

# CapitaLand Int. Comm. Trust (CICT SP)

## Delivering growth

### Topline growth more than offsets higher funding cost

CICT reported 2H DPU of 5.45cts, +1.7% YoY. FY DPU of 10.75cts, +1.6% YoY was c.1% below cons./our est. Organic growth and full-year contribution of acquired assets was partially offset by higher borrowing costs. Occupancy rose while retail reversions gained strength. Singapore supported portfolio value. Focus is on asset enhancements (AEI) and proactive portfolio management. We lift DPU estimates and combined with a lower discount rate, raise our DDM-based TP to SGD2.10. Maintain BUY.

### Proactive portfolio and prudent cost management

2H revenue and NPI of SGD785.2 and SGD563.6m was c. +4% YoY. FY revenue and NPI of SGD1,559.9 and SGD1115.9m was +8.2% and +7% YoY, respectively. Growth for 2H was led by higher rents and occupancies. Meanwhile, prudent cost management maintained operating jaws. Contribution from prior acquisitions also contributed to full year growth. All-in funding cost rose 20bps HoH/70bps YoY to 3.5%. Guide is for funding cost to be in "mid 3%" range. Valuation rose 1.2%, led by gains in Singapore which more than offset continued weakness in overseas offices in Australia and Germany. As such, gearing inched down to 39.9% (3Q 40.8%).

### Steady operations; focus on asset enhancements

Occupancy was stable QoQ at 97.3%. Frictional vacancies in local malls and lower occupancy in German offices was offset by higher occupancy in Singapore and Australian offices and integrated developments. Office reversion came in at +9%, relatively steady vs. 3Q while retail reversions gained strength at +8.5% for full year (7.8% for 9M). However, tenant sales growth moderated to 1.8% YoY for the full-year from 4% for 9M. Guide is for mid-single digit positive reversion for retail. CQ@ Clarke Quay is at the final stage of asset enhancement initiative (AEI) with 85% pre-commits. CICT is embarking on AEIs for IMM Building (SGD48m, target RoI 8%), Gallileo (EUR175-215m) and 101 Miller Street (AUD9m) planned to be completed in the next two years. While the Gallileo AEI costs almost same as the asset, it is needed for its continued relevance.

### Maintain BUY

Factoring in lost income from Gallileo but better portfolio performance and completion of AEI, we leave our FY24 DPU est. unchanged but raise FY25 by 1.8%. Coupled with a lower discount rate, our TP rises to SGD2.10. While 5.6% yield is at mid-point of its historical range, we like CICT's SG-centric resilient income profile and strong credit standing.

FYE Dec (SGD m)	FY22A	FY23A	FY24E	FY25E	FY26E
Revenue	1,442	1,560	1,547	1,580	1,638
Net property income	1,043	1,116	1,104	1,132	1,173
Core net profit	713	728	749	777	823
Core EPU (cts)	10.8	11.0	11.2	11.5	12.1
Core EPU growth (%)	1.5	1.8	1.8	3.2	5.5
DPU (cts)	10.6	10.8	11.0	11.3	11.9
DPU growth (%)	1.7	1.6	1.9	3.2	5.5
P/NTA (x)	1.0	1.0	0.9	0.9	0.9
DPU yield (%)	5.2	5.2	5.5	5.7	6.0
ROAE (%)	4.9	5.8	7.2	7.2	6.3
ROAA (%)	3.0	2.9	3.0	3.1	3.2
Debt/Assets (x)	0.39	0.38	0.38	0.38	0.38
Consensus DPU	-	-	11.0	11.2	12.0
MIBG vs. Consensus (%)	-	-	(0.4)	0.5	(0.6)

Krishna Guha  
krishna.guha@maybank.com  
(65) 6231 5842

## BUY

Share Price	SGD 1.98
12m Price Target	SGD 2.10 (+6%)
Previous Price Target	SGD 1.90

### Company Description

CapitaLand Integrated Commercial Trust operates as a real estate investment trust, established through the merger of CMT and CCT.

