OPPORTUNITY, Maybank

Civmec Ltd (CVL SP)

Stable performance

1Q25 results in line; D/G to HOLD with higher TP

Civmec reported flattish 1QFY25 NPAT of AUD15.2m, in line with our expectation at 25% of MIBG's full-year forecast. As such, we leave our FY25-27E earnings forecasts unchanged. The group successfully completed the redomicile of its parent company to Australia as of 4 Sep 2024. This move has somewhat narrowed the valuation gap with its Australian peers. We thus raise our TP to SGD1.20, based on a higher PER of 11.5x (c.20% discount to sector average). But due to the stock's recent outperformance, we downgrade Civmec to HOLD from BUY given limited upside.

Better-than-expected topline growth

1QFY25 turnover grew 7.2% YoY to AUD262.7m on the back of several agreements and contract extensions awarded, as well as higher maintenance works. However, EBITDA margin narrowed slightly by 0.7ppt to 11.1%, mainly due to changes in business mix and timing of project recognition. Even though order book continued to decline by 6.2% QoQ to AUD800m as at end-Sep 2024, management said tendering activity remains buoyant across all sectors. This provides ample opportunities to replenish its order book and secure new projects that will enable sustainable revenue growth.

New defence contracts to provide re-rating

On 15 Oct 2024, the group entered into a non-binding Heads of Agreement with NVL B.V. & Co. KG (Naval Vessels Lürssen) for the transfer of ownership of Luerssen Australia to Civmec Limited. Luerssen Australia's sole business is the building of six Arafura Class Offshore Patrol vessels for the Royal Australian Navy under the existing SEA1180 contract. The transfer (including all assets, employees, and licences) will see Civmec complete the supply of these vessels at both the Osborne South shipyard in South Australia and its facility in Henderson, Western Australia (WA).

Successful re-domicile to Australia

Given its operations and workforce being entirely based in Australia, this strategic move aims to better align Civmec with local manufacturing requirements, thereby improving the number of jobs available to the group. Management also anticipates this will enhance Civmec's chances to secure more Australian contracts, particularly defence opportunities in WA, and from entities with local content policies or initiatives.

FYE Jun (AUD m)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue	831	1,033	973	986	1,011
EBITDA	106	117	112	116	121
Core net profit	58	64	60	62	65
Core FDEPS (AUD)	0.11	0.13	0.12	0.12	0.13
Core FDEPS growth(%)	16.8	11.6	(6.3)	3.5	4.6
Net DPS (AUD)	0.05	0.06	0.07	0.07	0.08
Core FD P/E (x)	7.2	7.1	10.7	10.4	9.9
P/BV (x)	1.0	0.9	1.2	1.2	1.1
Net dividend yield (%)	6.0	6.6	5.0	5.4	5.8
ROAE (%)	14.6	14.2	11.9	11.6	11.6
ROAA (%)	7.7	7.6	6.6	6.6	6.7
EV/EBITDA (x)	3.9	3.7	5.5	5.1	4.7
Net gearing (%) (incl perps)	net cash				
Consensus net profit	-	-	65	70	67
MIBG vs. Consensus (%)	-	-	(7.2)	(10.3)	(1.8)

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



[Prior:BUY]

 Share Price
 SGD 1.12

 12m Price Target
 SGD 1.20 (+7%)

 Previous Price Target
 SGD 1.05

Company Description

Civmec is a construction and engineering services provider to the Resources, Energy, Infrastructure, Marine & Defence sectors

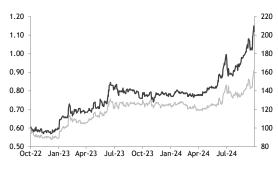
Statistics

52w high/low (SGD)	1.15/0.74
3m avg turnover (USDm)	0.2
Free float (%)	na
Issued shares (m)	502
Market capitalisation	SGD562.3M
	USD424M

Major shareholders:

Fitzgerald Family Trust	19.5%
Patrick John Tallon	19.5%
Michael Lorrain Vaz	3.0%

Price Performance



Civmec Ltd - (LHS, SGD)	

	- 1741	-3M	- 1 Z/V
Absolute (%)	13	13	47
Relative to index (%)	12	8	26

Source: FactSet





Value Proposition

- Civmec is an integrated, multi-disciplinary construction and engineering services provider to the O&G, metals and minerals, infrastructure and marine and defence sectors in Australia.
- Notable clients of Civmec include Chevron, Rio Tinto, Alcoa Australia, BHP, Thyssenkrupp and the Royal Australian Navy.
- Healthy order book of about AUD853b helps to underpin revenue visibility for at least the next 12 months or so.
- Trades at undemanding valuation compared to its peers.

