HIGH CONVICTION

Refinitiv ESG Combined Score: C

Shariah Compliant

Malaysia

ADD *(no change)*

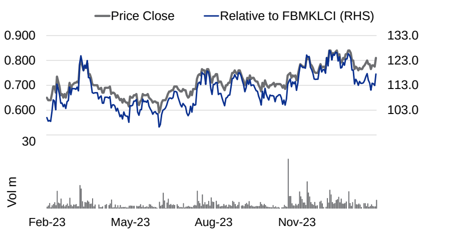
Consensus ratings*:	Buy 3	Hold 1	Sell 0

Current price:	RM0.81
Target price: ▲	RM1.34
Previous target:	RM0.90
Up/downside:	65.4%
CGSI / Consensus:	56.1%
Reuters:	MUHI.KL
Bloomberg:	MUHI MK
Market cap:	US$123.5m
	RM589.8m
Average daily turnover:	US$0.44m
	RM2.10m
Current shares o/s:	727.0m
Free float:	73.3%

**Source: Bloomberg*

Key changes in this note

- FY24F/FY25F EPS raised by 4%/3%
- TP raised to RM1.34 to factor in the cash compensation for Siem Reap airport and higher values for construction and cranes on the back of improved earnings delivery
- FY26 forecasts introduced



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-3.6	9.5	24.6
Relative (%)	-7.1	1.9	17.5

Major shareholders	% held
Mac Ngan Boon	21.0
FIL Ltd & Pandanus Partners L.P.	5.7

Analyst(s)

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Muhibbah Engineering

4Q23 kitchen sinking, improved core earnings

- Reiterate Add. FY24-FY25F EPS raised, with a higher TP of RM1.34
- Earnings delivery improving, particularly for cranes and construction units
- Cambodia airport showing encouraging recovery signs but investors continue to assign zero value for it

Reiterate Add; TP raised to RM1.34.

We reiterate our Add rating and lift our SOP-derived TP to RM1.34 to reflect a higher value for Favelle Favco, construction segment, and cash of US$63m for Siem Reap Airport compensation (Fig 3). We continue to like Muhibbah as a proxy for a recovery in tourist arrivals in Cambodia with its Cambodian airport concessions while its marine expertise and Petronas fabrication licence also enable it to clinch more Petronas jobs. Key downside risks are patchy execution track record for construction jobs which may lead to earnings disappointment and higher raw material costs. Re-rating catalysts include better earnings delivery and stronger tourist arrivals in Cambodia.

Earnings delivery improving; 4Q23 core net profit a beat

Its earnings delivery has been a key concern but this appears to be improving, judging by its 4Q23 core net profit of RM45m (>100% qoq) although its headline net profit included a string of one-offs (Fig 1). Earnings delivery will be anchored by a stronger orderbook of RM2.2bn at Feb 2024 which is higher than Aug 2019's RM1.7bn (Fig 7). More importantly the quality of its orderbook is also improving with more Petronas projects. In Jan 2024, its crane business clinched two new projects worth RM79m, bringing its crane orderbook to RM843m as at Feb 2024. The hidden gem in its crane business is Exact Automation (an industrial automation company acquired in 2018 with a niche in oil & gas and renewable energy). Given the global nature of its business, Muhibbah alluded to possible tenders for the Saudi Line City project for a linear smart city under construction in Saudi Arabia in Neom, Tabuk Province, which is designed to have no cars, streets or carbon emissions.

Cambodia airport quandary; optimistic of a favourable outcome

Muhibbah owns a 21% effective stake in Cambodia Airports, which manages two operating airports in Cambodia (in Phnom Penh and Sihanoukville). It surrendered its Siem Reap airport concession in Oct 2023 and was paid US$63m in compensation. Similar to what happened in Siam Reap, the new international airport in Phnom Penh known as Techo International Airport in Kandal (currently in construction and slated to start operations in 1H25 according to State Secretariat of Civil Aviation, SSCA) will replace the current Phnom Penh Airport. The most ideal scenario for Muhibbah is to receive compensation for the loss of its existing operations of Phnom Penh airport and be engaged to operate the new airport at Kandal. We do not discount this possibility as the new airport is being built by a JV between Secretariat of State for Civil Aviation and the Overseas Cambodia Investment Corporation (OCIC) owned by a local businessman, both of who do not have the expertise to run an airport. In 2023, the three airports in Cambodia clocked 4.8m passenger arrivals, a 102% yoy jump. 4Q23 passenger arrivals increased 16% yoy to 1.1m. As a comparison, passenger arrivals in 2019 were 11.6m.

