset/Liability (x)	2.1	2.1	2.1	2.3	2.5
Net gearing (%) (incl perps)	33.1	32.9	27.4	23.8	20.6
Net gearing (%) (excl. perps)	33.1	32.9	27.4	23.8	20.6
Net interest cover (x)	0.9	2.5	3.8	5.6	7.3
Debt/EBITDA (x)	10.7	5.3	4.2	3.0	2.5
Capex/revenue (%)	45.1	7.6	13.7	16.3	16.1
Net debt/ (net cash)	17,591.6	17,399.7	14,731.8	13,351.4	12,014.1

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 chuahb@maybank.com

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

Erica TAY China | Thailand (65) 6231 5844 erica.tay@maybank.com

Brian LEE Shun Rong Indonesia | Singapore | Vietnam (65) 6231 5846 brian.lee1@maybank.com

Fatin Nabila MOHD ZAINI (603) 2297 8685

fatinnabila.mohdzaini@maybank-ib.com

Luong Thu Huong (65) 6231 8467 hana.thuhuong@maybank.com

FX

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

(65) 6320 1374 fionalim@maybank.com

Alan LAU (65) 6320 1378 alanlau@maybank.com

Shaun LIM (65) 6320 1371 shaunlim@maybank.com

STRATEGY

Anand PATHMAKANTHAN

(603) 2297 8783 anand.pathmakanthan@maybank-ib.com

FIXED INCOME

Winson PHOON, FCA Head of Fixed Income (65) 6340 1079 winsonphoon@maybank.com

(603) 2074 7606 munyi.st@maybank-ib.com

PORTFOLIO STRATEGY

MIBG SUSTAINABILITY RESEARCH

Jigar SHAH 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

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

Anand PATHMAKANTHAN (603) 2297 8783 anand.pathmakanthan@maybank-ib.com
• Equity Strategy

Desmond CH'NG, BFP, FCA

(603) 2297 8680 desmond.chng@maybank-ib.com • Banking & Finance

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

· Plantations - Regional

YIN Shao Yang, CPA (603) 2297 8916 • 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

(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

(603) 2297 8687 lohyanjin.loh@maybank-ib.com · Ports · Automotive · Technology (EMS)

Jeremie YAP (603) 2297 8688 jeremie.yap@maybank-ib.com
• Oil & Gas • Petrochemicals

(603) 2297 8692

LOH Yan Jin

arvind.jayaratnam@maybank.com
• Technology (Semicon & Software)

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 Retail Research

Chartist

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

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

• REITs

Jarick SEET (65) 6231 5848

jarick.seet@maybank.com Technology

Krishna GUHA (65) 6231 5842 krishna.guha@maybank.com
• REITs

PHILIPPINES

Rachelleen RODRIGUEZ, CFA Head of Research (63) 2 5322 5007 rachelleen.rodriguez@maybank.com • Banking & Finance • Transport • Telcos

Utilities

Daphne SZE (63) 2 5322 5008 daphne.sze@maybank.com
• Consumer

Alexa Mae CARVAJAL (63) 2 5322 5006 alexamae.carvajal@maybank.com • Consumer • Gaming • Property • REITs

THAILAND

Chak REUNGSINPINYA Head of Research (66) 2658 5000 ext 1399 chak.reungsinpinya@maybank.com
• Strategy • Energy

Jesada TECHAHUSDIN, CFA (66) 2658 5000 ext 1395 jesada.t@maybank.com

Banking & Finance

Wasu MATTANAPOTCHANART (66) 2658 5000 ext 1392 wasu.m@maybank.com • Telcos • Technology • REITs • Property

 Consumer Discretionary Surachai PRAMIJAI CHAROFNKIT

(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

Natchaphon RODJANAROWAN (66) 2658 5000 ext 1393 natchaphon.rodjanarowan@maybank.com • Utilities

Boonyakorn AMORNSANK (66) 2658 5000 ext 1394 boonyakorn.amornsank@maybank.com Services

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

Etta Rusdiana PUTRA (62) 21 8066 8683 etta.putra@maybank.com
• Telcos • Internet • Construction

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

Adi WICAKSONO (62) 21 8066 8686 adi.wicaksono@mavbank.com Plantations

Satriawan HARYONO, CEWA, CTA (62) 21 8066 8682 satriawan@maybank.com

 Chartist VIETNAM

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 8182 loi.nguyen@maybank.com Property

Nguyen Thanh Hai (84 28) 44 555 888 ext 8081 thanhhai.nguyen@maybank.com
• Industrials

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



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 6 January 2024, 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 6 January 2024, 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 6 January 2024, 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.

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

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

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