

18 July 2024

Utilities | Power

## YTL Power (YTLP MK)

**Buy** (Maintained)

### Sneak Peek At Green DC; Keep BUY

Target Price (Return): MYR6.68 (34.9%)  
 Price (Market Cap): MYR4.95 (USD8,703m)  
 ESG score: 2.9 (out of 4)  
 Avg Daily Turnover (MYR/USD) 93.3m/19.8m

- **Keep BUY and MYR6.68 TP, 35% upside and c.2% FY25F (Jun) yield.** Post a site visit, we remain positive on the potential of YTL Green Data Centre Park, as evident by its continuous expansion plans. The commercialisation of YTL Power's first 48MW data centre (DC) is essential to establish a track record as a co-location provider. Meanwhile, YTLP is confident of securing Nvidia Corp's chips by 1HCY25, and we could expect to see the first 20MW artificial intelligence-DC (AI-DC) ramping up next year.
- **YTL Green DC Park visit.** We recently visited the YTL Green Data Park in Kulai, Johor. The visit was hosted by YTL Data Centres (YTL DC) CEO Heng Wai Mun and his team. YTLP commercialised its first 8MW DC – contracted to Sea (SEA US, NR) – in May. Despite a relatively slow ramp-up by Sea, there is no major earnings impact to YTLP, given that co-location fees are based on take-up capacity rather than live capacity. Additionally, YTLP is still in talks with several potential customers on the remaining 16MW capacity, and there is still a potential for it to be configured into an AI-DC.
- **100MW AI-DC update.** The first 20MW is at 70% completion and should be ready for server installation by year's end. The remaining 80MW capacity is also still under construction and slated for a mid-2025 completion. YTLP is finalising the offtakers. While capex has yet to be disclosed and finalised, we estimate the capex for using GB200 chips for a 100MW AI-DC could be 30-50% higher than our original estimate of USD3bn for H100 chips. YTLP is also confident of securing chip supplies on time by 1HCY25. As the server installations may take months to complete, we could expect to see the first 20MW AI-DC ramping up in CY25, with the entire 100MW AI-DC starting contribute meaningfully in CY26. The financing structure has also yet to be firmed up, but YTLP is looking at funding the equity portion internally – there is no intention to tap into the equity market for now.
- **New phase under construction.** There is another new DC phase under construction, hosting a 40+40MW capacity and adopting an air-cooling system. We believe this new capacity has been committed by a hyperscaler, with construction is likely to be completed by mid-2025. Vacant land is available for YTLP to construct solar assets – this is for the DCs to be co-powered with green energy in future. There are no requirements from the clients to supply green energy for the existing DCs, but we believe this could attract more DC investors to reduce their carbon footprints in the longer run.
- **Stay BUY.** While keeping our earnings estimates, our SOP-based TP is kept at MYR6.68 with the incorporation of a 2% ESG discount based on YTLP's 2.9 ESG score vs the 3.0 country median. Downside risks: Weaker-than-expected plant performance and higher-than-expected operating costs.

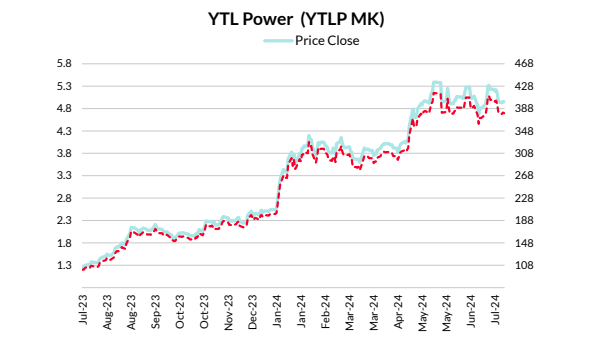
#### Analyst

Sean Lim, CFA  
 +603 2302 8128  
[sean.lim@rhbgroup.com](mailto:sean.lim@rhbgroup.com)



#### Share Performance (%)

	YTD	1m	3m	6m	12m
Absolute	94.9	(6.3)	26.9	31.0	296.0
Relative	82.6	(7.9)	20.9	21.5	279.8
52-wk Price low/high (MYR)				1.29	-5.39



Source: Bloomberg

#### Overall ESG Score: 2.9 (out of 4)

##### E: GOOD

The different business units are exposed to a number of environmental risks. In line with YTL Group's aim to become carbon neutral by 2050, PowerSeraya has set an interim target of 60% greenhouse gas (GHG) emissions reduction from its power plant operations by 2030 whereas Wessex Water's aims to achieve net zero operational carbon emissions by 2030 and full decarbonisation by 2040. The potential development of solar assets in Kulai could ramp up YTLP's renewable energy or RE capacity in the longer run.

##### S: EXCELLENT

YTLP maintains good policies and competitive benefits for its employees. Further disclosures in this area could help improve the score. Health & Safety policies are in place, with good disclosure. In 2023, employee engagement increased by 17% which lead to a declined in injury and frequency rates. The group is very active in community engagement activities, through its business units.