Financial Summary	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Revenue (RMm)	897	1,292	1,318	1,346	1,358
Operating EBITDA (RMm)	116.4	23.3	135.3	167.9	170.8
Net Profit (RMm)	-17.88	-21.87	51.15	65.12	66.61
Core EPS (RM)	(0.019)	(0.065)	0.070	0.090	0.092
Core EPS Growth	76%	242%		27%	2%
FD Core P/E (x)	NA	NA	11.51	9.04	8.84
DPS (RM)	-	-	0.028	0.045	0.046
Dividend Yield	0.00%	0.00%	3.47%	5.53%	5.66%
EV/EBITDA (x)	3.91	15.35	2.50	1.52	0.98
P/FCFE (x)	NA	3.95	31.38	5.14	4.55
Net Gearing	5.04%	3.19%	3.38%	(0.26%)	(3.74%)
P/BV (x)	0.45	0.46	0.44	0.42	0.41
ROE	(1.14%)	(3.63%)	3.89%	4.77%	4.75%
% Change In Core EPS Estimates			3.54%	3.07%	
EPS/Consensus EPS (x)			1.03	1.04	

SOURCES: CGSI RESEARCH, COMPANY REPORTS

Earnings delivery improving

4Q23 and opportunity to kitchen sink

4Q23 core net profit of RM45m (>100% qoq) brought 12M23 core net profit to RM53m (vs. a net loss of RM35m in FY22). However, its headline net loss of RM21m in 4Q23 included a string of one-offs amounting to RM66m, where the largest amount was a RM40m provision for long outstanding claims which may be written back if there is any potential recovery. We consider the results to be above our and Bloomberg consensus full-year core net profit estimates stripping out the exceptional items.

The key highlight for 4Q23 was 4Q23 associate profit contribution of RM27m (vs. 3Q23's RM14m and 2Q23's RM8m), coming largely from its Cambodia airport concession. The three airports in Cambodia clocked in 4.8m passenger arrivals in 2023, a 102% yoy jump. Its 4Q23 passenger arrivals also increased 16% yoy to 1.1m. As a comparison, its passenger arrivals in 2019 were 11.6m.

We are also encouraged by the improvement for both its construction and crane business. In particular, its construction division made RM17m in pretax profit in 4Q23 (vs. pretax profit of RM8m in 3Q23 and loss before tax of RM69m in 4Q22). Pretax profit for its crane business in 4Q23 rose 2% yoy and 56% qoq to RM31m.

Figure 1: 4Q23 yoy and qoq comparison

	4QFY23 RMm	4QFY22 RMm	% change	3QFY23 RMm	% change
Revenue	477.3	261.1	83%	287.0	66%
Operating expense	(492.7)	(252.4)	95%	(260.7)	89%
EBIT	(15.4)	8.7	-277%	26.4	-158%
Interest income	7.0	1.9	276%	1.7	318%
Finance cost	(10.3)	(7.0)	47%	(7.1)	45%
Share of associate results	27.3	3.1	790%	14.2	92%
Profit before taxation	8.6	6.6	30%	35.2	-76%
Taxation	(13.7)	(10.3)	33%	(8.2)	67%
Net income	(5.1)	(3.6)	40%	27.0	-119%
Minority interest	(16.2)	(14.8)	10%	(20.9)	-22%
Atributed to shareholders	(21.3)	(18.4)	16%	6.1	-448%
Exceptional items	(66.1)	(17.3)	283%	(1.6)	4089%
Core net profit	44.9	(1.1)	-4180%	7.7	483%
Quarterly segmentals					
	4QFY23	**4QFY22**	**% change**	**3QFY23**	**% change**
	RMm	**RMm**		**RMm**	
Construction	314.8	196.9	60%	243.4	29%
Cranes	307.5	194.3	58%	155.2	98%
Concessions	79.6	57.9	38%	79.8	0%
Eliminations	(128.5)	(122.1)	5%	(99.5)	29%
Revenue	573.3	327.0	75%	378.9	51%
Construction	16.6	(68.8)	-124%	8.3	101%
Cranes	31.1	30.4	2%	19.9	56%
Concessions	26.4	5.6	372%	14.4	83%
Eliminations	(65.5)	39.4	-266%	(7.5)	770%
Profit before taxation	8.6	6.6	30%	35.2	-76%

