

Capital A (CAPITALA MK)

Just getting started

Maintain BUY call and MYR1.00 SOP-TP (+6%)

We hosted CAPITALA at our Invest ASEAN 2024 Corporate Day in Penang on 11-12 Jun. Clearly, the focus of discussions was on its airlines which will be sold to AAX in exchange for AAG shares. We came away feeling positive about the airlines' prospects. Recall that CAPITALA shareholders will still have exposure to AAG as every 1 CAPITALA share entitles them to 0.4-0.5 AAG shares ([link](#)). CAPITALA also expects its PN17 status to be lifted by mid-2025E. Our earnings estimates are unchanged.

Still operating above our expectations

After an eye watering 1Q24 average fare of MYR264, CAPITALA reiterated that QTD average fare remains high at >MYR250 or >25% higher than pre-COVID times. And, it is experiencing c.90% load factors or 5ppts higher than pre-COVID times. Domestic demand remains resilient while foreign demand improved markedly after the visa requirement for Chinese and Indian visitors was waived by Malaysia on 1 Dec 2023. Long term, we are forecasting lower fares of MYR236-MYR242 and load factors of 86%.

The best quarters have yet to come, in our view

CAPITALA generated 1Q24 core net profit of MYR66.5m although only 78% of its aircraft were operational. It expects 92% of its 221 aircraft to be operational by year end. To be sure, it will be more challenging and expensive to return the remaining aircraft to service as they are older and have been idle for some time but we concur with CAPITALA's timeline expectation. It also helps that spot jet fuel prices have fallen to c.USD95/bbl after averaging at USD103/bbl in 1Q24.

Aims to have PN17 status lifted in 1Q25/2Q25

On the disposal of its 5 airlines to AAX, CAPITALA expects submission of a circular to BME this month, approval from BME next month, EGM seeking shareholders' approval in Aug, high court approval for the distribution of AAG shares in specie in Sep and listing of AAG shares in Oct. On its PN17 status, CAPITALA expects announcement of its regularisation plan in Jul, submission of a circular to BME in Sep, approval from BME in Nov, EGM seeking shareholders' approval in Dec and uplifting of its PN17 status in 1Q25/2Q25 after 2 profitable quarters.

FYE Dec (MYR m)	FY22A	FY23A	FY24E	FY25E	FY26E
Revenue	6,437	14,772	20,291	22,017	22,017
EBITDAR	(371)	1,610	4,250	4,390	4,412
Core net profit	(2,683)	(877)	318	701	817
Core FDEPS (sen)	(64.4)	(18.9)	6.5	12.9	14.8
Core FDEPS growth(%)	nm	nm	nm	99.2	15.1
Net DPS (sen)	0.0	0.0	0.0	0.0	0.0
Core FD P/E (x)	nm	nm	13.0	6.5	5.7
P/BV (x)	nm	nm	nm	nm	nm
Net dividend yield (%)	0.0	0.0	0.0	0.0	0.0
ROAE (%)	(289.5)	(81.8)	(19.7)	(63.2)	(233.3)
ROAA (%)	(13.4)	(3.7)	1.1	2.6	3.0
EV/EBITDAR (x)	nm	22.8	7.7	6.4	5.3
Net gearing (%) (incl perps)	nm	nm	nm	nm	nm
Consensus net profit	-	-	565	750	958
MIBG vs. Consensus (%)	-	-	(43.7)	(6.5)	(14.7)

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BUY

Share Price	MYR 0.84
12m Price Target	MYR 1.00 (+19%)
Previous Price Target	MYR 1.00

Company Description

AirAsia Group is Asia's foremost low cost carrier with operations in Malaysia, Thailand, Indonesia, Philippines and Cambodia.