##### G: EXCELLENT

YTLP's board size is within the average for the industry, the directors are skilled and experienced, and there are female representation within the board. However, the board falls short of independent directors required by the Malaysian Code on Corporate Governance. YTLP ensures timely, reliable information is provided to shareholders. Shareholder rights are also protected.

Forecasts and Valuation	Jun-22	Jun-23	Jun-24F	Jun-25F	Jun-26F
Total turnover (MYRm)	17,805	21,890	20,427	20,476	25,471
Recurring net profit (MYRm)	380	2,052	3,112	2,945	3,001
Recurring net profit growth (%)	(1.6)	440.3	51.7	(5.4)	1.9
Recurring P/E (x)	106.35	19.68	12.98	13.71	13.46
P/B (x)	2.8	2.4	2.1	1.9	1.7
P/CF (x)	30.93	11.79	12.30	10.11	10.28
Dividend Yield (%)	0.9	1.2	1.8	2.2	2.2
EV/EBITDA (x)	13.99	9.45	7.56	7.75	7.31
Return on average equity (%)	2.8	13.2	17.3	14.6	13.5
Net debt to equity (%)	148.2	136.9	118.0	102.1	88.5

Source: Company data, RHB

## Financial Exhibits

<b>Asia</b>	<b>Financial summary (MYR)</b>	<b>Jun-22</b>	<b>Jun-23</b>	<b>Jun-24F</b>	<b>Jun-25F</b>	<b>Jun-26F</b>
Malaysia	Recurring EPS	0.05	0.25	0.38	0.36	0.37
Utilities	DPS	0.05	0.06	0.09	0.11	0.11
<b>YTL Power</b>	BVPS	1.75	2.06	2.35	2.60	2.86
YTLP MK	Return on average equity (%)	2.8	13.2	17.3	14.6	13.5
Buy						
	<b>Valuation metrics</b>	<b>Jun-22</b>	<b>Jun-23</b>	<b>Jun-24F</b>	<b>Jun-25F</b>	<b>Jun-26F</b>
<b>Valuation basis</b>	Recurring P/E (x)	106.35	19.68	12.98	13.71	13.46
SOP	P/B (x)	2.8	2.4	2.1	1.9	1.7
	FCF Yield (%)	(1.1)	2.9	2.5	4.3	4.1
<b>Key drivers</b>	Dividend Yield (%)	0.9	1.2	1.8	2.2	2.2
Stronger contribution from Wessex Water and PowerSeraya	EV/EBITDA (x)	13.99	9.45	7.56	7.75	7.31
	EV/EBIT (x)	22.84	13.09	9.61	9.85	9.18
	<b>Income statement (MYRm)</b>	<b>Jun-22</b>	<b>Jun-23</b>	<b>Jun-24F</b>	<b>Jun-25F</b>	<b>Jun-26F</b>
<b>Key risks</b>	Total turnover	17,805	21,890	20,427	20,476	25,471
i. Execution risk for its Java and Jordan power plant projects	Gross profit	1,648	4,187	5,603	5,455	5,814
ii. Weaker contributions from Wessex Water and PowerSeraya	EBITDA	3,311	5,123	6,499	6,313	6,688
	Depreciation and amortisation	(1,283)	(1,426)	(1,385)	(1,348)	(1,363)
	Operating profit	2,028	3,697	5,114	4,965	5,324
	Net interest	(990)	(1,580)	(1,600)	(1,652)	(1,703)
	Pre-tax profit	1,373	2,450	3,846	3,646	3,953
	Taxation	(187)	(417)	(703)	(663)	(724)
	Reported net profit	380	2,052	3,112	2,945	3,001
	Recurring net profit	380	2,052	3,112	2,945	3,001
	<b>Cash flow (MYRm)</b>	<b>Jun-22</b>	<b>Jun-23</b>	<b>Jun-24F</b>	<b>Jun-25F</b>	<b>Jun-26F</b>
	Change in working capital	(0)	(198)	(912)	(3)	(332)
	Cash flow from operations	1,306	3,425	3,284	3,995	3,928
	Capex	(1,759)	(2,266)	(2,261)	(2,261)	(2,261)
	Cash flow from investing activities	(336)	(2,498)	(2,261)	(2,261)	(2,261)
	Dividends paid	(365)	(405)	(747)	(884)	(900)
	Cash flow from financing activities	(2,706)	463	287	150	133
	Cash at beginning of period	8,593	6,880	8,999	10,309	12,194
	Net change in cash	(1,737)	1,390	1,310	1,884	1,800
	Ending balance cash	6,810	8,823	10,309	12,194	13,994
	<b>Balance sheet (MYRm)</b>	<b>Jun-22</b>	<b>Jun-23</b>	<b>Jun-24F</b>	<b>Jun-25F</b>	<b>Jun-26F</b>
	Total cash and equivalents	6,906	9,025	10,335	12,220	14,020
	Tangible fixed assets	24,556	28,505	29,431	30,394	31,342
	Total investments	4,773	5,378	5,710	6,043	6,375
	Total assets	51,001	59,132	62,091	65,233	69,539
	Short-term debt	2,477	4,002	4,002	4,002	4,002
	Total long-term debt	25,260	27,482	28,516	29,549	30,583
	Total liabilities	36,944	42,731	43,294	44,336	46,313
	Total equity	14,057	16,401	18,797	20,897	23,226
	Total liabilities & equity	51,001	59,132	62,091	65,233	69,539
	<b>Key metrics</b>	<b>Jun-22</b>	<b>Jun-23</b>	<b>Jun-24F</b>	<b>Jun-25F</b>	<b>Jun-26F</b>
	Revenue growth (%)	65.1	22.9	(6.7)	0.2	24.4
	Recurrent EPS growth (%)	(1.6)	440.3	51.7	(5.4)	1.9
	Gross margin (%)	9.3	19.1	27.4	26.6	22.8
	Operating EBITDA margin (%)	18.6	23.4	31.8	30.8	26.3
	Net profit margin (%)	2.1	9.4	15.2	14.4	11.8
	Dividend payout ratio (%)	96.7	23.9	24.0	30.0	30.0
	Capex/sales (%)	9.9	10.4	11.1	11.0	8.9
	Interest cover (x)	2.05	2.34	3.20	3.01	3.13