SOURCES: CGSI RESEARCH, COMPANY REPORTS

Lowering FY24F EPS but raising FY25F EPS; introducing FY26 forecasts

After accounting for 4Q23 results, raise our FY24F-FY25F EPS by 3.5%/3.1% to factor in better execution of its orderbook as project recognition picks up pace. We also introduce our FY26 forecasts.

We summarise the changes in our FY24F/FY25F/FY26F revenue, EBITDA and net profit forecasts in Figure 2.

Figure 2: Revision to our forecasts for Muhibbah Engineering

	Previous			Revised			Change		
	FY24F	FY25F	FY26F	FY24F	FY25F	FY26F	FY24F	FY25F	FY26F
Revenue (RMm)	1237.9	1280.7	1,313.0	1,317.9	1,345.7	1,358.0	6.5%	5.1%	0.0%
EBITDA (RMm)	130.5	150.3	151.2	135.3	167.9	170.8	3.7%	11.7%	0.0%
Net profit (RMm)	49.4	63.2	66.8	51.1	65.1	66.6	3.5%	3.1%	0.0%

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

Lifting SOP-derived TP to RM1.34

We lift our SOP-derived TP to RM1.34. At our new TP, the stock will trade at 15x CY25F P/E and 0.7x P/BV, which is not excessive in our view. From a P/BV perspective, this is still below pre-2018 P/BV of -1.s.d below 10-year mean of 1x.

Muhibbah currently trades at FY25F P/E and P/BV of 9x and 0.4x, respectively. From a P/BV angle, the stock is tracking near its all-time lows since 2009. This may not be justified given its strong orderbook, the improving trajectory of passenger arrivals for its Cambodian airport concession, and its Petronas fabrication licence. The licence was awarded to Muhibbah in Jun 2013, qualifying it as an approved supplier to tender and participate in upcoming offshore facilities construction and major onshore fabrication works for Petronas.

Our new SOP-derived TP factors in:

i) Its construction division at an unchanged P/E of 14x but based on a higher sustainable orderbook of RM1.5bn (vs. RM1bn previously and its outstanding construction orderbook of RM1.4bn as at Feb 2024). This gives an equity value of RM227m We think this is relatively conservative valuation given its strong construction orderbook and Petronas fabrication licence.

ii) Favelle Favco using a sustainable orderbook of RM1bn (vs. its outstanding crane orderbook of RM843m as at Feb 2024), P/E of 12x on DCF of profits, arriving at equity value of RM338m. We previously used the current market value of its share price to value the company. Favelle Favco in its forward looking statement with its 4Q23 results announcement yesterday said that crude oil prices have recovered and investment in oil and gas markets have been much better now vs. during Covid-19. It also expects that as global trade continues to ramp up and recover, shipyards will see increased order books and increase the investment in their yard equipment.

iii) Its concession business using DCF (average WACC of 8-12%) and adding its 21% share of the US$63m cash compensation for Siem Reap International Airport.

