

## Singapore

**ADD** (no change)

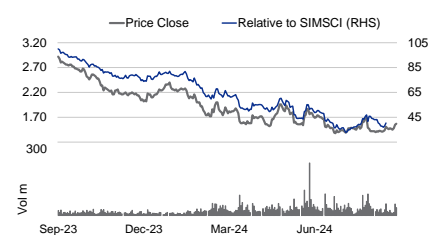
Consensus ratings\*: Buy 9 Hold 0 Sell 0

Current price:	S\$1.57
Target price:	S\$2.69
Previous target:	S\$2.69
Up/downside:	71.3%
CGSI / Consensus:	2.8%
Reuters:	SEAT.SI
Bloomberg:	STM SP
Market cap:	US\$4,080m S\$5,339m
Average daily turnover:	US\$37.75m S\$50.56m
Current shares o/s:	3,411m
Free float:	64.5%

\*Source: Bloomberg

### Key changes in this note

➤ No change



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	5.4	-12.3	-45.9
Relative (%)	3.6	-14.3	-57.5

### Major shareholders

	% held
Temasek	35.5

### Analyst(s)



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# Seatrium Ltd

## Laggard pick with strongest 2H24F recovery

- We hosted STM's management in KL recently. We remain positive on the group's efforts to improve margins and profitability.
- Most FAQs by investors were on: 1) the progress of legacy projects and further provisions, 2) order outlook, and 3) CAD/MAS information requests.
- STM remains a country top pick given its YTD underperformance. In a market where laggards could prevail, positive newsflow could be a catalyst.
- Reiterate Add and TP of S\$2.69, still based on its 10-year average trading band of 1.5x CY24F P/BV. Key risk: significant project cost overrun.

### Share price underperformed despite core operating improvement

Seatrium (STM) delivered a 248% hoh improvement in its 1H24 core earnings, thanks to its aggressive cost savings in SG&A, in addition to improving core gross margins. However, its share price has underperformed by c.7% since its results announcement on 2 Aug 24. We attribute this to the market's lack of confidence in STM's ability to improve its core gross margins and concerns of further provisions for onerous contracts. However, STM is our top pick for a strong turnaround in 2H24F, with an estimated 184% hoh increase in net profit.

### Legacy projects: attempts to minimise provisions

Legacy projects are being defined as the two loss-making contracts in the US — 1) a high-specification trailing suction hopper dredger (TSHD) for Manson Construction, and 2) a wind turbine installation vessel (WTIV) for Dominion Energy due for delivery end-2024F/early-2025F. We estimate the remaining contract value for these projects to be c.S\$160m-S\$200m, with projected gross loss margins of 15-30%. Management is putting a strong emphasis on project management and attempting to minimise further provisions. 1H24 provision for onerous contracts amounted to S\$70m. Shortage of labour, such as welders, would result in cost overruns, in our view. We understand that SpaceX, which also requires welders, has set up its new office and industrial factory in Brownsville, Texas (SpaceX Starbase Office).

### Can MAS/CAD overhang be removed?

Management reiterated that the investigation by the Monetary Authority of Singapore (MAS) and Commercial Affairs Department (CAD) is not a fresh allegation and that STM is continuing to provide its full cooperation to the Singapore authorities. We believe the investigation could be related to past statutory disclosures.

### Sizeable orders could be near-term catalysts

We believe STM could be finalising a contract with BP for its Kaskida floating production unit (FPU) in the US Gulf of Mexico — BP had achieved a final investment decision on the project in Jul 24 and expects production to start in 2029F. STM was awarded a letter of intent for the engineering, procurement, construction and commissioning for the project in Jun 24. We now estimate the contract size to be in the range of US\$600m-700m. Medium-term projects in the pipeline could include HVDCs from 50Hertz Germany and Tennet. Reiterate Add and TP of S\$2.69. Key downside risk: significant project cost overruns.