Provides turnkey solutions for growing sectors



Source: Company

Price Drivers Historical share price trend 0.8 160 0.7 140 0.6 120 0.5 100 0.4 ጸበ 0.3 60 0.2 Apr-17 Nov-17 Jul-18 Feb-19 Oct-19 May-20 Jan-21 Aug-21 40 Civmec Ltd - (LHS, SGD) Civmec Ltd / Straits Times Index - (RHS, %)

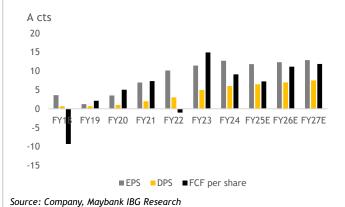
Source: Company, Maybank IBG Research

- 1. Selected to play a key role in the construction of 10 of Australia's new offshore patrol vessel.
- 2. Successfully dual-listed on the Australian Securities Exchange in Jun 2018.
- 3. Secured new contract for the construction of Western Australia's largest lithium plant.
- 4. Commence construction on 4th Royal Australian Navy offshore patrol vessel.
- 5. Early redemption of its AUD60m secured notes.

Financial Metrics

- We forecast revenue CAGR of about 10% over the next 3 years, driven by its steady order book.
- Maintenance work is recurring in nature and accounted for about 15-20% of the group's FY24 revenue.
- Room for the group's EBITDA margin (FY24: 11.7%) to improve due to better utilization rate and economics of scale.
- Balance sheet remains in a strong net cash position of AUD24.5m in FY24 due to strong operating cashflow.

EPS, DPS and FCF per share



Swing Factors

Upside

- Stronger-than-expected order wins from its key sectors.
- Margins improvement from continued cost control and economies of scale.
- Higher dividends payout due to better earnings and/or operating cashflows.

Downside

- Slower contract wins resulting in lower order book.
- Unexpected margin pressure from rising raw material and labour costs.
- Execution misstep leading to project delays or even termination of contracts.

ericong@maybank.com

Civmec Ltd





ericong@maybank.com

Risk Rating & Score ¹	Not Rated
Score Momentum ²	Na
Last Updated	Na
Controversy Score ³	Na

Business Model & Industry Issues

- Given the cyclical nature of the industry, we think that continued attraction and retention of skilled employees is a prime focus and potential risk for its business in the long term.
- As is typical in the construction and engineering industry, which undertakes predominantly manual work, the principal nature of recordable injuries are sprains and strains. However, about 30% of recordable injuries were from contractor employees.
- Construction waste is a significant environmental issue given the business it is in. As such, Civmec employs a range of waste-minimisation strategies, including: i) increase environmental awareness; ii) reduce not only its own waste, but also waste that occurs within the supply chain, including packaging; and iii) capture all recyclable materials and reducing the amount of waste that goes to landfill.
- Defence sector exposure could lead to social and reputational risks, although the contacts are with Australian government.

Material E issues

- Due to the nature of the business, its energy inputs are high; therefore, having a stable, economical, and efficient energy source is essential.
- Currently, local electrical networks in WA and NSW provide 100% of the electricity at its manufacturing/production sites. But given the diverse project arrangements in often isolated places, it is difficult to accurately estimate energy usage at its projects.
- In FY23, its emissions intensity was stable when compared to FY22 levels despite an increase in operational activities from its Henderson Assembly Hall, along with the significant increase in hours worked.
- The Henderson manufacturing facility is presently transitioning the fleet of fossil-fuelled forklifts to electricpowered forklifts where there is an alternative available.