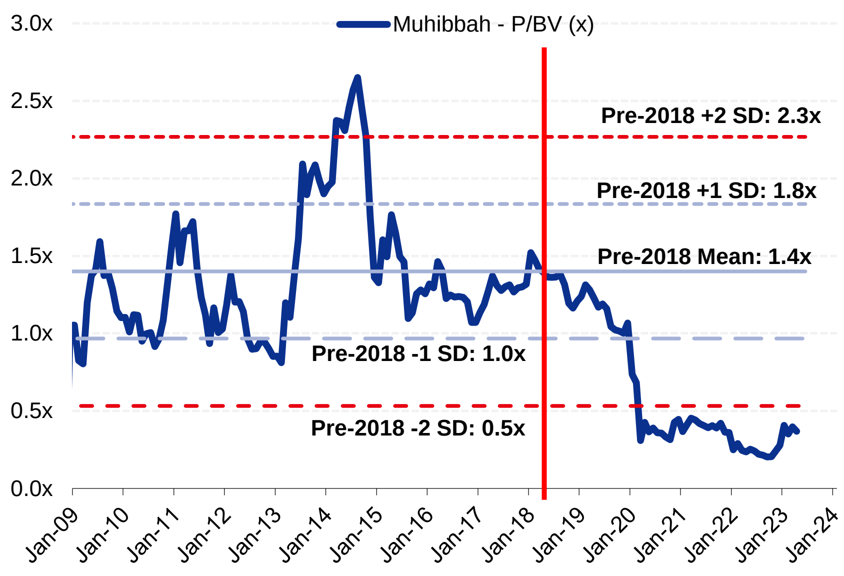
In terms of our SOP value of RM1.34/share, RM0.78/share is from its construction and crane business while the balance RM0.57/share is from its Cambodian airport concessions. Our SOP implies that the Phnom Penh and Silhanoukville airports are free, based on Muhibbah’s current share price of RM0.81.

Figure 3: SOP valuation

SOP Method	Earnings / NPV/ MV (RMm)	PE / WACC (x,%)	Stake	Atributed Value (RMm)	Per Share (RM)
Construction	16	14	100%	227	0.31
Cranes (Favelle Favco)	46	12	61%	338	0.47
Cambodia airports	1,930	12%	21%	405	0.56
Road maintenance	50.9	8%	21%	11	0.01
SOP Value				981.3	1.34
Implied CY25F P/E (x)					15.0
Implied CY25F P/BV (x)					0.7

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

Figure 4: 1-year forward P/BV levels tracking multi-year lows



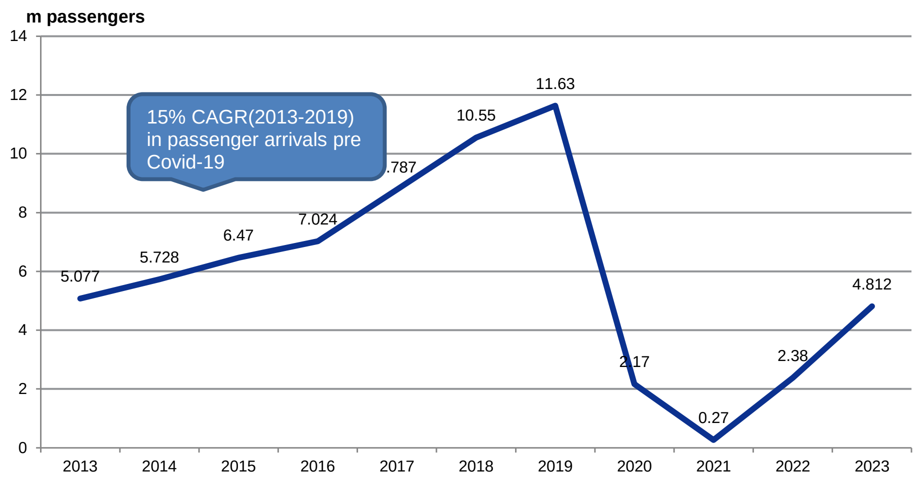
SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 5: Peer table (share price as at 27 Feb 2024)