Statistics

52w high/low (MYR)	1.09/0.65
3m avg turnover (USDm)	3.2
Free float (%)	60.8
Issued shares (m)	4,256
Market capitalisation	MYR3.6B USD760M

Major shareholders:

Tune Air Sdn Bhd	12.1%
Tune Live Sdn. Bhd.	12.0%
Positive Boom Ltd.	7.8%

Price Performance



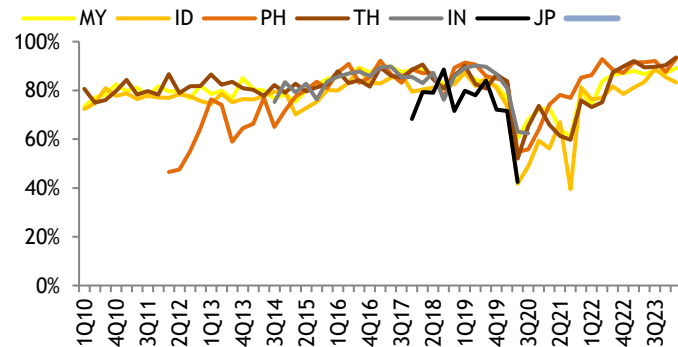
	-1M	-3M	-12M
Absolute (%)	(7)	17	9
Relative to index (%)	(5)	14	(4)

Source: FactSet

Value Proposition

- Asia’s leading low cost carrier with highest market share, largest fleet size and most extensive route network.
- Operates in 5 countries after exiting Japan and India, which provides unrivalled route network reach.
- Lowest unit cost airline in the world. Management is very ambitious, cost conscious and forward-thinking.
- Growing middle class in Asia fuelling growth in demand for air travel.
- Won the coveted ‘World’s Best LCC’ award for a record 14 times in a row by Skytrax.

AirAsia passengers load factor by country

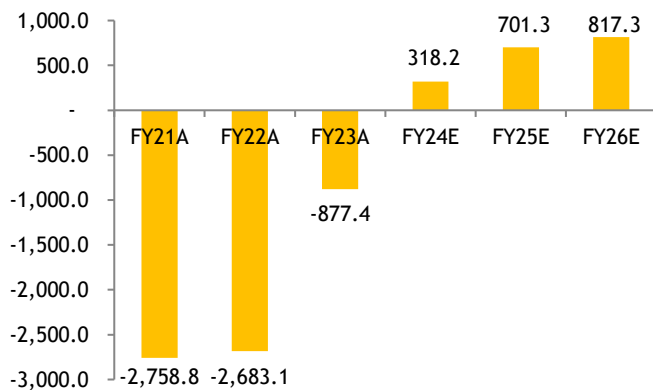


Source: Company

Financial Metrics

- Best financial indicator is core net profit ex-disposal gains, forex and fair value changes, and deferred taxation.
- Forecast FY24E to return to core net profit on more passengers and higher fares.
- Forecast FY25E core net profit to grow further on more passengers as all aircraft would have returned to service.
- Sensitive to fuel price movement, a USD1 per barrel change in fuel price will move earnings by MYR40m-MYR50m.
- Balance sheet as at end-1Q24 in a net debt position of MYR4.39b if ex-finance lease liabilities.

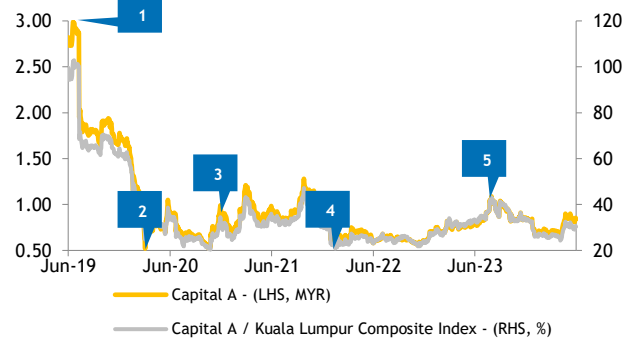
Core net profit/(loss) (MYRm)



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

Price Drivers

Historical share price trend



Source: Company, Maybank IBG Research

1. Share price went ex- following a 90sen/shr special dividend.
2. COVID-19 pandemic struck Malaysia. CAPITALA grounded most of its fleet in late-Mar 2020.
3. Pfizer, Moderna and AstraZeneca announced that they have developed effective COVID-19 vaccines.
4. CAPITALA classified as a PN17 listed issuer by Bursa Malaysia.
5. CAPITALA has been reporting narrower and narrower losses.

Swing Factors

Upside

- Policy changes - visa requirement relaxations and tourist friendly events drive passenger traffic growth.
- Less competition - COVID-19 pandemic has caused competitors to reduce capacity and raise prices.
- Financial assistance - will enable CAPITALA to fill temporary liquidity gaps and survive.