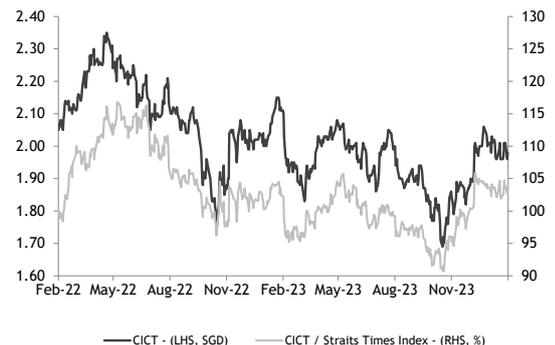
### Statistics

52w high/low (SGD)	2.10/1.69
3m avg turnover (USDm)	27.7
Free float (%)	68.1
Issued shares (m)	6,652
Market capitalisation	SGD13.2B USD9.8B

### Major shareholders:

Temasek Holdings Pte Ltd. (Investment Ma	19.7%
DBS Group Holdings Ltd.	9.4%
The Vanguard Group, Inc.	2.8%

### Price Performance



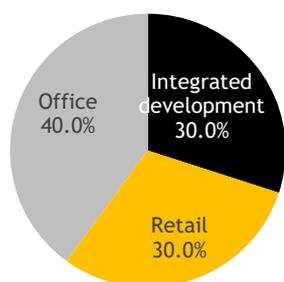
	-1M	-3M	-12M
Absolute (%)	(1)	6	(6)
Relative to index (%)	0	8	1

Source: FactSet

## Value Proposition

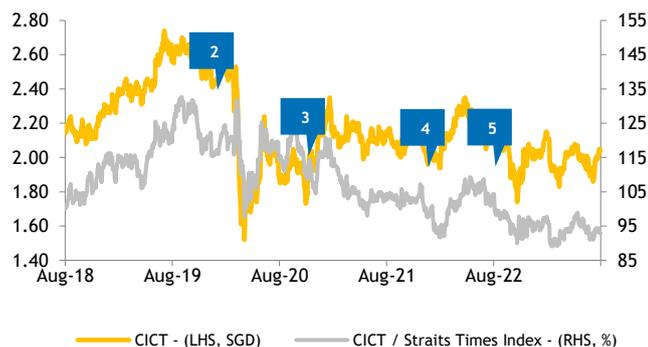
- Formed in Nov 2020 as a result of the merger between CCT and CMT, and is the largest proxy to Singapore commercial real estate, with 23 retail, office and integrated development assets in Singapore and Germany valued at SGD24.2b as of end-Dec 2021.
- Backed by sponsor CapitaLand Investment, one of Asia’s largest real-estate investment managers with SGD121b in real estate AUM and SGD86b of funds-under-management (FUM) as at end-Dec 2021.
- Sponsor offers a right-of-first refusal pipeline with a book value equivalent to 15-20% of its AUM.
- A more diversified AUM and higher SGD5.8b development headroom to add growth options, and support its portfolio remodelling over the medium term.

### AUM breakdown (as of end-Dec 2022)



Source: Company

## Price Drivers

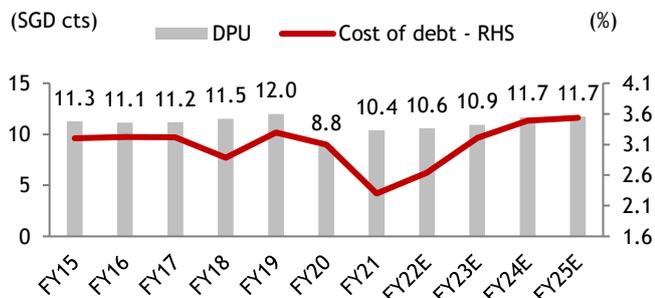


- Aug-18: CMT acquires remaining 70% interest in Westgate for SGD789.6m from its sponsor at 4.3% NPI yield.
- Jan-20: CMT announces merger with CCT to create the largest S-REIT and second largest APAC commercial REIT with a SGD22.4b AUM.
- Nov-20: CMT renamed as CICT, commenced trading post-merger, with three distinct property segments (retail, office and integrated development).
- Dec-21: Recycles part of One George Street divestment proceeds to two Grade A Australian office properties from sponsor at 5.2% NPI yield and +3.1% DPU accretion.
- Mar-22: Proposed acquisition of 70% interest in 79 Robinson Road

## Financial Metrics

- DPU to improve by 3% YoY and 7% YoY in FY23E and FY24E, due to higher occupancies and rents in Singapore and Australian asset contributions offset by borrowing cost
- FY24E to see full impact of positive reversions that started in FY23 due to stronger tenant sales from downtown and suburban malls.
- NPI contributions from its office properties to recover in FY23E after AELs (at 20 Collyer Quay and 6 Battery Road) and earnings from CapitaSpring post-redevelopment. FY24E will likely to see fall in contribution from Commerzbank asset

### Cost of debt and DPU growth profile



Source: Company

## Swing Factors

### Upside

- Earlier-than-expected pick-up in leasing demand for retail or office space driving improvement in occupancy.
- Better-than-anticipated rental reversions.
- Accretive acquisitions or redevelopment projects.