Material S issues

- Continuous focus on staff development with 150 people seeking professional qualifications via apprenticeship, traineeship and undergraduate programmes.
- As at end-Dec 2023, the proportion of females in the Group's head office totalled almost 50% (with 11% in management roles) and >9% across its entire workforce.
- In FY23, the group's Lost Time Injury Frequency Rate fell to 0.4 per 1m hours worked. The manual nature of the work being undertaken has seen more musculoskeletal injuries, followed by hand injuries and eye injuries primarily across its facilities.
- There was a slight decrease in its All Injury Frequency Rate, which records all injuries requiring at least first aid treatment, to 50.24 per million hours worked. It has since implemented manual handling and ergonomics programme on its operational site.

- The board has six directors, including the Executive Chairman and CEO, one Executive Director and four independent Non-Executive Directors.
- The nominating, audit and remuneration committees are chaired by independent directors.
- The board is currently made up of 100% males between the ages of 50-69. Hence, there is room to further improve the diversity and composition of its Board, with the future appointment of a female member.
- But there is regular participation at board meetings of other senior managers from across the business, including a number of women. At the Key Management Personnel/General Managers/Group Managers level, women hold 10% of positions.
- Executive Chairman, James Finbarr Fitzgerald and CEO Patrick John Tallon own about 19.3% and 19.2% stakes in the company respectively.
- Key management/ directors' compensation accounted for less than 10% of total employee compensation in 2023.
- The external auditor is Moore Stephens LLP.
- Till date, Civmec has never received or been the subject of any legal action in relation to anti-competitive behaviour and violations of anti-trust and monopoly legislation.
- All new major suppliers are required to comply with the Supplier Code of Conduct, committing to respect Civmec's zero-tolerance policy concerning bribery and corruption.
- In FY23, zero incidents of discrimination were reported through the confidential whistleblowing line.

<u>Raisk 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 deterioration. <u>PSCONTEVERS 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).



)	
	C	Quantitative Paramet	ers (Score: 3	8)		
	Particulars	Unit	FY21	FY22	FY23	MND AU (FY23)
	Scope 1 GHG emissions	tCO2e	836	1,747	1,662	N/A
	Scope 2 GHG emissions	tCO2e	5,844	7,424	5,523	N/A
	Total	tCO2e	6,680	9,171	7,185	16,440
	Scope 3 GHG emissions	tCO2e	N/A	N/A	N/A	N/A
	Total	tCO2e	6,680	9,171	7,185	N/A
	GHG intensity (Scope 1 and 2)	tCO2e/AUDm	26.6	11.3	8.9	N/A
	Total Energy Consumption	TJ	43	64	58	240
E	Energy intensity	TJ/AUDm	0.1	0.08	0.07	N/A
	RE as % of total energy consumption	%	N/A	N/A	N/A	N/A
	Total Water Consumption	kL	N/A	N/A	15,831	N/A
	Materials Recovery Rate - Manufacturing	%	N/A	N/A	87%	N/A
	Materials Recovery Rate - Refractory	%	N/A	N/A	63%	N/A
	Materials Recovery Rate - Asset Yards	%	N/A	N/A	15%	N/A
	Recycling participation rate	%	N/A	N/A	76%	N/A
	Cases of environmental non-compliance	number	0	0	0	0
	% of women in workforce	%	7.1%	8.9%	9.4%	N/A
S	% of women in management roles	%	12.8%	10.5%	11.1%	0%
3	Lost time injury frequency (LTIF) rate	number	0.21	0.74	0.4	0.13
	Fatalities/Fines/Prosecutions	number	0	0	0	0
	MD/CEO salary as % of reported net profit	%	3.6%	2.5%	2.3%	3.2%
G	Board salary as % of reported net profit	%	8.6%	5.9%	5.2%	4.1%
<u> </u>	Independent directors on the Board	%	50%	50%	50%	66.7%
	Female directors on the Board	%	0%	0%	0%	33.3%

Qualitative Parameters (Score: 32)

- a) Is there an ESG policy in place and is there a standalone ESG committee or is it part of the risk committee?
- No, the sustainability efforts are driven by the sustainability action taskforce. The company has appointed a full-time Sustainability and Environmental Advisor.
- 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?
- 1) Incorporating more solar panels to reduce energy intensity; 2) all new paint and blast shed has been built with a garnet recycling system to reduce the amount of waste and cost of disposing garnet.
- g) Does carbon offset form part of the net zero/carbon neutrality target of the company?