Downside

- Exogenous events - SARS; MH370, MH17 & AK8501 tragedies; and COVID-19 negatively impacted passenger traffic growth.
- Fuel prices - they are volatile and there is no certainty that they will be hedged at low levels.
- Weak MYR - 60-70% of operating costs are USD denominated.

Risk Rating & Score ¹	34.1 (High)
Score Momentum ²	-0.4
Last Updated	15 Aug 2023
Controversy Score ³ (Updated: 14 Aug 2023)	2 - Customer Incidents, Business Ethics Incidents

Business Model & Industry Issues

- Being in the airline industry, CAPITALA may not be deemed as environmentally friendly but it operates Airbus A320 family aircraft which are already fuel efficient. It will gradually replace its entire fleet with the even more fuel efficient A321neo aircraft.
- As at end-FY23A, only 34% of staff are female but this is not entirely unexpected as operational functions (e.g. engineering) tend to be filled by males.
- An especially positive point is that CAPITALA supported staff that were laid off during the COVID-19 pandemic and even established an academy to retrain staff in technology and IT.
- To be sure, some senior managers have made headlines for the wrong reasons but to be fair, no misconduct has been proven to date. However, CAPITALA's decision to enter and exit Japan twice raised eyebrows.
- CAPITALA was included in the FTSE4GOOD Bursa Malaysia Index in Dec 2020. In all, we rate CAPITALA's ESG credentials as moderate. CAPITALA scores marginally above-average in our proprietary scoring methodology with an overall score of 59/100.

Material E issues

- As at end-FY23A, operated 172 Airbus A320, 40 Airbus A320neo and 4 Airbus A321neo.
- Will gradually replace entire fleet with Airbus A321neo which is 10-15% more fuel efficient than the Airbus A320.
- Carbon intensity ratio (CIR) was down 9% YoY to 64.4g CO₂/ASK in FY23A.
- Fuel consumption/100RPK was down c.12% YoY to 3.0 litres in FY23A due to longer stage lengths.
- CIR and fuel efficiency to normalise as RPK and stage length recover due to the COVID-19 pandemic easing.
- Targets carbon neutral growth (relative to 2019 as the base line year) and net zero CO₂ emissions by 2050.
- Plans to incorporate sustainable aviation fuel and introduce carbon offsetting options.
- Partners TRAFFIC to raise awareness of illegal wildlife trafficking in the aviation sector.

Material S issues

- Trains staff on-line to recognise the signs of human trafficking on board and respond appropriately.
- Hosted its first international webinar, "The Role of Airline Staff as Frontliners in the Fight Against Human Trafficking" and joined ICAO's Anti-Trafficking Working Group.
- Flew 410 rescue and repatriation flights to bring >15,000 individuals home in FY20.
- MYR3.7m spent on staff training in FY23A (-97% YoY) as staff resumed flying more often.
- Launched Redbeat Academy in Oct 2020 to retrain staff in technology and IT.
- As at end-FY23A, only 34% of staff is female. Skewed by males in operational functions (e.g. engineering).
- Through AirAsia Foundation, supported 32 social enterprises benefitting >10,000 individuals as at end-FY23A.

Key G metrics and issues

- BOD comprises one Non-Independent Executive Chairman (NIEC), one Non-Independent Executive Director & Chief Executive Officer (NIED & CEO), one Non-Independent Non-Executive Director (NINED) and 2 Independent Non-Executive Directors (INED).
- INEDs make up <50% of its BOD, not meeting the Malaysian Code on Corporate Governance's recommendation.
- None of the 5 BOD members are women. The last female director, Surina Binti Shukri, passed away on 28 Feb 2024.
- Major shareholders, Tune Air and Tune Live are represented on the BOD by the NIEC and NIED & CEO.
- There are 3 BOD committees (i.e. Audit, Nomination & Remuneration and Risk Management & Sustainability).
- The Audit and Nomination & Remuneration Committees are chaired by INEDs.
- The Risk Management Committee, however, is chaired by the NINED.
- FY23A directors' remuneration doubled YoY to MYR36.3m on narrower losses but accounts for only 0.2% of revenue.
- Ernst & Young PLT is the independent auditor since 2017. The predecessor was PricewaterhouseCoopers PLT.
- Fined by Malaysian Aviation Commission for charging processing fees in FY19 and FY20 (MYR2.2m total) and advertising misleading airfares in FY18 (MYR160k).
- Fined by Malaysia Competition Commission for entering into a collaboration agreement with Malaysia Airlines (MYR10m) in FY14.
- India's Central Bureau of Investigation (CBI) filed a case against the NIED & CEO over alleged violation of norms in getting international flying licenses in FY18.
- The NIED & CEO has not responded to the CBI's case to date.
- The NIEC and NIED & CEO were implicated in a bribery case involving Airbus in FY20. Both were later cleared.
- Ventured into Japan twice. AirAsia Japan consumed >MYR400m in investments but never generated an annual profit. AirAsia Japan filed for bankruptcy in Oct 2020.