Source: Company data, RHB

## YTL Green Data Center Park Visit

We recently visited YTL Green Data Park in Kulai, Johor. The visit was hosted by YTL DC CEO Heng Wai Mun and his team. Recall: YTL's 70%-owned subsidiary SIPP Power acquired a 664ha oil palm estate for MYR429m from Boustead Plantations in 2021 with the intention of developing large-scale solar farms. A portion of the land (c.500acres) is being carved out to develop the 500MW YTL Green Data Centre Park. The DCs are owned separately by YTL DC, a wholly owned subsidiary of YTL. The location is near Singapore with a 26km radius coverage. It is also 11km from Kulai and 25km from Johor Bahru.

**Phase 1.** We understand the DC will be split into six phases and others for future development. For Phase 1 (JDC 1), YTL is investing MYR1.5bn to build a Tier-3 certified facility equipped with the ability to accommodate up to 72MW of capacity. The 3-storey building consists of two wings of data hall suites and mechanical & engineering or M&E rooms, as well as eight data hall suites spread over two wings per floor – this is for a total of 24 data hall suites.

Sea will be the anchor tenant for the 32MW (out of the 48MW) IT load hyperscale DC for more than 10 years. We were guided that YTL started the 8MW capacity in May this year. The current IT load remains minimal at 0.4MW and live capacity to 6MW is expected by the end of this year. The other next 8MW out of the 32MW is expected to commence at end 2024. Despite a relatively slow ramp up by Sea, there are no major earnings impact to YTL, given that co-location fees are based on take-up capacity rather than live capacity. Additionally, the group is still in discussions with several potential customers for the remaining 16MW capacity – and there is still a potential for it to be configured into AI-DC. Co-location contracts are typically for more than 10 years and, if such space is taken by YTL AI Cloud, an entity that 60% owned by YTL, it will be further contracted to end users with a relatively shorter tenure of 4-5 years.

**Phase 2 20+80MW AI-DC.** Phase 2 will accommodate the 100MW AI-DC. The first 20MW is at 70% completion and should be ready for server installation by the end of the year. The remaining 80MW capacity is also still under construction and will be ready for server installation by the middle of next year. The entire 100MW is catered for AI-DC, which will be taken up by YTL AI Cloud – 60% effectively owned by YTL – deploying one of the world's most advanced AI supercomputers on the Nvidia Grace Blackwell-powered DGX Cloud and adopting Nvidia GB200 chips. This DC will adopt direct-to-chip cooling technology to accommodate high-density racks of up to 120KW per rack vs 20KW per rack using air-cooling technology.

YTL is now finalising the offtakers. While capex has yet to be disclosed and finalised, we estimate the capex for using GB200 chips for the 100MW AI-DC could be 30-50% higher than our original estimate of USD3bn for H100 chips. The group is also confident of securing chip supplies on time by 1H CY25. As server installations may take months to complete, we could expect to see the first 20MW AI-DC to ramp up in CY25 and the entire 100MW AI-DC could start contributing meaningfully in CY26. The financing structure has yet to be firmed up, but YTL is looking to fund the equity portion internally. There is also no intention to tap into the equity market for now.

**New 40+40MW phase.** There is another new DC phase under construction that will host a 40+40MW capacity and adopt an air-cooling system. We believe this new DC capacity has been committed by a hyperscaler, with construction likely to be completed by the middle of next year.