### Downside

- Prolonged slowdown in economic activity could reduce demand for retail or office space, resulting in lower occupancy and rental rates.
- Termination of long-term leases contributing to weaker portfolio tenant retention rate.
- Sharper-than-expected rise in interest rates could increase cost of debt and negatively impact earnings, with higher cost of capital lowering valuations.

[krishna.guha@maybank.com](mailto:krishna.guha@maybank.com)

# ESG@MAYBANK IBG

krishna.guha@maybank.com

<b>Risk Rating &amp; Score<sup>1</sup></b>	10.2 (Low)
<b>Score Momentum<sup>2</sup></b>	-0.7
<b>Last Updated</b>	24 Nov 2022
<b>Controversy Score<sup>3</sup></b> (Updated: 24 Nov 2022)	0

## Business Model & Industry Issues

- CICT draws on its available pool of funds to invest in commercial real estate, undertake asset enhancements, and redevelop properties to optimise value for its unit holders. It is susceptible to sustainability-focused investors with strong preference for investing in companies that meet specific ESG criteria, given its incessant need for additional capital.
- Its activities relating to its permissible investments, leverage limits, and annual reporting requirements are closely regulated by the MAS under Singapore’s code on collective investment schemes. Independence, real estate and capital markets know-how on its board is high, with representation by members with international experience, essential given its overseas portfolio will increasingly be a growth platform.
- As the largest owner of shopping centre floor space and office properties in Singapore, it attentively monitors building and environmental efficiency across its 10.6m sf NLA, and has set medium-term 2030 targets on carbon emission, energy and water intensity reductions. These efforts have also been recognised by the Global Real Estate Sustainability Benchmark.
- Its large and diversified portfolio has increased the extent for value-generating redevelopments and AELs. The repositioning of Funan into an integrated development with retail, office and co-living spaces has broadened the scope of its social initiatives

## Material E issues

- All 21 Singapore properties are BCA Green Mark certified, with 4 certified GOLD and 4 GoldPLUS, which is the minimum target set for new developments, and 12 achieving the highest Platinum certification.
- Long-term targets are aligned to science-based goals in CapitaLand’s 2030 Sustainability Master Plan, from a 2008 base year, to reduce by 2030: (a) energy intensity by 35%; (b) carbon emissions intensity by 78%; (c) water intensity by 45%; and to achieve (d) 35% of electricity consumption from renewable sources; and (e) 25% recycling rate.
- Green/ sustainability-linked loans are now c.27% of total borrowings, after it secured an additional SGD2.1b in loan facilities in 1H22

## Material S issues

- Its sponsor allocates up to 3.0% of its annual wage bill towards learning and development programmes for its employees, which is supported by its in-house training hub - CapitaLand Institute of Management and Business.
- Gender diversity is high at CICT, with female representation at 57% amongst all employees (in 2021), 63% at the management level, and the Chairman’s seat on the board.
- Funan, which was redeveloped and conceptualised as an integrated development to comprise retail, office and co-living spaces, to offer roof-top urban farming, an indoor rock-climbing facility, and 170 bicycle bays. It will also leverage digital tools to enhance the shopper experience.
- Two of its malls house community libraries and both have gained additional GFA from URA’s community and sports facilities scheme.