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

Quantitative Parameters (Score: 35)						
	Particulars	Unit	2020	2021	2022	LUV US (FY12/22)
E	Scope 1 emissions	tCO ₂ e	1,260,477	391,325	1,917,390	18,627,259
	Scope 2 emissions	tCO ₂ e	4,001	3,496	4,459	36,487
	Total	tCO₂e	1,264,477	394,821	1,921,849	18,663,746
	Scope 3 emissions	tCO ₂ e	N/A	N/A	410,251	5,610,029
	Total	tCO₂e	1,264,477	394,821	2,332,100	24,273,775
	Scope 1 & 2 emissions intensity	gCO ₂ e/ASK	65.7	68.1	70.5	78.1
	Non-renewable electricity purchased	MWh	5,405	4,748	6,122	N/A
	Water consumption at headquarters	m ³	46,286	38,943	75,974	N/A
	Total non-hazardous waste generated	tonnes	152.1	167.3	468.2	7,259
	Non-hazardous waste diverted away from landfill	%	11.6%	4.4%	9.1%	21.0%
S	% of women in workforce	%	36.1%	34.5%	34.3%	44.0%
	% of women in managerial roles	%	15.6%	18.0%	24.1%	25.0%
	% of local suppliers (ex-fuel, aircraft purchase & lessors)	%	38.0%	38.0%	48.0%	N/A
	Net Promoter Score - Airlines	score	52	60	36	51
	Loss time incident rate	rate	2.6	2.0	8.4	N/A
	Employee attrition rate	%	24.2%	15.4%	12.2%	9.5%
	Employee training per employee	Hours	2	4	12	58
	Community contributions as % of revenue	%	N/A	0.01%	0.01%	0.06%
G	Board salary as % of revenue	%	0.4%	2.0%	0.3%	0.0%
	Independent directors on BOD (tenure <10 years)	%	50%	50%	50%	86%
	Female directors on the Board	%	0%	0%	17%	15%

Qualitative Parameters (Score: 67)	
a) Is there an ESG policy in place and whether there is a standalone ESG committee or is it part of a risk committee?	<i>Yes. CAPITALA has an ESG policy which detailed in its Sustainability Policy and Sustainability Redbook. Sustainability Working Groups and the Group Sustainability Department report to the Chief Sustainability Officer who, in turn, reports to the Risk Management and Sustainability Committee.</i>
b) Is the senior management salary linked to fulfilling ESG targets?	<i>Yes.</i>
c) Does the company follow the task force of climate related disclosures (TCFD) framework for ESG reporting?	<i>Yes. CAPITALA follows the TCFD framework for ESG reporting.</i>
e) Does the company have a mechanism to capture Scope 3 emissions - which parameters are captured?	<i>Yes. Captures emissions from servers (Category 1), fuel and energy-related activities not included in scope 1 or scope 2 (Category 3), business travel (Category 6), employee commuting (Category 7) and use of sold products (Category 11).</i>
f) What are the 2-3 key carbon mitigation/water/waste management strategies adopted by the company?	<i>Gradually migrating fleet from the A320 to more fuel efficient A321neo, flying aircraft more fuel efficiently, exploring the utilisation of Sustainable Aviation Fuels and carbon credits, and migrated from printing trip files to storing them digitally.</i>
g) Does carbon offset form part of the net zero/carbon neutrality target of the company?	<i>Yes.</i>