### Financial Summary

	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Revenue (S\$m)	1,947	7,291	8,846	11,104	13,078
Operating EBITDA (S\$m)	(7)	(1,116)	750	929	1,190
Net Profit (S\$m)	(141.0)	(28.0)	138.2	325.0	574.2
Core EPS (S\$)	(0.04)	(0.01)	0.06	0.10	0.17
Core EPS Growth	(99.1%)	(78.2%)	-	49.7%	76.7%
FD Core P/E (x)	NA	NA	23.58	16.48	9.33
DPS (S\$)	-	-	-	-	-
Dividend Yield	0%	0%	0%	0%	0%
EV/EBITDA (x)	NA	NA	8.34	6.43	4.98
P/FCFE (x)	2.85	21.48	NA	18.36	85.85
Net Gearing	26.3%	11.6%	16.1%	11.1%	9.4%
P/BV (x)	1.42	0.76	0.82	0.78	0.72
ROE	(3.63%)	(0.55%)	3.36%	4.85%	8.04%
EPS/Consensus EPS (x)	-	-	0.94	0.95	1.29

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

## Legacy projects should complete by end-2024F/early-2025F ►

STM's legacy projects — namely a TSHD for Manson Construction, and a WTIV for Dominion Energy — are due for delivery by early-2025F.

According to Dominion Energy's latest earnings release in Aug 24, the construction for WTIV Charybdis is 89% completed. The expected delivery time frame for the project is late-2024F or early-2025F. There was also an increase in the cost of project from US\$625m (in the previous quarter) to US\$715m due to modifications to accommodate project-specific turbine loads, based on final certified weights and dimensions of the equipment and additional financing costs. According to other industry news, the TSHD Frederick Paup is scheduled to begin service in late-2024F.

## We hope to see clarity on MAS/CAD investigation ►

In Jun 24, STM announced that the Monetary Authority of Singapore (MAS) and the Commercial Affairs Department (CAD) were conducting a joint investigation into offences potentially committed by the now-defunct Sembcorp Marine Ltd and/or its officers under the Securities and Futures Act 2001, the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992, and all previous versions of the said Acts, in connection with Operation Car Wash. MAS and the CAD have requested further information from STM for the purpose of the investigation.

In Mar 24, STM reached an agreement with Singapore's Attorney-General's Chambers (AGC) to pay a financial penalty of US\$110m in relation to Brazilian Operation Car Wash on an alleged corruption offence in Brazil. The AGC is agreeable to up to a maximum of US\$53m of the payments to be made by STM to the Brazilian authorities to be credited against the financial penalty. Accordingly, the amount payable to the Singapore authorities under the deferred prosecution agreement (DPA) will be US\$57m (S\$76.5m).

## More HVDCs ►

We understand that STM is also interested in bidding for more high voltage direct current (HVDC) projects with other customers, including 50Hertz Offshore. The German offshore transmission system operator (TSO) issued a contract notice for the engineering, procurement, construction, and installation (EPCI) of the 2 GW HVDC offshore platform and converter system for the Ostwind 4 grid connection project in Jan 24. We keep our FY24F order win target at S\$16bn (YTD: S\$13.4bn).

## Strong 2H24 improvement ►

While we expect all capital goods sector plays to deliver yoy earnings growth for 2H24F, we think STM could post one of the strongest hoh earnings growth of 184%. This is on the back of an improvement in gross margin, lower provision for onerous contracts, and potentially lower financing costs.

**Figure 1: We expect STM to post a 184% hoh improvement in 2H24F net profit**

	1H23	2H23	1H24	2H24F	hoh %
<b>Turnover</b>	<b>2,885.5</b>	<b>4,406.0</b>	<b>4,014.7</b>	<b>4,830.9</b>	<b>20%</b>
Cost of Sales	(3,035.9)	(4,464.9)	(3,867.4)	(4,486.2)	
Gross profit	(150.4)	(59.0)	147.3	344.7	134%
<b>GPM (%)</b>	<b>-5%</b>	<b>-1%</b>	<b>4%</b>	<b>7.1%</b>	
Operating profit (EBIT)	(172.6)	(1,400.1)	114.3	162.6	42%
<b>PBT</b>	<b>(240.5)</b>	<b>(1,775.4)</b>	<b>72.9</b>	<b>84.1</b>	<b>15%</b>
Tax expense	(26.3)	12.5	(38.2)	22.5	
MI	2.5	10.5	1.2	(4.4)	
<b>Net profit</b>	<b>(264.4)</b>	<b>(1,752.4)</b>	<b>36.0</b>	<b>102.2</b>	<b>184%</b>
Exceptional items (after-tax and MI)	203.4	1,785.4	79.0	-	
<b>Core net profit</b>	<b>(61.0)</b>	<b>33.0</b>	<b>115.0</b>	<b>102.2</b>	