## Key G metrics and issues

- Managed externally by wholly-owned subsidiaries of its sponsor CapitaLand Investment, which supports its growth via a pipeline of property assets from its development activities, and access to capital markets.
- Board independence is high - 5 of its 8 members, including the Chairman, are independent, and the CEO is the only executive and non-independent member.
- Revised performance fee from 2.85% of gross revenue to 4.25% of NPI at the 2016 AGM. This, and its base fee at 0.25% of deposited property and acquisition and disposal fee at 1.0% and 0.5% of deal value, is comparable to peers.
- The cumulative remuneration of its key management team including the CEO has never represented >0.6% of the REIT’s distributable income since this was first reported in FY16.
- Payout ratio for taxable income has been consistently maintained above the minimum 90% threshold for tax transparency. Management retained 70% of its 1Q20 distributable income in light of a challenging outlook for its retail properties due to Covid-19.
- Has scaled up via DPU-accretive acquisitions from its sponsor’s pipeline. The deal process is rigorous; involving a review by the board’s audit committee, and if valued >5% of NAV, unit holders’ approval at an EGM.
- Its merger with CCT was effective in Nov 2020 as it aimed to create a third largest APAC REIT with SGD22.9b AUM across 10.4m sf of commercial NLA, and serve as its sponsor’s primary investment vehicle for commercial real estate in Singapore and other developed markets.
- Generated value from its AELs at Junction 8 and IMM, and divestments of Rivervale Mall and Sembawang Shopping Centre (192% and 218% over purchase price). Maintains one of the strongest balance sheets amongst peers - leverage has fallen steadily from 38.4% at end-2011 to 37.2% at end-2021, but should rise steadily with growth in AUM.

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

# 1. Result highlights

Fig 1: Result highlights

SGDm.	2H23	% YoY	% HoH	FY22	FY23	% YoY
Gross revenue	785.1	4	1	1441.7	1559.9	8
Retail	411.4	3	1	790.1	820.5	4
Sub-urban retail	218.3			429.6	436.8	
Downtown retail	193.1			360.4	383.7	
Office	321.9	5	2	563.7	638.0	13
CBD office	220.6			384.9	435.2	
Office - Funan, RCS, Atrium@Orchard	45.5			86.5	90.5	
Office - Australia	26.7			37.5	56.2	
Office-Germany	29.0			54.8	56.2	
Hotel	51.8	5	4	87.9	101.4	15
Retail	285.7			556.4	570.5	
Office	264.8			463.6	521.9	
Integrated developments	234.7			421.6	467.6	
Gross revenue	785.2			1441.6	1560.0	
Retail	197.6			394.1	396.3	
Office	203.9			346.5	391.0	
Integrated developments	162.1			302.7	328.6	
Net property income	563.6			1043.3	1115.9	
Gross revenue	785.2	4.1	1.3	1441.7	1560.0	8.2
Property expenses	-221.6			-398.4	-444.1	
Net property income	563.6	4.0	2.0	1043.3	1115.9	7.0
Borrowing costs	-168.1	21.8	9.2	-242.4	-322.1	32.8
Mgmt. Fees & Trust expenses	-49.5			-95.4	-98.4	3.1
Total distributable income	362.5	2.1	2.6	702.4	715.7	1.9
DPU (SGD cts)	5.45	1.7	2.8	10.58	10.75	1.6
NAV per unit (SGD)	2.13	0.5	0.5	2.12	2.13	0.5
Aggregate leverage (%)	39.9	(50)	(50)	40.4	39.9	(50)
All-in financing cost (%)	3.4	70	20	2.7	3.4	70
Occupancy (%)	97.3	150	60	95.8	97.3	
-Retail	98.5			98.3	98.5	
- Office	96.7			94.4	96.7	
- Office, SG	98.5					
- Office, Germany	94.5					
- Office, AU	88.5					
-Integrated Development	98.5			97.1	98.5	
Office YTD Rent reversion, %	9.0	140	(60)			
Retail YTD rent reversion (%)	8.5	730	160			
-Suburban	8.3					
- Downtown	8.8					
Retail YTD tenant sales psf YoY growth (%)	1.8					
-Suburban	1.9					
- Downtown	2.5					
NPI margin (%)	71.8	(6)	49	72.4	71.5	

Source: Maybank IBG Research, Company Data

## 2. Estimate changes

Fig 2: Estimate changes

SGDm	FY24E (old)	FY25E (old)	FY24E (new)	FY25E (new)	FY24E, % Chng	FY25E, % Chng
Revenue	1520.7	1540.7	1546.8	1579.7	1.7%	2.5%
NPI	1161.7	1176.7	1104.3	1132.2	-4.9%	-3.8%
Mgmt fees	-116.7	-118.0	-115.5	-117.9	-1.0%	-0.1%
Borrowing cost	-357.0	-366.0	-358.0	-357.2	0.3%	-2.4%
Distrib. income	722.4	728.6	736.2	763.1	1.9%	4.7%
DPU (SGD cts.)	10.96	11.10	10.95	11.30	0.0%	1.8%

Source: Maybank IBG Research

## 3. Valuation

We value CICT using a 3-stage DDM model with a cost of equity of 7.4% vs. prior input of 7.7%. We tweak up our DPU estimates factoring in better portfolio contribution, partially offset by higher number of units due to dividend reinvestment scheme. Along with a lower discount rate, our target price increases to SGD2.10. We maintain our BUY rating. While the yield of 5.6% is mid-range of its historical band, we like CICT's resilient income profile from its Singapore-centric portfolio and A-rated credit to withstand a protracted higher interest rate period.