Target (Score: 100)		
Particulars	Target	Achieved
Carbon net zero by 2050	0%	N/A
Cap emissions at 85% of 2019 levels by 2026	85%	N/A
≥15% of power consumption from renewable sources by 2026	15%	0%
All new buildings Green Certified and utilise ≥30% renewable energy by 2026	30%	N/A
Achieve full paperless operations by 2026	100%	N/A
Convert all on-site servers to cloud-based servers by 2026	100%	N/A
Reduce waste to landfill by 10% p.a. by 2026	10%	N/A
Eliminate single use plastics by 2026	0%	N/A
Cap food waste at 15% by 2026	15%	N/A
≥30% of total procurement from ESG-compliant suppliers by 2026	30%	N/A
≥10% of materials to be biodegradable or recycled by 2026	10%	N/A
≥30% women representation across all employee levels by 2026	30%	34%
≥30% women representation on the Board Of Directors by 2026	30%	17%
≥10% women pilots and engineers by 2026	10%	7%
≥30% women in tech by 2026	30%	N/A
Invest ≥2% of total manpower budget into training & development by 2026	2%	9%
Achieve 1.5 human capital return on investment ratio by 2026	1.5	N/A
Positively impact 100m people by 2026	100m	N/A
Generate MYR12m revenue p.a. from social and MSMEs by 2026	MYR12m	N/A
Impact		
NA		
Overall Score: 59		
As per our ESG matrix, Capital A (CAPITALA MK) has an overall score of 59.		

ESG score	Weights	Scores	Final Score
Quantitative	50%	35	18
Qualitative	25%	67	17
Target	25%	100	25
Total			59

As per our ESG assessment, CAPITALA has an established framework, internal policies, and tangible mid/long-term targets. CAPITALA'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).

Other updates

- CAPITALA still expects to list CAPI which collects, amongst other things, 1% of AAG's revenue as licensing fees on the NASDAQ in 4Q24 at a USD1.0b valuation.
- CAPITALA intends to distribute CAPI shares to its shareholders in specie. CAPITALA does not expect the licensing fees it collects to overly burden AAG as CAPI will incur AAG's advertising expenses in return.
- CAPITALA may dispose 50%-owned ground handler, Ground Team Red to AAG eventually as its operations are synergistic with AAG given that ground handlers service aircraft (e.g. cleaning, catering, refuelling, towing).
- CAPITALA will transfer most of its debts to AAX when the former sells its 5 airlines to the latter as most of them were incurred by the 5 airlines (as at 31 Dec 2023: gross borrowings of MYR5.0b and lease liabilities of MYR19.2b).
- AAX, whose listing status AAG will take over, is planning to raise MYR1.0b from a private placement in Aug to repay some of the borrowings, especially the ones that attract interest rates of 11-12% p.a.

Figure 1: CAPITALA SOP-based valuation

	FY25E	PER (X)	Value	Value/shr	Comment
Airline net profit with RCUIDS interest expenses added back	798.3	7.0	5,588.0	0.94	
AirAsia X			90.7	0.02	13% of market capitalization
Tune Protect Group			35.9	0.01	14% of market capitalization
Proceeds from warrants			649.7	0.11	MYR1.00 exercise price
Proceeds from ESOS			93.7	0.02	MYR0.743 exercise price
Incumbent business (A)			6,458.0	1.08	
MOVE SuperApp			4,419.0	0.74	96% of USD1.0b valuation
Teleport			1,068.9	0.18	78% of USD300m valuation
Digital business (B)			5,487.9	0.92	
Total (C=A+B)			11,945.9	2.00	
(50% discount) (D=CX-50%)			(5,972.9)	(1.00)	
SOP (E=C+D)			5,972.9	1.00	

Source: Maybank IBG Research

FYE 31 Dec	FY22A	FY23A	FY24E	FY25E	FY26E
Key Metrics					
P/E (reported) (x)	nm	4.1	11.2	5.1	4.4
Core P/E (x)	nm	nm	11.2	5.1	4.4
Core FD P/E (x)	nm	nm	13.0	6.5	5.7
P/BV (x)	nm	nm	nm	nm	nm
P/NTA (x)	(0.4)	(0.3)	(0.3)	(0.3)	(0.3)
Net dividend yield (%)	0.0	0.0	0.0	0.0	0.0
FCF yield (%)	nm	66.2	50.6	107.4	107.9
EV/EBITDAR (x)	nm	22.8	7.7	6.4	5.3
EV/EBIT (x)	nm	nm	14.7	11.6	9.5