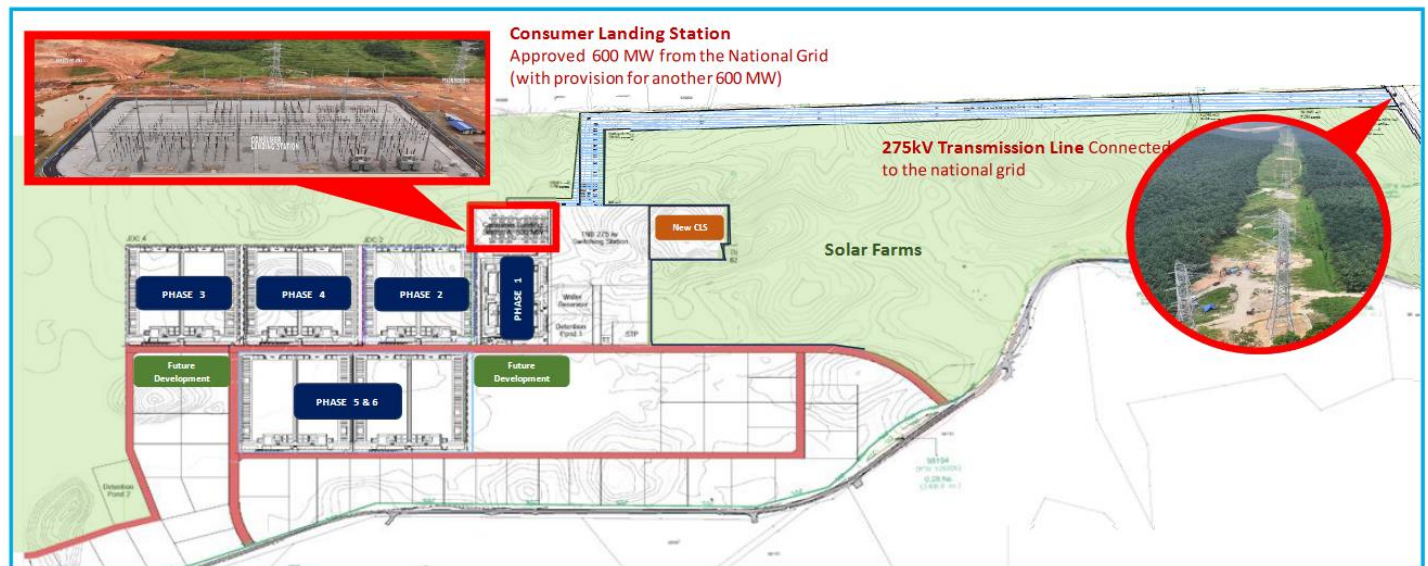
**Green power supply in future.** There is a consumer landing station with an approved 600MW from the national grid and 275kV transmission line connected to the grid. There are also vacant lands for YTL to construct solar assets for the DCs, allowing them to be co-powered in future with green energy. For its existing DCs (Phases 1,2, and 4), there is no requirement from the clients to supply green energy, but we believe this could attract more DC investors – allowing them to reduce their carbon footprints in the longer run.

Figure 1: Location of YTL Green Data Centre Park



Note: Company

Figure 2: YTL Green Data Centre Park's development masterplan



Note: Company data



Figure 3: SOP valuation

Segments	Value (MYRm)	Remarks
Wessex Water	9,137.62	DCF, based on WACC of 6.3%.
PowerSeraya	25,992.31	3.5x FY23 P/BV.
Mobile broadband network	1,194.38	1x FY23 P/BV.
Investment in associates (Java+Attarat plants)	3,325.59	1.7x FY23 investment in associate.
WTE plant	604.21	50% equity stake, 7.5% WACC, MYR4.5bn capex, 16-year duration, 12% IRR, 300MW, 11% IRR, 14-year contract tenure.
DC investments	3,797.90	WACC: 7.5%.
AI-DC	18,508.30	15x EV/EBITDA assuming a 60% ramp up in 100MW AI-DC, 14% project IRR, 60% stake and USD3bn capex.
Minus: Company net debt	-6,989.88	FY23 company net debt.
<b>Total (MYR)</b>	<b>55,570.43</b>	
Shares (m)	8,158.00	
ESG premium/(discount)	-0.02	Based on its score of 2.9.
<b>TP (MYR)</b>	<b>6.68</b>	

Source: RHB

## Emissions And ESG

### Trend analysis

Total emissions of YTL Power increased by 7% YoY in FY23 due mainly to higher power generation in Singapore, which rose 13% for the financial year under review. However, GHG intensity decreased 13% to 0.19 this year when compared to 0.22 last year, based on Scopes 1 and 2 GHG emissions, measured against revenue.