Company	Bbg Ticker	Recom.	Price (lcl curr)	Target Price (lcl curr)	Market Cap (US$ m)	P/E (x) CY23F	P/E (x) CY24F	P/E (x) CY25F	2-year EPS CAGR (%)	P/BV (x) CY23F	P/BV (x) CY24F	Recurring ROE (%) CY23F	Dividend Yield (%) CY23F
Gamuda	GAM MK	Add	5.11	6.50	2,934	14.6	12.6	11.2	9.0%	1.23	1.15	8.7%	6.7%
IJM Corp Bhd	IJM MK	Add	2.19	2.88	1,607	20.2	16.7	14.1	21.9%	0.77	0.74	3.9%	1.7%
WCT Holdings	WCTHG MK	Add	0.56	0.71	165	10.5	8.6	7.7	4.7%	0.20	0.19	1.9%	1.3%
Sunway Construction Group Bhd	SCGB MK	Add	2.60	3.44	702	22.4	18.1	14.8	10.2%	4.10	3.68	19.4%	2.3%
Muhibbah Engineering	MUHI MK	Add	0.81	1.34	123	na	11.5	9.0	na	0.46	0.44	-3.7%	0.0%
HSS Engineers	HSS MK	Add	1.10	1.31	117	27.5	17.2	13.4	22.2%	2.11	2.13	8.0%	1.1%
YTL Corporation	YTL MK	Add	2.71	3.00	6,220	20.5	14.9	13.7	100.0%	1.97	1.82	10.3%	2.0%
Malayan Cement Bhd	LMC MK	Add	5.12	6.00	1,405	28.3	20.9	18.7	59.5%	1.11	1.08	4.1%	1.6%
Sunway Bhd	SWB MK	Add	2.85	3.45	3,278	23.8	19.5	18.7	8.9%	1.01	0.98	4.5%	2.2%
Malaysia average						**16.9**	**13.5**	**11.4**	**11.5%**	**1.3**	**1.2**	**6.1%**	**2.4%**

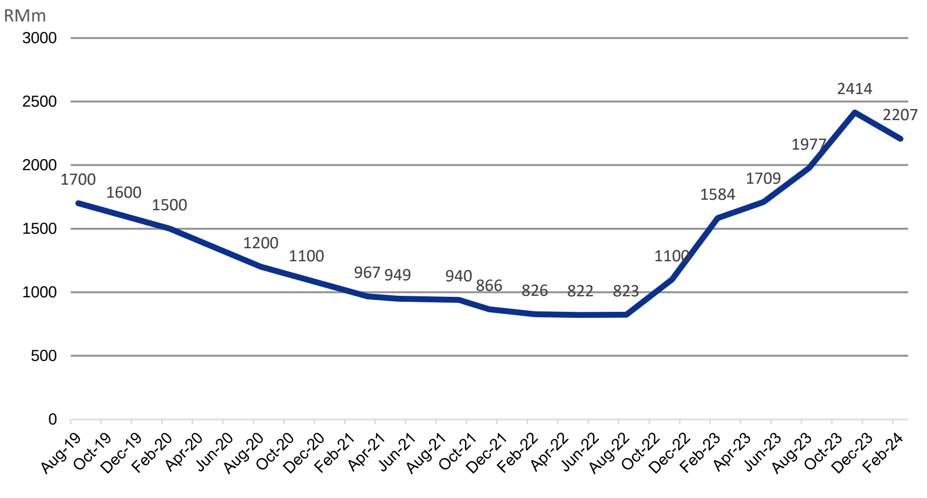
SOURCES: CGSI RESEARCH ESTIMATES, BLOOMBERG, COMPANY REPORTS
DATA AS AT 27 FEB 2024

Figure 6: Passenger arrivals in 2023 at just 41% of peak in 2019



SOURCES: CGSI RESEARCH, COMPANY REPORTS, STATE SECRETARIAT OF CIVIL AVIATION

Figure 7: Construction and cranes orderbook above pre-Covid-19 levels



SOURCES: CGSI RESEARCH, COMPANY REPORTS

ESG in a nutshell

Refinitiv ESG Scores

C	A+	C	C+	D+	C+
ESG Score	ESG Controversies Score	ESG Combined Score	ESG Environment Pillar Score	ESG Social Pillar Score	ESG Government Pillar Score

Muhibbah Engineering started incorporating sustainability and ESG in its annual reporting in 2020. The latest Refinitiv ESG Score as at 31 Dec 2022 was C. As far as governance of overall ESG (sustainability) is concerned, it is led by the group's sustainability steering committee (SSC) and sustainable working committee (SWC) and overseen by the deputy chief executive officer (DCEO).

Keep your eye on

Potentially more sustainability initiatives relating to its four key divisions. The group's business portfolio comprises: 1) infrastructure construction, 2) concessions, 3) cranes, and 4) shipyard.