INCOME STATEMENT (MYR m)

Revenue	6,437.1	14,771.7	20,291.0	22,017.4	22,017.4
EBITDAR	(371.3)	1,610.3	4,250.0	4,390.4	4,412.1
Depreciation	(1,441.6)	(1,728.9)	(2,025.7)	(1,958.7)	(1,940.8)
EBIT	(1,903.0)	(118.5)	2,224.3	2,431.7	2,471.3
Net interest income / (exp)	(964.6)	(1,199.4)	(1,553.8)	(1,474.9)	(1,398.4)
Associates & JV	(345.4)	(14.2)	26.7	26.7	26.7
Exceptionals	(90.6)	1,865.5	0.0	0.0	0.0
Pretax profit	(3,303.7)	533.4	697.2	983.6	1,099.6
Income tax	(15.6)	(35.4)	(23.7)	(23.7)	(23.7)
Minorities	677.8	329.4	(355.3)	(258.6)	(258.6)
Reported net profit	(2,626.4)	837.0	318.2	701.3	817.3
Core net profit	(2,683.1)	(877.4)	318.2	701.3	817.3

BALANCE SHEET (MYR m)

Cash & Short Term Investments	470.0	703.2	2,350.8	3,885.9	5,424.6
Accounts receivable	765.9	1,173.0	1,173.0	1,173.0	1,173.0
Inventory	204.5	294.4	294.4	294.4	294.4
Reinsurance assets	0.0	0.0	0.0	0.0	0.0
Property, Plant & Equip (net)	882.9	1,548.4	1,443.9	1,339.4	1,234.9
Intangible assets	748.4	4,719.0	4,719.0	4,719.0	4,719.0
Investment in Associates & JVs	924.5	402.8	429.5	456.2	482.9
Other assets	15,931.4	19,066.3	17,156.0	15,272.3	13,407.3
Total assets	19,927.5	27,907.2	27,566.7	27,140.3	26,736.1
ST interest bearing debt	4,871.8	6,241.4	4,650.0	4,743.8	4,829.0
Accounts payable	2,878.6	4,301.0	4,301.0	4,301.0	4,301.0
Insurance contract liabilities	0.0	0.0	0.0	0.0	0.0
LT interest bearing debt	13,122.8	17,444.0	18,028.9	16,548.9	14,983.6
Other liabilities	8,571.0	10,390.0	10,383.0	10,383.0	10,383.0
Total Liabilities	29,444.5	38,376.7	37,362.5	35,976.3	34,496.3
Shareholders Equity	(5,725.1)	(8,710.6)	(8,392.3)	(7,691.0)	(6,873.7)
Minority Interest	(3,791.9)	(1,758.9)	(1,403.6)	(1,145.0)	(886.4)
Total shareholder equity	(9,517.0)	(10,469.5)	(9,795.9)	(8,836.0)	(7,760.2)
Total liabilities and equity	19,927.5	27,907.2	27,566.7	27,140.3	26,736.1

CASH FLOW (MYR m)

Pretax profit	(3,303.7)	533.4	697.2	983.6	1,099.6
Depreciation & amortisation	1,441.6	1,728.9	2,025.7	1,958.7	1,940.8
Adj net interest (income)/exp	733.6	996.5	1,032.3	953.3	876.9
Change in working capital	183.9	(1,801.8)	40.4	42.9	38.2
Cash taxes paid	(35.9)	(8.0)	(31.4)	(23.7)	(23.7)
Other operating cash flow	698.3	(402.1)	(26.7)	(26.7)	(26.7)
Cash flow from operations	(282.1)	1,046.8	3,737.5	3,888.1	3,905.0
Capex	(90.7)	(272.4)	(50.0)	(50.0)	(50.0)
Free cash flow	(1,476.7)	2,286.8	1,809.0	3,838.1	3,855.0
Dividends paid	0.0	0.0	0.0	0.0	0.0
Equity raised / (purchased)	0.0	0.0	0.0	0.0	0.0
Change in Debt	(313.7)	(787.9)	(2,040.0)	(2,302.9)	(2,316.3)
Other invest/financing cash flow	(119.8)	174.1	0.0	0.0	0.0
Effect of exch rate changes	(34.9)	(42.5)	0.0	0.0	0.0
Net cash flow	(841.2)	118.0	1,647.6	1,535.1	1,538.7