Target (Score: 100)		
Particulars	Target	Achieved
Reduce energy intensity to at least 0.17 and lower by FY23	0.17	0.16
Reduce emissions intensity to at least 25.0 and lower by FY23	25.0	21.9
Increase recycling participation rate to at least 70% by FY23	70%	76%
Maintain zero cases of environmental incidents	0	0
Maintain zero cases of prosecutions & infringement notices	0	0
Impact		
NA		

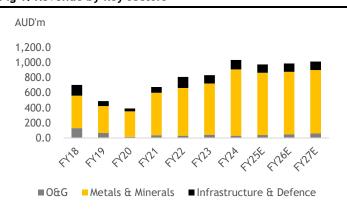
Overall score: 52
As per our ESG matrix, Civmec Limited (CVL SP) has an overall score of 52.

ESG score	Weights	Scores	Final Score
Quantitative	50%	38	19
Qualitative	25%	32	8
Target	25%	100	25
Total			52

As per our ESG assessment, CVL has a clear framework, internal policies, and tangible near-term targets but needs to make further headway in improving its qualitative parameters. CVL's overall ESG score is 52, which makes its ESG rating marginally above average in our view (average ESG rating = 50).

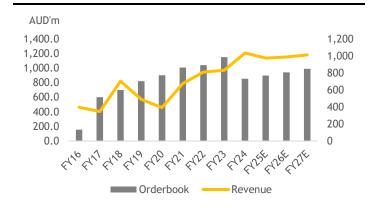
1. Focus charts

Fig 1: Revenue by key sectors



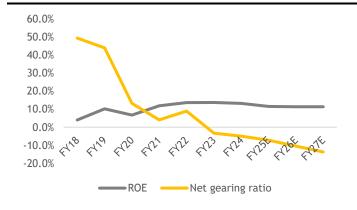
Source: Company, Maybank IBG Research

Fig 3: Order book and revenue forecasts



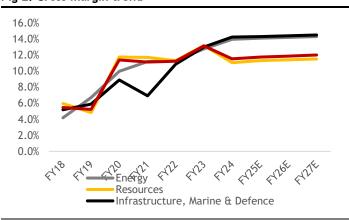
Source: Company, Maybank IBG Research

Fig 5: Net ROE and net gearing ratio



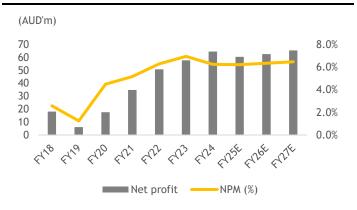
Source: Company, Maybank IBG Research

Fig 2: Gross margin trend



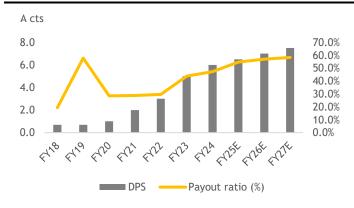
Source: Company, Maybank IBG Research

Fig 4: Net profit and net profit margin



Source: Company, Maybank IBG Research

Fig 6: DPS and payout ratio



Source: Company, Maybank IBG Research

2. Valuation

Fig 7: Peer comparison

Company	BBG	MIBG	MIBG TP	Price	FYE	Market Cap		P/E (x)			EV/EBITDA (x)	P/B (x)	ROE (%)
	Code	Rec	(LC)	(LC)	mm/dd	USDm	Actual	FY24	FY25	FY26	Actúal	Actúal	Actual
Civmec Limited	CVL SP	HOLD	1.20	1.12	06/30	453	10.2	10.7	10.3	9.9	6.5	3.3	13.9%
Australian peers													
Austal	ASB AU	NR	-	3.27	06/30	781	79.8	26.1	19.3	15.1	10.0	0.9	1.5%
Imdex	PRN AU	NR	-	2.56	06/30	863	27.8	25.0	21.3	19.7	10.9	2.0	5.7%
NRW	IMD AU	NR	-	3.81	06/30	1,147	14.0	13.0	12.1	11.7	5.5	2.2	16.6%
GR Engineering Services	NWH AU	NR	-	2.14	06/30	235	11.6	12.6	11.7	9.5	5.7	1.8	49.5%
Monadelphous Group	GNG AU	NR	-	12.48	06/30	809	19.5	17.7	16.6	15.8	8.4	2.7	13.8%
Downer EDI	MND AU	NR	-	5.68	06/30	2,512	19.3	14.7	12.7	12.6	7.2	1.5	3.2%
Southern Cross Electrical	DOW AU	NR	-	1.64	06/30	285	20.0	13.5	12.4	12.3	8.8	-	11.7%
SRG Global	SXE AU	NR	-	1.13	06/30	449	14.7	11.1	10.5	10.2	6.1	1.0	11.6%
AVERAGE							25.8	16.7	14.6	13.4	7.8	1.7	14.2%

Source: FactSet, Bloomberg

FYE 30 Jun	FY23A	FY24A	FY25E	FY26E	FY27E