## 4. Risks

Slower-than-expected growth in tourist arrivals, non-renewal of office leases, higher interest rates, and dilutive M&As

FYE 31 Dec	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Key Metrics</b>					
Price/DPU(x)	19.3	19.2	18.1	17.5	16.6
P/BV (x)	1.0	1.0	0.9	0.9	0.9
P/NTA (x)	1.0	1.0	0.9	0.9	0.9
DPU yield (%)	5.2	5.2	5.5	5.7	6.0
FCF yield (%)	7.6	7.9	6.5	6.6	8.2
<b>INCOME STATEMENT (SGD m)</b>					
Revenue	1,441.7	1,559.9	1,546.8	1,579.7	1,637.6
<b>Net property income</b>	<b>1,043.3</b>	<b>1,115.9</b>	<b>1,104.3</b>	<b>1,132.2</b>	<b>1,172.9</b>
Management and trustee fees	(150.3)	(157.8)	(174.4)	(178.0)	(182.7)
Net financing costs	(242.4)	(322.1)	(358.0)	(357.2)	(354.5)
Associates & JV	42.5	15.6	29.6	29.5	32.6
Exceptionals	(32.8)	113.6	415.2	419.4	248.6
Other pretax income/expenses	15.9	58.5	24.0	24.0	24.0
<b>Pretax profit</b>	<b>672.0</b>	<b>819.9</b>	<b>1,037.9</b>	<b>1,067.0</b>	<b>937.8</b>
Income tax	(4.1)	(10.1)	(10.1)	(10.1)	(10.1)
Minorities	5.0	5.0	5.0	5.0	5.0
Discontinued operations	5.0	5.0	5.0	5.0	5.0
<b>Total return avail to unitholders</b>	<b>672.9</b>	<b>814.8</b>	<b>1,032.8</b>	<b>1,061.9</b>	<b>932.7</b>
Core net profit	713.0	728.5	749.4	776.7	822.9
Distributable inc to unitholders	702.4	715.7	736.2	763.1	808.4
<b>BALANCE SHEET (SGD m)</b>					
Cash & Short Term Investments	248.4	140.7	157.0	70.8	84.5
Accounts receivable	0.0	0.0	0.0	0.0	0.0
Property, Plant & Equip (net)	5.3	4.9	4.9	4.9	4.9
Investment properties	23,744.8	24,024.9	24,440.2	24,859.6	25,108.2
Intangible assets	0.0	0.0	0.0	0.0	0.0
Investment in Associates & JVs	361.2	348.6	348.6	348.6	348.6
Other assets	306.9	220.0	220.0	220.0	220.0
<b>Total assets</b>	<b>24,666.6</b>	<b>24,739.1</b>	<b>25,170.6</b>	<b>25,503.9</b>	<b>25,766.2</b>
ST interest bearing debt	0.0	0.0	0.0	0.0	0.0
Accounts payable	323.9	342.7	342.7	342.7	342.7
LT interest bearing debt	9,585.3	9,477.7	9,577.7	9,677.7	9,677.7
Other liabilities	478.1	517.0	517.0	517.0	517.0
<b>Total Liabilities</b>	<b>10,387.2</b>	<b>10,337.4</b>	<b>10,437.4</b>	<b>10,537.4</b>	<b>10,537.4</b>
Shareholders Equity	14,073.4	14,199.8	14,531.3	14,764.6	15,026.9
Minority Interest	205.9	201.9	201.9	201.9	201.9
<b>Total shareholder equity</b>	<b>14,279.4</b>	<b>14,401.7</b>	<b>14,733.2</b>	<b>14,966.5</b>	<b>15,228.8</b>
<b>Total liabilities and equity</b>	<b>24,666.6</b>	<b>24,739.1</b>	<b>25,170.6</b>	<b>25,503.9</b>	<b>25,766.2</b>
<b>CASH FLOW (SGD m)</b>					
<b>Cash flow from operations</b>	<b>1,023.5</b>	<b>1,079.8</b>	<b>1,033.7</b>	<b>1,060.3</b>	<b>1,098.7</b>
Capex	0.3	0.0	(175.0)	(175.0)	0.0
Acquisitions & investments	(950.1)	(118.6)	0.0	0.0	0.0
Disposal of FA & investments	0.0	0.0	0.0	0.0	0.0
Dividend income from associates	18.9	17.7	29.6	29.5	32.6
Other investing cash flow	5.2	62.1	19.2	19.2	43.3
<b>CF from investing activities</b>	<b>(925.7)</b>	<b>(38.9)</b>	<b>(126.1)</b>	<b>(126.2)</b>	<b>75.9</b>
Dividends paid	(684.8)	(708.2)	(736.2)	(763.1)	(808.4)
Interest expense	(237.4)	(329.6)	(358.0)	(357.2)	(354.5)
Change in debt	714.6	(100.4)	100.0	100.0	0.0
Equity raised / (purchased)	0.0	0.0	102.6	0.0	0.0
Other financial activities	(2.6)	(2.5)	0.0	0.0	0.0
<b>CF from financing activities</b>	<b>(210.3)</b>	<b>(1,140.7)</b>	<b>(891.6)</b>	<b>(1,020.2)</b>	<b>(1,162.9)</b>
<b>Effect of exchange rate changes</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Net cash flow</b>	<b>(112.4)</b>	<b>(99.8)</b>	<b>16.0</b>	<b>(86.1)</b>	<b>11.7</b>