Its infrastructure and construction division is primarily engaged in infrastructure, civil and structural engineering, marine, oil and gas, shipbuilding and contract works. Its concessions division consists of privatised Cambodia Airports and road maintenance for the federal government of Malaysia.

In FY22, the group's sustainability reporting mainly covered its operations in Malaysia.

Implications

In our view, one way to improve the group's ESG profile is to participate in future domestic rail urban projects (electrified), which are part of the overall 12th Malaysia Plan (12MP) green infrastructure plans.

Its airport concession is also looking at Level 3+ (Neutrality) accreditation from Airport Carbon Accreditation to compensate for its remaining carbon emissions that cannot be reduced by other means. The company said it may look to support green energy projects and purchase or invest in carbon credits.

ESG highlights

In terms of the Refinitiv ESG scores in 2022, Muhibbah showed improvement in the ESG Social Pillar at C- compared to D in 2021. The rest of the ESG pillars were largely unchanged. Major ESG materiality areas are employee well-being, contribution to society, energy and water consumption, air emissions, biodiversity, and labour practices.

The group's environmental policy statement is driven by the setting up of Specific, Measurable, Achievable, Realistic and Time (SMART) bound objectives, targets and an Environment Management Programme (EMP).

Muhibbah's sustainability vision is developed on a strategy that focuses on the four main pillars encompassing the Marketplace, Workplace, Environment and Community.

At various project sites, it practises operational control plans on waste management in accordance with the Environmental Quality (Scheduled Waste) Regulations (2005).

Implications

Over time, we expect the group to improve its sustainable reporting. According to its FY22 annual report, there have been more details and ESG plans across all divisions. As at 2022, 69% of its workforce was male, reflecting the nature of its business operations. However, it is committed to ensuring equal opportunities for all and will continue to work towards diversifying its workforce.

Its subsidiary CiTech is a well-recognised leading supplier of waste heat recovery units (WHRUs) and home of the first and original patented company cylindrical CiBAS (concentric, integral, by-pass and silencer) WHRU.

As at end-Mar 2023, it had successfully recovered more than 5.3tr megawatts (MW) thermal energy from its installed CiBAS units globally. Based on the average conversion rate for Europe of 0.296, this is equivalent to a reduction of 1.6 billion kilotonnes of CO_2.

Trends

The group is not a constituent of Bursa Malaysia's FTSE4Good index (FTSE4G). It received a 1-star rating from FTSE Russell, based on the Jun 2021 review, and this was maintained at the same level for Dec 2022.

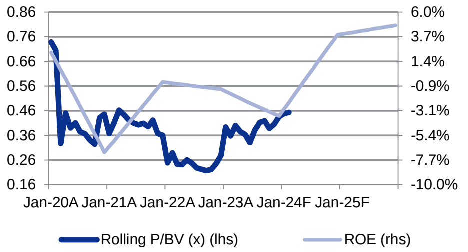
Implications

While Muhibbah Engineering's ESG disclosures have improved over the years, compared with other diversified contractors under our coverage, its disclosures still lag behind its larger capitalisation counterparts.