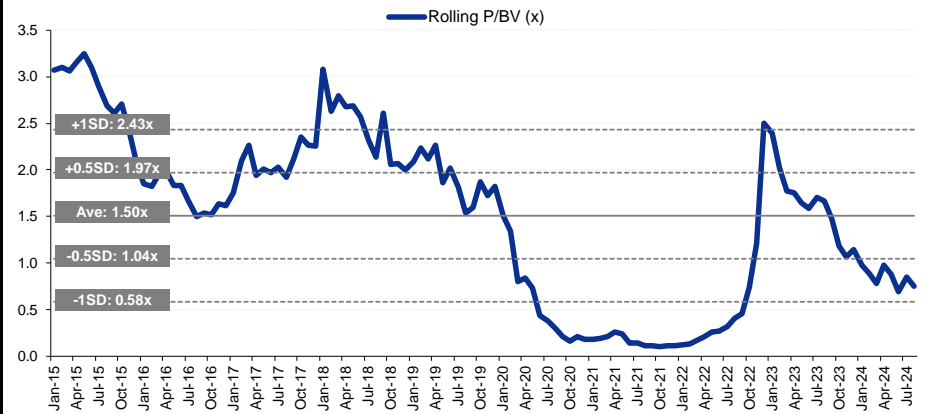
SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 2: STM could post the strongest hoh growth vs. peers**

		2H23	1H24	2H24F	hoh	yoy	Remarks for 2H24F
Keppel Ltd	S\$m	440.3	304.1	524.3	72%	19%	Expect stronger hoh from infrastructure and real estate and asset monetisation
<b>Seatrium Ltd</b>	<b>S\$m</b>	<b>(1,752.4)</b>	<b>36.0</b>	<b>102.2</b>	<b>184%</b>	<b>n.m</b>	<b>Project execution, margin improvement, lower SG&amp;A</b> Seasonally weaker in 2H for RE, upside could come from forex gain from India's
Sembcorp Industries	S\$m	412.0	540.0	481.3	-11%	17%	DPN
CSE Global	S\$m	11.5	15.0	15.8	5%	37%	Steady hoh, stronger yoy on execution of order book Weaker hoh with upside from stronger-than-expected margins. Order win is key
Yangzijiang Shipbuilding	Rmb'm	2,375.6	3,058.4	2,704.3	-12%	14%	catalyst
ST Engineering	S\$m	305.9	336.5	343.8	2%	12%	Steady hoh, upside could come from Defence division

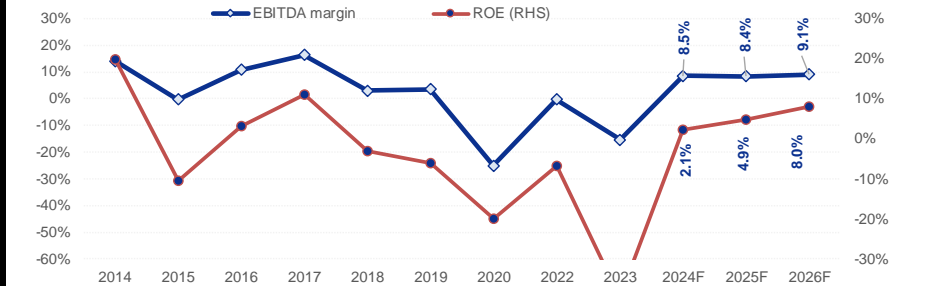
SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 3: STM's P/BV (x)**