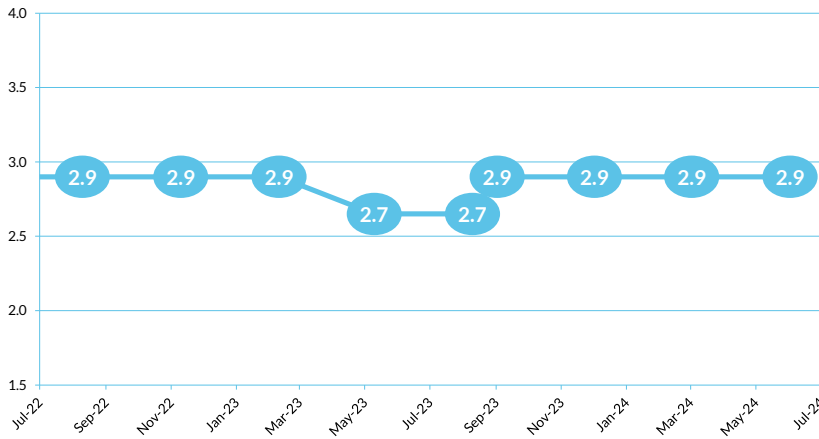
Emissions (tCO2e)	Jun-21	Jun-22	Jun-23
Scope 1	3,242,000	3,718,000	3,921,000
Scope 2	121,000	118,000	150,000
Scope 3	na	na	45,000
Total emissions	3,363,000	3,836,000	4,116,000

Source: Company data, RHB

## Latest ESG-Related Developments

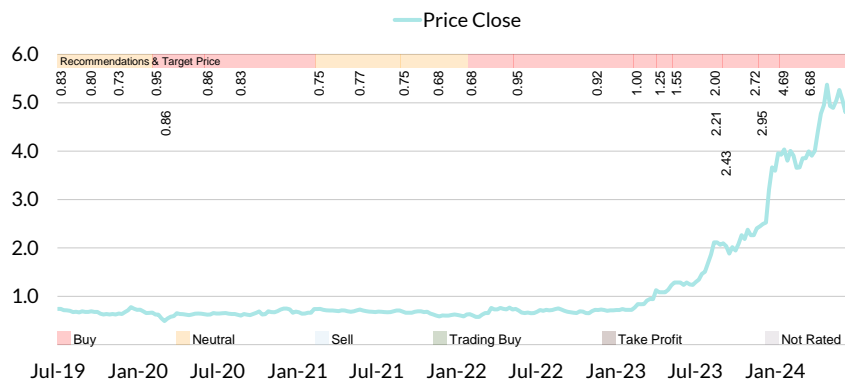
- Being a leading power generator in Singapore, YTL PowerSeraya is committed to reducing its emissions by 60% from the 2010 level by 2030.
- Wessex Water also published their own detailed plan in mid-2021 to achieve net zero operational carbon emissions by 2030, alongside a goal to achieve full decarbonisation by 2040, a decade ahead of the UK Government's 2050 target.

## ESG Rating History



Source: RHB

## Recommendation Chart



Source: RHB, Bloomberg

Date	Recommendation	Target Price	Price
2024-05-24	Buy	6.68	4.95
2024-02-23	Buy	4.69	4.02
2024-01-29	Buy	4.69	3.95
2023-12-11	Buy	2.95	2.51
2023-11-24	Buy	2.72	2.28
2023-11-01	Buy	2.43	2.18
2023-09-17	Buy	2.43	2.08
2023-08-24	Buy	2.21	1.75
2023-08-22	Buy	2.00	1.78
2023-05-25	Buy	1.55	1.15
2023-04-18	Buy	1.25	1.09
2023-02-24	Buy	1.00	0.74
2022-11-25	Buy	0.92	0.71
2022-08-26	Buy	0.95	0.73
2022-05-27	Buy	0.95	0.74

Source: RHB, Bloomberg

## RHB Guide to Investment Ratings

<b>Buy:</b>	Share price may exceed 10% over the next 12 months
<b>Trading Buy:</b>	Share price may exceed 15% over the next 3 months, however longer-term outlook remains uncertain
<b>Neutral:</b>	Share price may fall within the range of +/- 10% over the next 12 months
<b>Take Profit:</b>	Target price has been attained. Look to accumulate at lower levels
<b>Sell:</b>	Share price may fall by more than 10% over the next 12 months
<b>Not Rated:</b>	Stock is not within regular research coverage

### Investment Research Disclaimers

RHB has issued this report for information purposes only. This report is intended for circulation amongst RHB and its affiliates' clients generally or such persons as may be deemed eligible by RHB to receive this report and does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. This report is not intended, and should not under any circumstances be construed as, an offer or a solicitation of an offer to buy or sell the securities referred to herein or any related financial instruments.

This report may further consist of, whether in whole or in part, summaries, research, compilations, extracts or analysis that has been prepared by RHB's strategic, joint venture and/or business partners. No representation or warranty (express or implied) is given as to the accuracy or completeness of such information and accordingly investors should make their own informed decisions before relying on the same.

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 the applicable laws or regulations. By accepting this report, the recipient hereof (i) represents and warrants that it is lawfully able to receive this document under the laws and regulations of the jurisdiction in which it is located or other applicable laws and (ii) acknowledges and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of applicable laws.