Key Metrics		7.0	10.7	10.4	0.0
P/E (reported) (x)	6.1	7.0	10.7	10.4	9.9
Core P/E (x)	7.2	7.1	10.7	10.4	9.9
Core FD P/E (x)	7.2	7.1	10.7	10.4	9.9
P/BV (x)	1.0	0.9	1.2	1.2	1.1
P/NTA (x)	1.0	0.9	1.2	1.2	1.1
Net dividend yield (%)	6.0	6.6	5.0	5.4	5.8
FCF yield (%)	17.3	9.4	5.8	8.6	9.3
EV/EBITDA (x) EV/EBIT (x)	3.9 4.7	3.7 4.5	5.5 6.7	5.1 6.3	4.7 5.8
LV/LDII (X)	4.7	4.3	0.7	0.3	J.6
INCOME STATEMENT (AUD m)					
Revenue	830.9	1,033.5	972.9	985.7	1,011.4
EBITDA	105.8	117.2	112.2	116.2	121.3
Depreciation	(18.4)	(19.7)	(21.0)	(22.0)	(23.0)
Amortisation	0.0	0.0	0.0	0.0	0.0
EBIT	87.3	97.5	91.2	94.2	98.3
Net interest income /(exp)	(4.8)	(6.1)	(5.5)	(5.3)	(5.0)
Associates & JV	0.0	0.0	0.0	0.0	0.0
Exceptionals	0.0	0.0	0.0	0.0	0.0
Other pretax income	0.0	0.0	0.0	0.0	0.0
Pretax profit	82.6	91.5	85.7	88.9	93.3
Income tax	(24.9)	(27.1)	(25.4)	(26.4)	(28.0)
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	57.7	64.4	60.3	62.5	65.3
Core net profit	57.7	64.4	60.3	62.5	65.3
BALANCE SHEET (AUD m)					
Cash & Short Term Investments	70.4	88.5	101.5	121.7	143.1
Accounts receivable	108.2	94.6	97.3	98.6	101.1
Inventory	100.1	173.6	180.0	190.0	200.0
Reinsurance assets	0.0	0.0	0.0	0.0	0.0
Property, Plant & Equip (net)	476.3	532.8	531.8	529.8	526.8
Intangible assets	0.0	0.0	0.0	0.0	0.0
Investment in Associates & JVs	0.0	0.0	0.0	0.0	0.0
Other assets	19.5	20.8	20.3	21.2	22.1
Total assets	774.5	910.3	931.0	961.4	993.3
ST interest bearing debt	14.8	14.0	13.5	13.0	12.5
Accounts payable	117.7	153.1	137.4	139.0	142.4
Insurance contract liabilities	44.7	49.3	50.0	50.0	50.0
LT interest bearing debt	48.5	56.0	56.0	56.0	56.0
Other liabilities	128.0	150.0	152.0	154.0	156.0
Total Liabilities	353.9	422.1	408.8	411.9	416.8
Shareholders Equity	420.9	488.5	522.4	549.8	576.7
Minority Interest	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Total shareholder equity	420.6	488.2	522.2	549.5	576.4
Total liabilities and equity	774.5	910.3	931.0	961.4	993.3
CASH FLOW (AUD m)					
Pretax profit	82.6	91.5	85.7	88.9	93.3
Depreciation & amortisation	18.4	19.7	21.0	22.0	23.0
Adj net interest (income)/exp	8.1	9.6	5.5	5.3	5.0
Change in working capital	14.8	(19.7)	(23.5)	(8.6)	(8.0)
Cash taxes paid	(24.2)	(23.4)	(25.4)	(26.4)	(28.0)
Other operating cash flow	0.0	0.0	0.0	0.0	0.0
Cash flow from operations	91.6	68.0	57.8	75.9	80.3
Capex	(19.9)	(25.2)	(20.0)	(20.0)	(20.0)
Free cash flow	71.7	42.8	37.8	55.9	60.3
Dividends paid	(20.2)	(27.8)	(33.0)	(35.5)	(38.1)
Equity raised / (purchased)	0.0	0.0	0.0	0.0	0.0
Change in Debt	(8.6)	(7.9)	0.0	(0.1)	(0.8)
Other invest/financing cash flow	0.0	0.0	0.0	0.0	0.0
Effect of exch rate changes	0.0	0.0	0.0	0.0	0.0