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS, BLOOMBERG

**Figure 4: ROE and EBITDA margin trend**



SOURCES: CGSI RESEARCH, COMPANY REPORTS


Figure 5: Peer comparison

Company	Bbg Ticker	Recom.	Price (lcl curr)	Target Price (lcl curr)	Market Cap (US\$ m)	P/E (x)			2-year EPS CAGR (%)	P/BV (x)		Recurring ROE (%)	Dividend Yield (%)
						CY24F	CY25F	CY26F		CY24F	CY25F		
Seatrium Ltd	STM SP	Add	1.57	2.69	4,085	23.6	16.5	9.3	na	0.82	0.78	3.5%	0.0%
<b>Singapore Shipbuilder simple average</b>						<b>18.4</b>	<b>16.5</b>	<b>9.3</b>	<b>na</b>	<b>0.82</b>	<b>0.78</b>	<b>3.5%</b>	<b>0.0%</b>
COSCO SHIPPING International S	COS SP	NR	0.13	na	218	na	na	na	na	na	na	na	na
China CSSC Holdings Ltd	600150 CH	NR	34.90	na	21,938	28.9	17.8	13.7	72.2%	2.95	2.59	10.3%	1.0%
China Shipbuilding Industry Co	601989 CH	NR	4.98	na	15,960	52.4	26.2	14.4	na	1.33	1.26	2.5%	na
CSSC Offshore and Marine Engin	600685 CH	NR	24.70	na	3,865	82.3	34.8	12.7	357.0%	2.09	2.00	2.5%	na
Yangzijiang Shipbuilding	YZJSGD SP	#N/A	2.59	#N/A	7,829	na	na	na	na	na	na	na	#N/A
<b>Chinese Shipbuilder simple average</b>						<b>54.5</b>	<b>26.3</b>	<b>13.6</b>	<b>214.6%</b>	<b>2.12</b>	<b>1.95</b>	<b>5.1%</b>	<b>na</b>
Korea Shipbuilding & Offshore	009540 KS	Add	180,700	232,000	9,555	17.9	8.0	5.2	166.4%	1.19	1.01	6.9%	0.0%
HD Hyundai Mipo	010620 KS	Add	103,400	143,000	3,086	120.1	17.7	11.9	na	2.06	1.85	1.7%	0.0%
Samsung Heavy Industries	010140 KS	Add	10,280	16,500	6,759	40.3	18.6	10.6	na	2.46	2.16	6.3%	0.0%
Hanwha Ocean	042660 KS	Add	34,000	42,600	7,784	53.1	21.6	12.5	41.6%	2.32	2.09	4.5%	0.0%
Sejin Heavy Industries Co Ltd	075580 KS	NR	7,590	na	322	16.6	13.1	10.0	36.1%	2.11	1.91	14.3%	2.6%
<b>Korean Shipbuilder simple average</b>						<b>49.6</b>	<b>15.8</b>	<b>10.0</b>	<b>81.3%</b>	<b>2.03</b>	<b>1.81</b>	<b>6.7%</b>	<b>0.5%</b>
Mitsui E&S Co Ltd	7003 JP	NR	1,350	na	953	5.3	7.3	10.0	-11.2%	0.82	0.74	21.9%	0.8%
<b>Japan Shipbuilder simple average</b>						<b>5.5</b>	<b>7.3</b>	<b>10.0</b>	<b>-11.2%</b>	<b>0.82</b>	<b>0.74</b>	<b>21.9%</b>	<b>0.8%</b>
Brookfield Corp	BN US	NR	50.28	na	82,526	13.0	12.1	11.3	158.6%	1.79	1.77	9.0%	0.6%
<b>US Shipbuilder simple average</b>						<b>13.0</b>	<b>12.1</b>	<b>11.3</b>	<b>158.6%</b>	<b>1.79</b>	<b>1.77</b>	<b>9.0%</b>	<b>0.6%</b>
CSE Global	CSE SP	Add	0.48	0.62	252	10.7	9.3	8.5	19.1%	1.44	1.37	13.9%	5.8%
SATS Ltd	SATS SP	Add	3.63	4.10	4,152	28.7	21.2	17.2	127.5%	2.17	2.05	7.7%	1.3%
Sembcorp Industries	SCI SP	Add	4.91	7.32	6,697	8.7	8.3	8.2	2.3%	1.63	1.42	20.3%	2.9%
ST Engineering	STE SP	Add	4.47	5.00	10,663	20.5	18.1	16.7	15.8%	5.28	4.79	26.5%	3.6%
SIA Engineering	SIE SP	Add	2.36	2.65	2,026	19.1	17.3	15.8	20.1%	1.52	1.47	8.1%	3.7%
<b>Industrial/conglomerate / airport services simple average</b>						<b>17.5</b>	<b>14.8</b>	<b>13.3</b>	<b>37.0%</b>	<b>2.41</b>	<b>2.22</b>	<b>15.3%</b>	<b>3.5%</b>