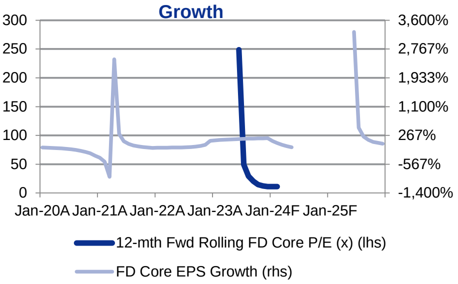
SOURCES: CGSI RESEARCH, REFINITIV

BY THE NUMBERS

P/BV vs ROE



12-mth Fwd FD Core P/E vs FD Core EPS Growth



Profit & Loss

(RMm)	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Total Net Revenues	**896.8**	**1,292.1**	**1,317.9**	**1,345.7**	**1,358.0**
Gross Profit	**184.2**	**23.3**	**224.0**	**262.4**	**271.6**
Operating EBITDA	**116.4**	**23.3**	**135.3**	**167.9**	**170.8**
Depreciation And Amortisation	(73.0)	(74.7)	(88.5)	(89.7)	(90.9)
Operating EBIT	**43.4**	**(51.3)**	**46.8**	**78.2**	**79.9**
Financial Income/(Expense)	(0.3)	(16.1)	(14.1)	(12.7)	(13.5)
Pretax Income/(Loss) from Assoc.	(1.2)	59.7	59.1	60.8	62.7
Non-Operating Income/(Expense)	0.0	0.0	0.0	0.0	0.0
Profit Before Tax (pre-EI)	**41.8**	**(7.8)**	**91.8**	**126.4**	**129.0**
Exceptional Items	(17.5)	60.8	0.0	0.0	0.0
Pre-tax Profit	**24.3**	**53.0**	**91.8**	**126.4**	**129.0**
Taxation	(18.6)	(31.1)	(8.5)	(17.1)	(17.3)
Exceptional Income - post-tax					
Profit After Tax	**5.7**	**22.0**	**83.3**	**109.4**	**111.8**
Minority Interests	(23.6)	(43.8)	(32.1)	(44.2)	(45.2)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	**(17.9)**	**(21.9)**	**51.1**	**65.1**	**66.6**
Recurring Net Profit	(13.8)	(47.0)	51.1	65.1	66.6
Fully Diluted Recurring Net Profit	**(13.8)**	**(47.0)**	**51.1**	**65.1**	**66.6**

Cash Flow

(RMm)	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
EBITDA	116.4	23.3	135.3	167.9	170.8
Cash Flow from Invt. & Assoc.	1.2	(59.7)	(59.1)	(60.8)	(62.7)
Change In Working Capital	13.0	176.3	(88.9)	(18.7)	(5.7)
(Incr)/Decr in Total Provisions	2.3	102.1	25.8	24.7	26.0
Other Non-Cash (Income)/Expense	(38.5)	93.0	33.2	36.1	36.7
Other Operating Cashflow	71.6	(54.8)	0.0	0.0	0.0
Net Interest (Paid)/Received	(0.3)	(16.1)	(14.1)	(12.7)	(13.5)
Tax Paid	(18.6)	(31.1)	(8.5)	(17.1)	(17.3)
Cashflow From Operations	**147.0**	**233.0**	**23.8**	**119.5**	**134.3**
Capex	(219.5)	(30.1)	(30.0)	(30.0)	(30.0)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments	0.0	0.0	0.0	0.0	0.0
Other Investing Cashflow	132.2	(21.4)	0.0	0.0	0.0
Cash Flow From Investing	**(87.3)**	**(51.5)**	**(30.0)**	**(30.0)**	**(30.0)**
Debt Raised/(repaid)	(204.8)	(32.4)	25.0	25.0	25.0
Proceeds From Issue Of Shares	119.9	0.3	0.0	0.0	0.0
Shares Repurchased					
Dividends Paid	(141.2)	(14.7)	0.0	(20.5)	(32.6)
Preferred Dividends					
Other Financing Cashflow	14.4	(33.5)	0.0	0.0	0.0
Cash Flow From Financing	**(211.8)**	**(80.3)**	**25.0**	**4.5**	**(7.6)**
Total Cash Generated	(152.1)	101.2	18.8	94.1	96.7
Free Cashflow To Equity	**(145.1)**	**149.1**	**18.8**	**114.5**	**129.3**
Free Cashflow To Firm	**79.5**	**209.0**	**19.6**	**114.3**	**130.3**

SOURCES: CGSI RESEARCH, COMPANY REPORTS

BY THE NUMBERS… cont'd

Balance Sheet

(RMm)	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Total Cash And Equivalents	298	400	418	512	609
Total Debtors	737	672	722	737	744
Inventories	294	348	360	356	357
Total Other Current Assets	22	10	10	10	10
Total Current Assets	**1,351**	**1,430**	**1,510**	**1,616**	**1,721**
Fixed Assets	1,174	1,130	1,073	1,015	955
Total Investments	722	804	862	921	982
Intangible Assets	0	0	0	0	0
Total Other Non-Current Assets	138	153	153	153	153
Total Non-current Assets	**2,034**	**2,087**	**2,087**	**2,088**	**2,090**
Short-term Debt	280	353	378	403	428
Current Portion of Long-Term Debt					
Total Creditors	581	746	719	712	714
Other Current Liabilities	446	339	339	339	339
Total Current Liabilities	**1,306**	**1,439**	**1,437**	**1,455**	**1,482**
Total Long-term Debt	110	104	104	104	104
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	169	168	168	168	168
Total Non-current Liabilities	**279**	**271**	**271**	**271**	**271**
Total Provisions	0	0	0	0	0
Total Liabilities	**1,585**	**1,710**	**1,708**	**1,726**	**1,753**
Shareholders' Equity	1,302	1,291	1,342	1,386	1,420
Minority Interests	498	516	548	592	637
Total Equity	**1,800**	**1,806**	**1,890**	**1,979**	**2,058**