All the information contained herein is based upon publicly available information and has been obtained from sources that RHB believes to be reliable and correct at the time of issue of this report. However, such sources have not been independently verified by RHB and/or its affiliates and this report does not purport to contain all information that a prospective investor may require. The opinions expressed herein are RHB's present opinions only and are subject to change without prior notice. RHB is not under any obligation to update or keep current the information and opinions expressed herein or to provide the recipient with access to any additional information. Consequently, RHB does not guarantee, represent or warrant, expressly or impliedly, as to the adequacy, accuracy, reliability, fairness or completeness of the information and opinion contained in this report. Neither RHB (including its officers, directors, associates, connected parties, and/or employees) nor does any of its agents accept any liability for any direct, indirect or consequential losses, loss of profits and/or damages that may arise from the use or reliance of this research report and/or further communications given in relation to this report. Any such responsibility or liability is hereby expressly disclaimed.

Whilst every effort is made to ensure that statement of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable and must not be construed as a representation that the matters referred to therein will occur. Different assumptions by RHB or any other source may yield substantially different results and recommendations contained on one type of research product may differ from recommendations contained in other types of research. The performance of currencies may affect the value of, or income from, the securities or any other financial instruments referenced in this report. Holders of depositary receipts backed by the securities discussed in this report assume currency risk. Past performance is not a guide to future performance. Income from investments may fluctuate. The price or value of the investments to which this report relates, either directly or indirectly, may fall or rise against the interest of investors.

This report may contain comments, estimates, projections, forecasts and expressions of opinion relating to macroeconomic research published by RHB economists of which should not be considered as investment ratings/advice and/or a recommendation by such economists on any securities discussed in this report.

This report does not purport to be comprehensive or to contain all the information that a prospective investor may need in order to make an investment decision. The recipient of this report is making its own independent assessment and decisions regarding any securities or financial instruments referenced herein. Any investment discussed or recommended in this report may be unsuitable for an investor depending on the investor's specific investment objectives and financial position. The material in this report is general information intended for recipients who understand the risks of investing in financial instruments. This report does not take into account whether an investment or course of action and any associated risks are suitable for the recipient. Any recommendations contained in this report must therefore not be relied upon as investment advice based on the recipient's personal circumstances. Investors should make their own independent evaluation of the information contained herein, consider their own investment objective, financial situation and particular needs and seek their own financial, business, legal, tax and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as "believe", "estimate", "intend" and "expect" and statements that an event or result "may", "will" or "might" occur or be achieved and other similar expressions. Such forward-looking statements are based on assumptions made and information currently available to RHB and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. RHB expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

The use of any website to access this report electronically is done at the recipient's own risk, and it is the recipient's sole responsibility to take precautions to ensure that it is free from viruses or other items of a destructive nature. This report may also provide the addresses of, or contain hyperlinks to, websites. RHB takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to RHB own website material) are provided solely for the recipient's convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or RHB website shall be at the recipient's own risk.

This report may contain information obtained from third parties. Third party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs) in connection with any use of their content.

The research analysts responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously. The research analysts that authored this report are precluded by RHB in all circumstances from trading in the securities or other financial instruments referenced in the report, or from having an interest in the company(ies) that they cover.

The contents of this report is strictly confidential and may not be copied, reproduced, published, distributed, transmitted or passed, in whole or in part, to any other person without the prior express written consent of RHB and/or its affiliates. This report has been delivered to RHB and its affiliates' clients for information purposes only and upon the express understanding that such parties will use it only for the purposes set forth above. By electing to view or accepting a copy of this report, the recipients have agreed that they will not print, copy, videotape, record, hyperlink, download, or otherwise attempt to reproduce or re-transmit (in any form including hard copy or electronic distribution format) the contents of this report. RHB and/or its affiliates accepts no liability whatsoever for the actions of third parties in this respect.

The contents of this report are subject to copyright. Please refer to Restrictions on Distribution below for information regarding the distributors of this report. Recipients must not reproduce or disseminate any content or findings of this report without the express permission of RHB and the distributors.

The securities mentioned in this publication may not be eligible for sale in some states or countries or certain categories of investors. The recipient of this report should have regard to the laws of the recipient's place of domicile when contemplating transactions in the securities or other financial instruments referred to herein. The securities discussed in this report may not have been registered in such jurisdiction. Without prejudice to the foregoing, the recipient is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

The term "RHB" shall denote, where appropriate, the relevant entity distributing or disseminating the report in the particular jurisdiction referenced below, or, in every other case, RHB Investment Bank Berhad and its affiliates, subsidiaries and related companies.

### RESTRICTIONS ON DISTRIBUTION

#### Malaysia

This report is issued and distributed in Malaysia by RHB Investment Bank Berhad ("RHBIB"). The views and opinions in this report are our own as of the date hereof and is subject to change. If the Financial Services and Markets Act of the United Kingdom or the rules of the Financial Conduct Authority apply to a recipient, our obligations owed to such recipient therein are unaffected. RHBIB has no obligation to update its opinion or the information in this report.