DATA AS AT 3 SEP 2024

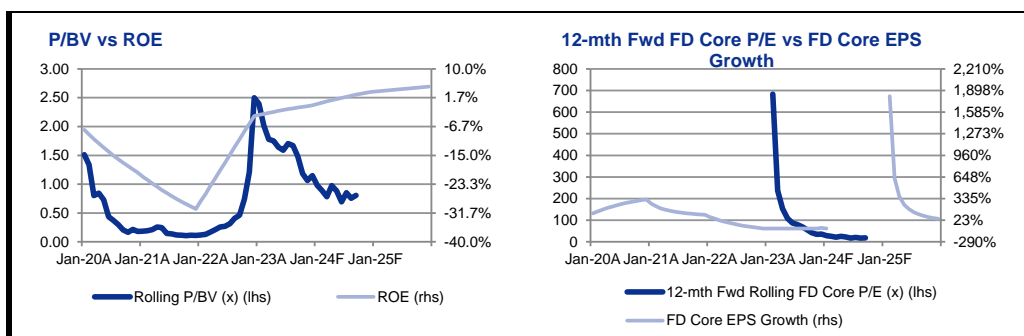
SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG

Note: Estimates for Not Rated (NR) companies are based on Bloomberg consensus

LSEG ESG Scores	
	
<p><b>ESG in a nutshell</b></p> <p>STM (formerly Sembcorp Marine) scored a C+ in its ESG combined score by LSEG (formerly Refinitiv) in FY22 — Environmental: B- (weightage: 34.18%); Social: B+ (weightage 37.34%); and Governance: A (weightage 28.48%). STM's 2025 ESG targets are: 1) 30% of annual company turnover to be generated from sustainable product solutions; 2) 100% compliance with product safety and health requirements; 3) above-95% customer satisfaction in all projects; 4) ensuring zero harm to the environment; and 5) 100% contracted procurement spend in compliance with STM's Code of Business Conduct and Supplier Code of Conduct.</p>	
<p><b>Keep your eye on</b></p> <p>Jun 24, STM announced that the Monetary Authority of Singapore (MAS) and the Commercial Affairs Department (CAD) were conducting a joint investigation into offences potentially committed by the now-defunct Sembcorp Marine Ltd and/or its officers under the Securities and Futures Act 2001, the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992, and all previous versions of the said Acts, in connection with Operation Car Wash. MAS and the CAD have requested further information from STM for the purpose of the investigation.</p>	<p><b>Implications</b></p> <p>Clarity of this matter should improve STM's overall ESG rating in terms of controversies, in our view.</p>
<p><b>ESG highlights</b></p> <p>According to LSEG, STM fares strongly against peers in all E, S, and G pillars. In particular, STM leads in the Social and Governance categories. On its Social aspect, STM achieved zero fatality across our global yards and won 34 awards at the Workplace Health and Safety (WSH) Awards 2023 organised by Singapore's Ministry of Manpower and the WSH Council.</p> <p>STM also has an audited Health, Safety and Environment (HSE) integrated management system aimed at the elimination of harm to people, property, and the environment. As for Governance, STM successfully completed a surveillance audit for ISO 37001, an Anti-bribery Management System certification. There were also no material incidents of non-compliance, as well as zero legal actions for anti-competitive behaviours, anti-trust, and monopolistic practice.</p>	<p><b>Implications</b></p> <p>We believe the group stands to gain from its strong workplace safety policies through workforce productivity and cost minimisation.</p>
<p><b>Trends</b></p> <p>The group has put in place concrete goals for its Environmental pillar. With a target to avoid 15,000 tCO<sub>2</sub>e annually by 2025, STM has since avoided 6,235 tCO<sub>2</sub>e per year through the installation of solar roofs and LED lighting.</p>	<p><b>Implications</b></p> <p>We believe that STM's continued investments in its Climate Programmes, coupled with its strong Social and Governance aspects, will attract investors who are conscious about ESG performance.</p>