FYE 31 Dec	FY22A	FY23A	FY24E	FY25E	FY26E
Key Ratios					
Growth ratios (%)					
Revenue growth	282.5	129.5	37.4	8.5	0.0
EBITDAR growth	nm	nm	163.9	3.3	0.5
EBIT growth	nm	nm	nm	9.3	1.6
Pretax growth	nm	nm	30.7	41.1	11.8
Reported net profit growth	nm	nm	(62.0)	120.4	16.5
Core net profit growth	nm	nm	nm	120.4	16.5
Profitability ratios (%)					
EBITDAR margin	nm	10.9	20.9	19.9	20.0
EBIT margin	nm	nm	11.0	11.0	11.2
Pretax profit margin	nm	3.6	3.4	4.5	5.0
Payout ratio	0.0	0.0	0.0	0.0	0.0
DuPont analysis					
Net profit margin (%)	nm	5.7	1.6	3.2	3.7
Revenue/Assets (x)	0.3	0.5	0.7	0.8	0.8
Assets/Equity (x)	nm	nm	nm	nm	nm
ROAE (%)	(289.5)	(81.8)	(19.7)	(63.2)	(233.3)
ROAA (%)	(13.4)	(3.7)	1.1	2.6	3.0
Liquidity & Efficiency					
Dividend cover (x)	nm	nm	nm	nm	nm
Current ratio (x)	0.2	0.2	0.3	0.4	0.5
Leverage & Expense Analysis					
Asset/Liability (x)	0.7	0.7	0.7	0.8	0.8
Net gearing (%) (incl perps)	nm	nm	nm	nm	nm
Net gearing (%) (excl. perps)	nm	nm	nm	nm	nm
Net interest cover (x)	na	na	1.4	1.6	1.8
Debt/EBITDAR (x)	nm	14.7	5.3	4.8	4.5
Capex/revenue (%)	1.4	1.8	0.2	0.2	0.2
Net debt/ (net cash)	17,524.6	22,982.2	20,328.2	17,406.8	14,388.1

Source: Company; Maybank IBG Research

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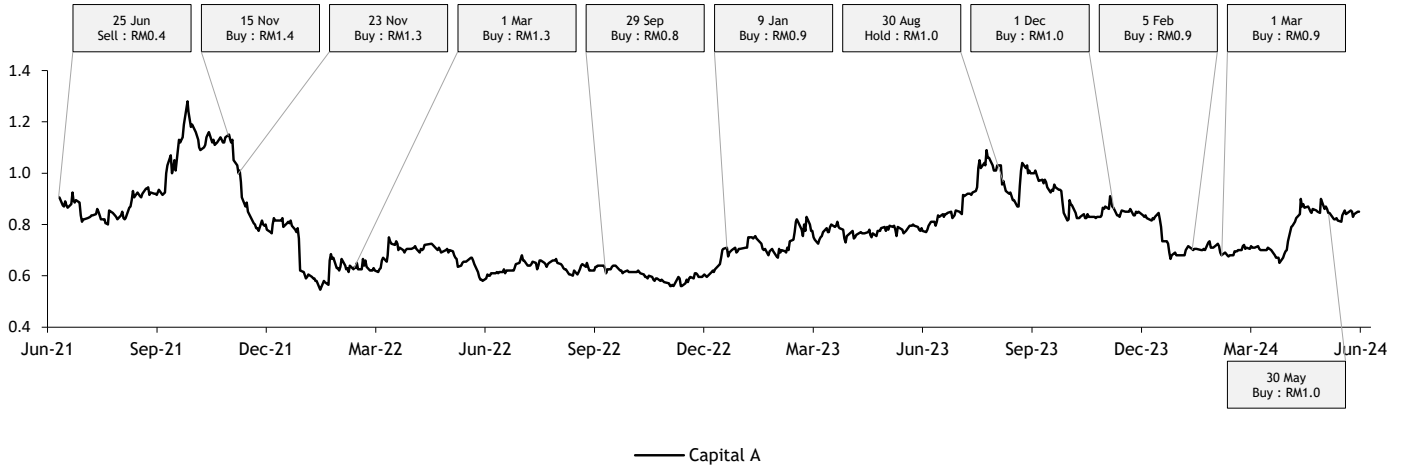
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