Key Ratios

	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Revenue Growth	(10.6%)	44.1%	2.0%	2.1%	0.9%
Operating EBITDA Growth	(3%)	(80%)	480%	24%	2%
Operating EBITDA Margin	13.0%	1.8%	10.3%	12.5%	12.6%
Net Cash Per Share (RM)	-0.12	-0.08	-0.09	0.01	0.11
BVPS (RM)	1.79	1.78	1.85	1.91	1.95
Gross Interest Cover	2.19	-1.87	1.81	3.16	3.07
Effective Tax Rate	76.5%	58.6%	9.3%	13.5%	13.4%
Net Dividend Payout Ratio	NA	NA	40.0%	50.0%	50.0%
Accounts Receivables Days	305.7	199.0	193.6	197.9	199.1
Inventory Days	154.3	92.3	118.4	120.6	119.8
Accounts Payables Days	305.2	190.9	245.2	241.2	239.7
ROIC (%)	3.73%	(3.84%)	3.81%	6.21%	6.55%
ROCE (%)	2.85%	(1.79%)	2.53%	3.72%	3.64%
Return On Average Assets	0.70%	(0.66%)	2.74%	3.34%	3.33%

Key Drivers

	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
New orders for construction	N/A	300.0	400.0	500.0	600.0
New orders for cranes	N/A	400.0	400.0	400.0	500.0

SOURCES: CGSI RESEARCH, COMPANY REPORTS

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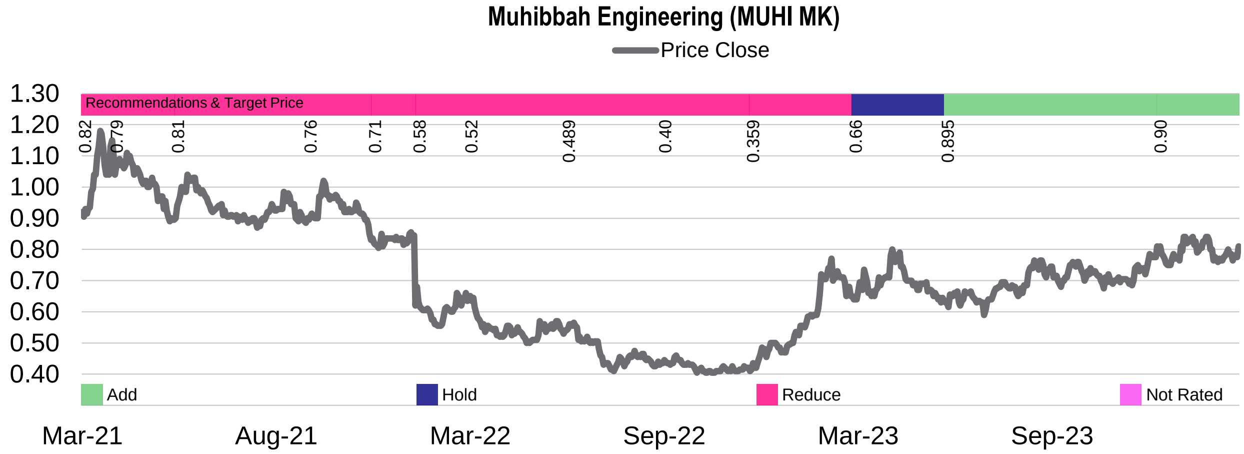
	Rating Distribution (%)	Investment Banking clients (%)
Add	67.5%	1.3%
Hold	22.5%	0.0%
Reduce	10.1%	0.2%

Spitzer Chart for stock being researched (2 year data)



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