SOURCES: CGSI RESEARCH, LSEG

## BY THE NUMBERS



### Profit & Loss

(\$m)	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
<b>Total Net Revenues</b>	<b>1,947</b>	<b>7,291</b>	<b>8,846</b>	<b>11,104</b>	<b>13,078</b>
<b>Gross Profit</b>	<b>(132)</b>	<b>(209)</b>	<b>492</b>	<b>884</b>	<b>1,224</b>
<b>Operating EBITDA</b>	<b>(7)</b>	<b>(1,116)</b>	<b>750</b>	<b>929</b>	<b>1,190</b>
Depreciation And Amortisation	(200)	(456)	(474)	(431)	(411)
<b>Operating EBIT</b>	<b>(206)</b>	<b>(1,573)</b>	<b>277</b>	<b>498</b>	<b>778</b>
Financial Income/(Expense)	(35)	(92)	(118)	(127)	(124)
Pretax Income/(Loss) from Assoc.	1	7	18	18	18
Non-Operating Income/(Expense)	0	(358)	(20)	(20)	(20)
<b>Profit Before Tax (pre-EI)</b>	<b>(240)</b>	<b>(2,016)</b>	<b>157</b>	<b>369</b>	<b>652</b>
Exceptional Items	120	1,989		0	0
<b>Pre-tax Profit</b>	<b>(120)</b>	<b>(27)</b>	<b>157</b>	<b>369</b>	<b>652</b>
Taxation	(26)	(14)	(16)	(37)	(65)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>(145)</b>	<b>(41)</b>	<b>141</b>	<b>332</b>	<b>587</b>
Minority Interests	4	13	(3)	(7)	(13)
Preferred Dividends	0	0	0	0	0
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>(141)</b>	<b>(28)</b>	<b>138</b>	<b>325</b>	<b>574</b>
Recurring Net Profit	(141)	(28)	217	325	574
<b>Fully Diluted Recurring Net Profit</b>	<b>(141)</b>	<b>(28)</b>	<b>217</b>	<b>325</b>	<b>574</b>

### Cash Flow

(\$m)	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
<b>EBITDA</b>	<b>(7)</b>	<b>(1,116)</b>	<b>750</b>	<b>929</b>	<b>1,190</b>
Cash Flow from Invt. & Assoc.					
Change In Working Capital	1,050	122	(826)	(371)	(836)
(Incr)/Decr in Total Provisions	6	218	(20)	(20)	(20)
Other Non-Cash (Income)/Expense	(28)	1,382	18	18	18
Other Operating Cashflow					
Net Interest (Paid)/Received	19	18	(118)	(127)	(124)
Tax Paid	(2)	(24)	(16)	(37)	(65)
<b>Cashflow From Operations</b>	<b>1,039</b>	<b>601</b>	<b>(211)</b>	<b>392</b>	<b>162</b>
Capex	(23)	(116)	(100)	(100)	(100)
Disposals Of FAs/subsidiaries	3	20	0	0	0
Acq. Of Subsidiaries/investments	(6)	750	0	0	0
Other Investing Cashflow	0	1	0	0	0
<b>Cash Flow From Investing</b>	<b>(26)</b>	<b>654</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>
Debt Raised/(repaid)	0	(1,017)	0	0	0
Proceeds From Issue Of Shares	0	0	0	0	0
Shares Repurchased	(0)	(3)	0	0	0
Dividends Paid	(0)	0	0	0	0
Preferred Dividends					
Other Financing Cashflow	(20)	(52)	0	0	0
<b>Cash Flow From Financing</b>	<b>(21)</b>	<b>(1,072)</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total Cash Generated	993	184	(311)	292	62
<b>Free Cashflow To Equity</b>	<b>1,013</b>	<b>238</b>	<b>(311)</b>	<b>292</b>	<b>62</b>
<b>Free Cashflow To Firm</b>	<b>1,110</b>	<b>1,507</b>	<b>(21)</b>	<b>590</b>	<b>358</b>