#### Thailand

This report is issued and distributed in the Kingdom of Thailand by RHB Securities (Thailand) PCL, a licensed securities company that is authorised by the Ministry of Finance, regulated by the Securities and Exchange Commission of Thailand and is a member of the

Stock Exchange of Thailand. The Thai Institute of Directors Association has disclosed the Corporate Governance Report of Thai Listed Companies made pursuant to the policy of the Securities and Exchange Commission of Thailand. RHB Securities (Thailand) PCL does not endorse, confirm nor certify the result of the Corporate Governance Report of Thai Listed Companies.

#### Indonesia

This report is issued and distributed in Indonesia by PT RHB Sekuritas Indonesia. This research does not constitute an offering document and it should not be construed as an offer of securities in Indonesia. Any securities offered or sold, directly or indirectly, in Indonesia or to any Indonesian citizen or corporation (wherever located) or to any Indonesian resident in a manner which constitutes a public offering under Indonesian laws and regulations must comply with the prevailing Indonesian laws and regulations.

#### Singapore

This report is issued and distributed in Singapore by RHB Bank Berhad (through its Singapore branch) which is an exempt capital markets services entity and an exempt financial adviser regulated by the Monetary Authority of Singapore. RHB Bank Berhad (through its Singapore branch) may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, RHB Bank Berhad (through its Singapore branch) accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact RHB Bank Berhad (through its Singapore branch) in respect of any matter arising from or in connection with the report.

#### United States

This report was prepared by RHB is meant for distribution solely and directly to "major" U.S. institutional investors as defined under, and pursuant to, the requirements of Rule 15a-6 under the U.S. Securities and Exchange Act of 1934, as amended (the "Exchange Act") via a registered U.S. broker-dealer as appointed by RHB from time to time. Accordingly, any access to this report via Bursa Marketplace or any other Electronic Services Provider is not intended for any party other than "major" US institutional investors (via a registered U.S broker-dealer), nor shall be deemed as solicitation by RHB in any manner. RHB is not registered as a broker-dealer in the United States and currently has not appointed a U.S. broker-dealer. Additionally, RHB does not offer brokerage services to U.S. persons. Any order for the purchase or sale of all securities discussed herein must be placed with and through a registered U.S. broker-dealer as appointed by RHB from time to time as required by the Exchange Act Rule 15a-6. For avoidance of doubt, RHB reiterates that it has not appointed any U.S. broker-dealer during the issuance of this report. This report is confidential and not intended for distribution to, or use by, persons other than the recipient and its employees, agents and advisors, as applicable. Additionally, where research is distributed via Electronic Service Provider, the analysts whose names appear in this report are not registered or qualified as research analysts in the United States and are not associated persons of any registered U.S. broker-dealer as appointed by RHB from time to time and therefore may not be subject to any applicable restrictions under Financial Industry Regulatory Authority ("FINRA") rules on communications with a subject company, public appearances and personal trading. Investing in any non-U.S. securities or related financial instruments discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in the United States. The financial instruments discussed in this report may not be suitable for all investors. Transactions in foreign markets may be subject to regulations that differ from or offer less protection than those in the United States.

#### DISCLOSURE OF CONFLICTS OF INTEREST

RHB Investment Bank Berhad, its subsidiaries (including its regional offices) and associated companies, ("RHBIB Group") form a diversified financial group, undertaking various investment banking activities which include, amongst others, underwriting, securities trading, market making and corporate finance advisory.

As a result of the same, in the ordinary course of its business, any member of the RHBIB Group, may, from time to time, have business relationships with, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants, and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or perform and/or solicit investment, advisory or other services from any of the subject company(ies) covered in this research report.

While the RHBIB Group will ensure that there are sufficient information barriers and internal controls in place where necessary, to prevent/manage any conflicts of interest to ensure the independence of this report, investors should also be aware that such conflict of interest may exist in view of the investment banking activities undertaken by the RHBIB Group as mentioned above and should exercise their own judgement before making any investment decisions.

In Singapore, investment research activities are conducted under RHB Bank Berhad (through its Singapore branch), and the disclaimers above similarly apply.

#### Malaysia

Save as disclosed in the following link [RHB Research Conflict Disclosures – Jul 2024](#) and to the best of our knowledge, RHBIB hereby declares that:

1. RHBIB does not have a financial interest in the securities or other capital market products of the subject company(ies) covered in this report.
2. RHBIB is not a market maker in the securities or capital market products of the subject company(ies) covered in this report.
3. None of RHBIB's staff or associated person serve as a director or board member\* of the subject company(ies) covered in this report  
*\*For the avoidance of doubt, the confirmation is only limited to the staff of research department*
4. RHBIB did not receive compensation for investment banking or corporate finance services from the subject company in the past 12 months.
5. RHBIB did not receive compensation or benefit (including gift and special cost arrangement e.g. company/issuer-sponsored and paid trip) in relation to the production of this report.