FYE 30 Jun	FY23A	FY24A	FY25E	FY26E	FY27E
Key Ratios					
Growth ratios (%)					
Revenue growth	2.7	24.4	(5.9)	1.3	2.6
EBITDA growth	15.6	10.8	(4.3)	3.5	4.4
EBIT growth	16.7	11.7	(6.5)	3.2	4.4
Pretax growth	18.0	10.8	(6.3)	3.7	5.0
Reported net profit growth	13.7	11.6	(6.3)	3.5	4.6
Core net profit growth	16.8	11.6	(6.3)	3.5	4.6
Profitability ratios (%)					
EBITDA margin	12.7	11.3	11.5	11.8	12.0
EBIT margin	10.5	9.4	9.4	9.6	9.7
Pretax profit margin	9.9	8.9	8.8	9.0	9.2
Payout ratio	43.5	46.8	54.1	56.3	57.6
DuPont analysis					
Net profit margin (%)	6.9	6.2	6.2	6.3	6.5
Revenue/Assets (x)	1.1	1.1	1.0	1.0	1.0
Assets/Equity (x)	1.8	1.9	1.8	1.7	1.7
ROAE (%)	14.6	14.2	11.9	11.6	11.6
ROAA (%)	7.7	7.6	6.6	6.6	6.7
Liquidity & Efficiency					
Cash conversion cycle	42.1	35.9	48.7	55.2	57.5
Days receivable outstanding	44.0	35.3	35.5	35.8	35.5
Days inventory outstanding	55.3	53.9	74.1	76.7	78.9
Days payables outstanding	57.2	53.3	60.9	57.3	56.9
Dividend cover (x)	2.3	2.1	1.8	1.8	1.7
Current ratio (x)	1.4	1.5	1.7	1.8	1.9
Leverage & Expense Analysis					
Asset/Liability (x)	2.2	2.2	2.3	2.3	2.4
Net gearing (%) (incl perps)	net cash				
Net gearing (%) (excl. perps)	net cash				
Net interest cover (x)	18.3	16.1	16.6	17.9	19.7
Debt/EBITDA (x)	0.6	0.6	0.6	0.6	0.6
Capex/revenue (%)	2.4	2.4	2.1	2.0	2.0
Net debt/ (net cash)	(7.1)	(18.5)	(32.0)	(52.7)	(74.6)

Source: Company; Maybank IBG Research

Research Offices

ECONOMICS

Suhaimi ILIAS Chief Economist Malaysia | Philippines | Global (603) 2297 8682 suhaimi_ilias@maybank-ib.com

CHUA Hak Bin

Regional Thematic Macroeconomist 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

(65) 6231 5843 jiayu.lee@maybank.com

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

Fiona LIM (65) 6320 1374 fionalim@maybank.com

Alan LAU, CFA (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) 6231 5831 winsonphoon@maybank.com