FYE 31 Dec	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Key Ratios</b>					
<b>Growth ratios (%)</b>					
Revenue growth	10.5	8.2	(0.8)	2.1	3.7
Net property income growth	9.7	7.0	(1.0)	2.5	3.6
Core net profit growth	3.7	2.2	2.9	3.6	5.9
Distributable income growth	4.1	1.9	2.9	3.6	5.9
<b>Profitability ratios (%)</b>					
Net property income margin	72.4	71.5	71.4	71.7	71.6
Core net profit margin	49.5	46.7	48.4	49.2	50.3
Payout ratio	98.3	98.1	98.2	98.2	98.2
<b>DuPont analysis</b>					
Total return margin (%)	46.7	52.2	66.8	67.2	57.0
Gross revenue/Assets (x)	0.1	0.1	0.1	0.1	0.1
Assets/Equity (x)	1.8	1.7	1.7	1.7	1.7
ROAE (%)	4.9	5.8	7.2	7.2	6.3
ROAA (%)	3.0	2.9	3.0	3.1	3.2
<b>Leverage &amp; Expense Analysis</b>					
Asset/Liability (x)	2.4	2.4	2.4	2.4	2.4
Net gearing (%) (excl. perps)	65.4	64.8	63.9	64.2	63.0
Net interest cover (x)	3.7	3.0	2.6	2.7	2.8
Debt/EBITDA (x)	10.8	9.9	10.3	10.2	9.8
Capex/revenue (%)	nm	0.0	11.3	11.1	0.0
Net debt/ (net cash)	9,336.9	9,337.0	9,420.8	9,606.9	9,593.2
Debt/Assets (x)	0.39	0.38	0.38	0.38	0.38

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  
(65) 6231 5830  
chuahb@maybank.com

**Dr Zamros DZULKAFI**  
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.thuhoang@maybank.com

### FX

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

**Fiona LIM**  
(65) 6320 1374  
fionallim@maybank.com

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

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

### STRATEGY

**Anand PATHMAKANTHAN**  
ASEAN  
(603) 2297 8783  
anand.pathmakanthan@maybank-ib.com

### FIXED INCOME

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

**SE THO Mun Yi, CFA**  
(603) 2074 7606  
munyi.st@maybank-ib.com

### PORTFOLIO STRATEGY

**ONG Seng Yeow**  
(65) 6231 5839  
ongsengyeow@maybank.com

### MIBG SUSTAINABILITY RESEARCH

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

**Neerav DALAL**  
(91) 22 4223 2606  
neerav@maybank.com

### REGIONAL EQUITIES

**Anand PATHMAKANTHAN**  
Head of Regional Equity Research  
(603) 2297 8783  
anand.pathmakanthan@maybank-ib.com

**WONG Chew Hann, CA**  
Head of ASEAN Equity Research  
(603) 2297 8686  
wchewh@maybank-ib.com

### MALAYSIA

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

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

**Desmond CH'NG, BFP, FCA**  
(603) 2297 8680  
desmond.chng@maybank-ib.com  
• Banking & Finance

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

**YIN Shao Yang, CPA**  
(603) 2297 8916  
samuel.y@maybank-ib.com  
• 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