#### Thailand

Save as disclosed in the following link [RHB Research Conflict Disclosures – Jul 2024](#) and to the best of our knowledge, RHB Securities (Thailand) PCL hereby declares that:

1. RHB Securities (Thailand) PCL does not have a financial interest in the securities or other capital market products of the subject company(ies) covered in this report.
2. RHB Securities (Thailand) PCL is not a market maker in the securities or capital market products of the subject company(ies) covered in this report.
3. None of RHB Securities (Thailand) PCL's staff or associated person serve as a director or board member\* of the subject company(ies) covered in this report  
*\*For the avoidance of doubt, the confirmation is only limited to the staff of research department*
4. RHB Securities (Thailand) PCL did not receive compensation for investment banking or corporate finance services from the subject company in the past 12 months.
5. RHB Securities (Thailand) PCL did not receive compensation or benefit (including gift and special cost arrangement e.g. company/issuer-sponsored and paid trip) in relation to the production of this report.

#### Indonesia

Save as disclosed in the following link [RHB Research Conflict Disclosures – Jul 2024](#) and to the best of our knowledge, PT RHB Sekuritas Indonesia hereby declares that:

1. PT RHB Sekuritas Indonesia and its investment analysts, does not have any interest in the securities of the subject company(ies) covered in this report.  
For the avoidance of doubt, interest in securities include the following:
  - a) Holding directly or indirectly, individually or jointly own/hold securities or entitled for dividends, interest or proceeds from the sale or exercise of the subject company's securities covered in this report\*;
  - b) Being bound by an agreement to purchase securities or has the right to transfer the securities or has the right to pre subscribe the securities\*.
  - c) Being bound or required to buy the remaining securities that are not subscribed/placed out pursuant to an Initial Public Offering\*.
  - d) Managing or jointly with other parties managing such parties as referred to in (a), (b) or (c) above.
2. PT RHB Sekuritas Indonesia is not a market maker in the securities or capital market products of the subject company(ies) covered in this report.
3. None of PT RHB Sekuritas Indonesia's staff\*\* or associated person serve as a director or board member\* of the subject company(ies) covered in this report.
4. PT RHB Sekuritas Indonesia did not receive compensation for investment banking or corporate finance services from the subject company in the past 12 months.
5. PT RHB Sekuritas Indonesia\*\* did not receive compensation or benefit (including gift and special cost arrangement e.g. company/issuer-sponsored and paid trip) in relation to the production of this report:

#### Notes:

\*The overall disclosure is limited to information pertaining to PT RHB Sekuritas Indonesia only.  
\*\*The disclosure is limited to Research staff of PT RHB Sekuritas Indonesia only.

#### Singapore

Save as disclosed in the following link [RHB Research Conflict Disclosures – Jul 2024](#) and to the best of our knowledge, the Singapore Research department of RHB Bank Berhad (through its Singapore branch) hereby declares that:

1. RHB Bank Berhad, its subsidiaries and/or associated companies do not make a market in any issuer covered by the Singapore research analysts in this report.
2. RHB Bank Berhad, its subsidiaries and/or its associated companies and its analysts do not have a financial interest (including a shareholding of 1% or more) in the issuer covered by the Singapore research analysts in this report.
3. RHB Bank Berhad's Singapore research staff or connected persons do not serve on the board or trustee positions of the issuer covered by the Singapore research analysts in this report.
4. RHB Bank Berhad, its subsidiaries and/or its associated companies do not have and have not within the last 12 months had any corporate finance advisory relationship with the issuer covered by the Singapore research analysts in this report or any other relationship that may create a potential conflict of interest.
5. RHB Bank Berhad's Singapore research analysts, or person associated or connected to it do not have any interest in the acquisition or disposal of, the securities, specified securities based derivatives contracts or units in a collective investment scheme covered by the Singapore research analysts in this report.
6. RHB Bank Berhad's Singapore research analysts do not receive any compensation or benefit in connection with the production of this research report or recommendation on the issuer covered by the Singapore research analysts.



---

**Analyst Certification**

The analyst(s) who prepared this report, and their associates hereby, certify that:

(1) they do not have any financial interest in the securities or other capital market products of the subject companies mentioned in this report, except for:

Analyst	Company
-	-

(2) no part of his or her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

**KUALA LUMPUR**

**RHB Investment Bank Bhd**  
Level 3A, Tower One, RHB Centre  
Jalan Tun Razak  
Kuala Lumpur 50400  
Malaysia  
Tel : +603 2302 8100  
Fax : +603 2302 8134

**JAKARTA**

**PT RHB Sekuritas Indonesia**  
Revenue Tower, 11th Floor, District 8 - SCBD  
Jl. Jendral Sudirman Kav 52-53  
Jakarta 12190  
Indonesia  
Tel: +6221 509 39 888  
Fax : +6221 509 39 777

**BANGKOK**

**RHB Securities (Thailand) PCL**  
10th Floor, Sathorn Square Office Tower  
98, North Sathorn Road, Silom  
Bangrak, Bangkok 10500  
Thailand  
Tel: +66 2088 9999  
Fax :+66 2088 9799

**SINGAPORE**

**RHB Bank Berhad (Singapore branch)**  
90 Cecil Street  
#04-00 RHB Bank Building  
Singapore 069531  
Fax: +65 6509 0470