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

## BY THE NUMBERS... cont'd

### Balance Sheet

(\$m)	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Total Cash And Equivalents	2,091	2,270	1,959	2,251	2,313
Total Debtors	572	1,159	1,474	1,851	2,180
Inventories	71	192	491	925	1,816
Total Other Current Assets	399	2,698	2,516	3,144	3,692
<b>Total Current Assets</b>	<b>3,133</b>	<b>6,320</b>	<b>6,441</b>	<b>8,170</b>	<b>10,001</b>
Fixed Assets	3,860	4,081	3,847	3,651	3,469
Total Investments	257	924	924	924	924
Intangible Assets	175	4,215	4,076	3,942	3,812
Total Other Non-Current Assets	1,677	687	687	687	687
<b>Total Non-current Assets</b>	<b>5,969</b>	<b>9,907</b>	<b>9,533</b>	<b>9,203</b>	<b>8,892</b>
Short-term Debt	1,669	743	743	743	743
Current Portion of Long-Term Debt					
Total Creditors	1,054	4,153	3,702	4,643	5,465
Other Current Liabilities	621	510	568	693	803
<b>Total Current Liabilities</b>	<b>3,345</b>	<b>5,406</b>	<b>5,013</b>	<b>6,079</b>	<b>7,011</b>
Total Long-term Debt	1,420	2,274	2,274	2,274	2,274
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	247	490	490	490	490
<b>Total Non-current Liabilities</b>	<b>1,667</b>	<b>2,764</b>	<b>2,764</b>	<b>2,764</b>	<b>2,764</b>
Total Provisions	302	1,641	1,641	1,641	1,641
<b>Total Liabilities</b>	<b>5,313</b>	<b>9,811</b>	<b>9,418</b>	<b>10,484</b>	<b>11,416</b>
Shareholders' Equity	3,769	6,395	6,533	6,858	7,432
Minority Interests	19	21	24	31	45
<b>Total Equity</b>	<b>3,788</b>	<b>6,416</b>	<b>6,557</b>	<b>6,889</b>	<b>7,476</b>

### Key Ratios

	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Revenue Growth	5%	274%	21%	26%	18%
Operating EBITDA Growth	(99%)	17043%	N/A	24%	28%
Operating EBITDA Margin	(0.3%)	(15.3%)	8.5%	8.4%	9.1%
Net Cash Per Share (\$\$)	(0.29)	(0.24)	(0.31)	(0.22)	(0.21)
BVPS (\$\$)	1.10	2.05	1.92	2.01	2.18
Gross Interest Cover	(1.51)	(5.46)	0.96	1.67	2.63
Effective Tax Rate	0.0%	0.0%	10.0%	10.0%	10.0%
Net Dividend Payout Ratio	NA	NA	NA	NA	NA
Accounts Receivables Days	97.77	43.33	54.48	54.65	56.24
Inventory Days	12.11	6.40	14.97	25.30	42.21
Accounts Payables Days	218.1	126.3	171.4	148.4	155.1
ROIC (%)	(3.3%)	(31.0%)	3.3%	5.6%	8.8%
ROCE (%)	(1.5%)	(16.8%)	4.7%	6.8%	9.2%
Return On Average Assets	(2.5%)	(15.3%)	1.6%	2.8%	3.9%

### Key Drivers

	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Order win (\$\$bn)	15.1	-	16.0	6.0	6.0

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

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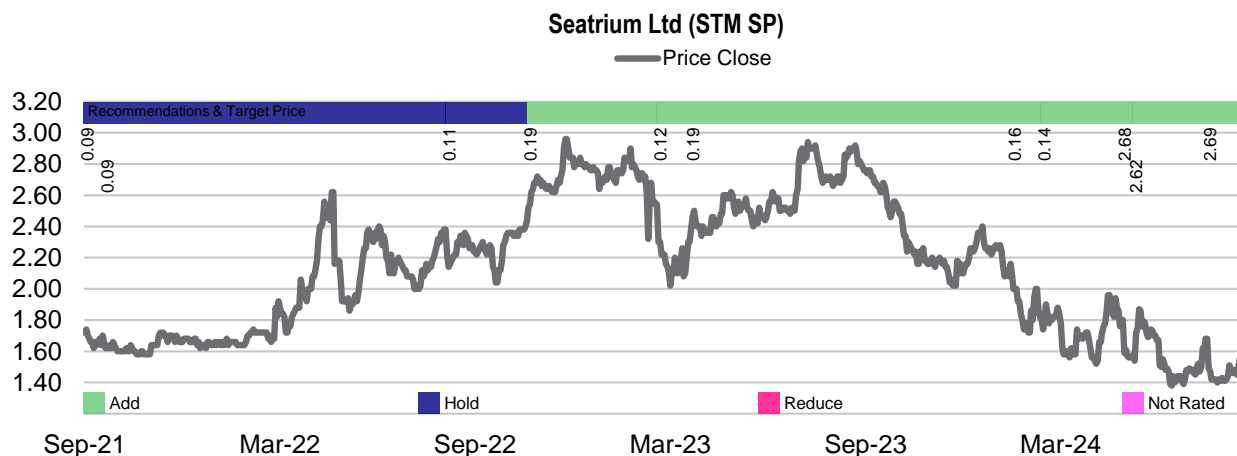
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Spitzer Chart for stock being researched ( 2 year data )



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