**Jade TAM**  
(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

**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

**Nik Ihsan RAJA ABDULLAH, MSTA, CFTe**  
(603) 2297 8694  
nikmohdihsan.ra@maybank-ib.com  
• Chartist

**Amirah AZMI**  
(603) 2082 8769  
amirah.azmi@maybank-ib.com  
• Retail Research

### SINGAPORE

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

**Eric ONG**  
(65) 6231 5849  
ericong@maybank.com  
• Healthcare • Transport • SMIDs

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

**Jarick SEET**  
(65) 6231 5848  
jarick.seet@maybank.com  
• Technology

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

### PHILIPPINES

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

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

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

### THAILAND

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

**Jesada TECHAHUSDIN, CFA**  
(66) 2658 5000 ext 1395  
jesada.t@maybank.com  
• Banking & Finance

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

**Surachai PRAMUALCHAROENKIT**  
(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 AMORNANSANK**  
(66) 2658 5000 ext 1394  
boonyakorn.amornsank@maybank.com  
• Services

### INDONESIA

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

**Willy GOUTAMA**  
(62) 21 8066 8500  
willy.goutama@maybank.com  
• Consumer

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

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

**Paulina MARGARETA**  
(62) 21 8066 8690  
paulina.tjoa@maybank.com  
• Autos

**Adi WICAKSONO**  
(62) 21 8066 8686  
adi.wicaksono@maybank.com  
• Plantations

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

### VIETNAM

**Quan Trong Thanh Head of Research**  
(84 28) 44 555 888 ext 8184  
thanh.quan@maybank.com  
• Strategy • Banks

**Hoang Huy, CFA**  
(84 28) 44 555 888 ext 8181  
hoanghuy@maybank.com  
• Strategy • Technology

**Le Nguyen Nhat Chuyen**  
(84 28) 44 555 888 ext 8082  
chuyen.le@maybank.com  
• Oil & Gas • Logistics

**Nguyen Thi Sony Tra Mi**  
(84 28) 44 555 888 ext 8084  
trami.nguyen@maybank.com  
• Consumer Discretionary

**Tran Thi Thanh Nhan**  
(84 28) 44 555 888 ext 8088  
nhan.tran@maybank.com  
• Consumer Staples

**Nguyen Le Tuan Loi**  
(84 28) 44 555 888 ext 8182  
loi.nguyen@maybank.com  
• Property

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

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

## APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLAIMERS AND DISCLOSURES

### DISCLAIMERS

This research report is prepared for general circulation and for information purposes only and under no circumstances should it be considered or intended as an offer to sell or a solicitation of an offer to buy the securities referred to herein. Investors should note that values of such securities, if any, may fluctuate and that each security's price or value may rise or fall. Opinions or recommendations contained herein are in form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from the relevant jurisdiction's stock exchange in the equity analysis. Accordingly, investors' returns may be less than the original sum invested. Past performance is not necessarily a guide to future performance. This report is not intended to provide personal investment advice and does not take into account the specific investment objectives, the financial situation and the particular needs of persons who may receive or read this report. Investors should therefore seek financial, legal and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

The information contained herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Maybank Investment Bank Berhad, its subsidiary and affiliates (collectively, "Maybank IBG") and consequently no representation is made as to the accuracy or completeness of this report by Maybank IBG and it should not be relied upon as such. Accordingly, Maybank IBG and its officers, directors, associates, connected parties and/or employees (collectively, "Representatives") shall not be liable for any direct, indirect or consequential losses or damages that may arise from the use or reliance of this report. Any information, opinions or recommendations contained herein are subject to change at any time, without prior notice.

This report may contain forward looking statements which are often but not always identified by the use of words such as "anticipate", "believe", "estimate", "intend", "plan", "expect", "forecast", "predict" and "project" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made and information currently available to us and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Readers are cautioned not to place undue relevance on these forward-looking statements. Maybank IBG expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Maybank IBG and its officers, directors and employees, including persons involved in the preparation or issuance of this report, may, to the extent permitted by law, from time to time participate or invest in financing transactions with the issuer(s) of the securities mentioned in this report, perform services for or solicit business from such issuers, and/or have a position or holding, or other material interest, or effect transactions, in such securities or options thereon, or other investments related thereto. In addition, it may make markets in the securities mentioned in the material presented in this report. One or more directors, officers and/or employees of Maybank IBG may be a director of the issuers of the securities mentioned in this report to the extent permitted by law.