SOH Jing Ying (603) 2074 7606 jingying.soh@maybank-ib.com

PORTFOLIO STRATEGY

ONG Seng Yeow (65) 6231 5839

MIBG SUSTAINABILITY RESEARCH

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

Neeray DALAL (91) 22 4223 2606 neerav@mavbank.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@mavbank-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

LOH Yan Jin (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

Nur Natasha ARIZA (603) 2297 8691 natashaariza.aizarizal@maybank-ib.com

Arvind JAYARATNAM (603) 2297 8692 arvind.jayaratnam@maybank.com
• Technology (Semicon & Software)

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

 Retail Research Amirah AZMI (603) 2082 8769

amirah.azmi@maybank-ib.com Retail Research

SINGAPORE

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

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 • SMIDs

Krishna GUHA (65) 6231 5842

krishna.guha@maybank.com
REITs • Industrials

Hussaini SAIFEE (65) 6231 5837 hussaini.saifee@maybank.com
• Telcos • Internet

PHILIPPINES

Kervin Laurence SISAYAN Head of Research (63) 2 5322 5005 kervin.sisavan@mavbank.com • Strategy • Banking & Finance • Telcos

Daphne SZE (63) 2 5322 5008

daphne.sze@maybank.com
• Consumer

Raffy MENDOZA

(63) 2 5322 5010 joserafael.mendoza@maybank.com • Property • REITs • Gaming

Michel Al ONSO

(63) 2 5322 5007 michelxavier.alonso@maybank.com

Conglomerates

Germaine GUINTO (63) 2 5322 5006 germaine.guinto@maybank.com
• Utilities

Ronalyn Joyce LALIMO (63) 2 5322 5009

rona.lalimo@mavbank.com SMIDs

VIETNAM

Quan Trong Thanh *Head of Research* (84 28) 44 555 888 ext 8184 thanh.guan@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.nguven@mavbank.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 • Retail Research

INDONESIA

Jeffrosenberg CHENLIM Head of Research (62) 21 8066 8680 jeffrosenberg.lim@maybank.com • Strategy • Banking & Finance • Property

Willy GOUTAMA (62) 21 8066 8688 willy.goutama@maybank.com • Consumer

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

Paulina MARGARFTA (62) 21 8066 8690 paulina.tjoa@maybank.com • Autos • Healthcare

Jocelyn SANTOSO (62) 21 8066 8689 iocelvn.santoso@mavbank.com

 Consumer san BARAKWAN

(62) 21 8066 2694 hasan.barakwan@maybank.com Metals & Mining • Oil & Gas

Faiq ASAD (62) 21 8066 8692 faiq.asad@maybank.com • Banking & Finance

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

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

wasu.m@maybank.com
• Telcos • Technology • REITs • Property

Consumer Discretionary

(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

Nontapat SAHAKITPINYO (66) 2658 5000 ext 2352 nontapat.sahakitpinyo@maybank.com Healthcare

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", "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 2001), MRPL shall be legally liable for the contents of this report.

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 is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, MST does not confirm, verify, or certify the accuracy and completeness of the assessment result.

US

This third-party research report is distributed in the United States ("US") to Major US Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended) only by 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 30 October 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 30 October 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 30 October 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

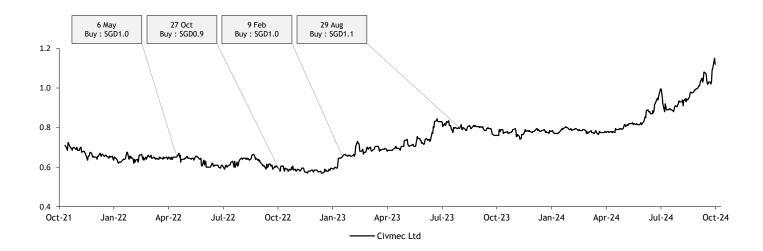
The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed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

Historical recommendations and target price: Civmec Ltd (CVL SP)



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)

Rama 1 I

Tel: (66) 2 658 6801 (research)

Sales Trading

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

Philippines Keith Roy keith_roy@maybank.com Tel: (63) 2 5322 3184 London
Greg Smith
gsmith@maybar

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

India

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

London

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

Tel: (44) 20 7332 0221 Fax: (44) 20 7332 0302

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

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

Vietnam

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

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