This report is prepared for the use of Maybank IBG's clients and may not be reproduced, altered in any way, transmitted to, copied or distributed to any other party in whole or in part in any form or manner without the prior express written consent of Maybank IBG and Maybank IBG and its Representatives accepts no liability whatsoever for the actions of third parties in this respect.

This report is not directed to or intended for distribution to or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for distribution only under such circumstances as may be permitted by applicable law. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

### Malaysia

Opinions or recommendations contained herein are in the form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from Bursa Malaysia Securities Berhad in the equity analysis.

### Singapore

This report has been produced as of the date hereof and the information herein may be subject to change. Maybank Research Pte. Ltd. ("MRPL") in Singapore has no obligation to update such information for any recipient. For distribution in Singapore, recipients of this report are to contact MRPL in Singapore in respect of any matters arising from, or in connection with, this report. If the recipient of this report is not an accredited investor, expert investor or institutional investor (as defined under Section 4A of the Singapore Securities and Futures Act), MRPL shall be legally liable for the contents of this report, with such liability being limited to the extent (if any) as permitted by law.

### Thailand

Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of Maybank Securities (Thailand) Public Company Limited. Maybank Securities (Thailand) Public Company Limited ("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 7 February 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 7 February 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 7 February 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

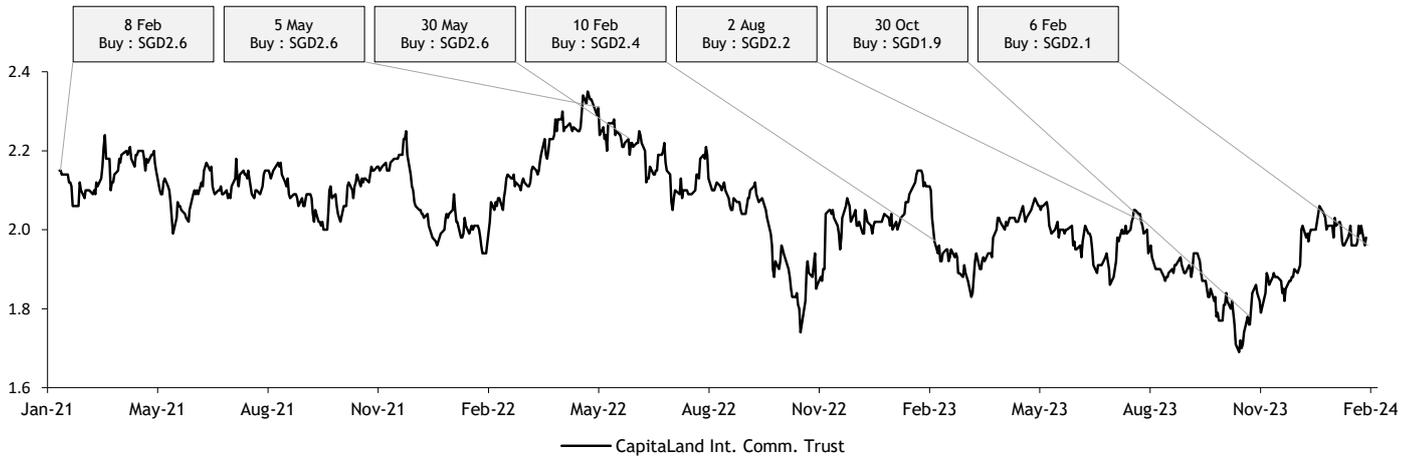
The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed 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: CapitaLand Int. Comm. Trust (CICT 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, 22<sup>nd</sup> 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,  
20<sup>th</sup> - 21<sup>st</sup> Floor,  
Rama 1 Road Pathumwan,  
Bangkok 10330, Thailand

Tel: (66) 2 658 6817 (sales)

Tel: (66) 2 658 6801 (research)

 **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, 11<sup>th</sup> 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

 **Sales Trading**
**Indonesia**

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

**Philippines**

Keith Roy  
keith\_roy@maybank.com  
Tel: (63) 2 848-5288

**London**

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

**India**

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

[www.maybank.com/investment-banking](http://www.maybank.com/investment-banking)  
[www.maybank-keresearch.com](http://www.maybank-keresearch.com)