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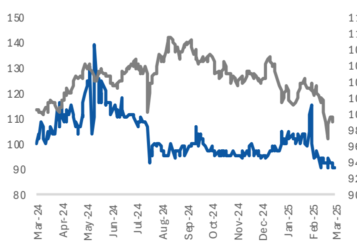
Recommendation:	BUY
Current Price:	RM 0.28
Previous Target Price:	N/A
Target Price:	RM 0.44
Capital Upside/Downside:	57.1%
Dividend Yield (%):	0.0%
Total Upside/Downside:	**57.1%**

Stock information

Board	MAIN
Sector	Logistics Services
Bursa / Bloomberg Code	259 / AVANGAAD MK
Syariah Compliant	Yes
ESG Rating	★★★
Shares issued (m)	1,326.3
Market Cap (RM' m)	371.4
52-Week Price Range (RM)	0.455-0.26
Beta (x)	0.7
Free float (%)	22.1
3M Average Volume (m)	4.6
3M Average Value (RM' m)	1.4

Top 3 Shareholders	(%)
Voultier Sdn Bhd	51.0
Sindora Bhd	20.0
Norges Bank	2.6

Share Price Performance



	1M	3M	12M
Absolute (%)	-11.1	-3.4	-9.7
Relative (%)	-7.6	1.2	-8.6

Avangaad Berhad

Executive Summary

- **Avangaad Berhad (formerly E.A. Technique) is an integrated marine services provider, with services include petroleum product tankers, FSO operations, port marine services, and shipbuilding/repair with a fleet of 26 vessels.**
- **The company has successfully exited PN17 status following a strategic financial restructuring, which revolves around a combination of debt waiver and capital injection. With a robust order book, active tender pipeline, and ongoing business expansion efforts, Avangaad is well-positioned for high growth over the foreseeable future.**
- **We assigned a fair value of RM0.44, derived from a 16.0x PER pegged to FY26F EPS, of 2.8 sen reflecting Avangaad's growth potential post-restructuring along with three-star ESG rating.**

Investment Highlights

Integrated Marine Services Provider. Avangaad (formerly E.A. Technique) is unique in Malaysia as the only provider offering four distinct marine services — petroleum product tankers, offshore floating storage (FSO), port marine tug and mooring services, and marine engineering (shipbuilding/repair). The integrated business model provides diversified income streams across the oil & gas and maritime value chain, reducing reliance on any single segment. The Group operates a large base of fleets (26 vessels as of end-2024), enhancing operational efficiency and strengthening client confidence.

Turnaround and Financial Revival. After a turbulent period in 2020-2021, marked by significant losses from an FSO conversion dispute, Avangaad has successfully restructured its finances and exited PN17 status as of 20 Feb 2025. A strategic capital injection in mid-2024 (795.8m new shares for RM79.6m) played a pivotal role in stabilising the balance sheet. The restructuring also included a RM171.0m debt waiver under a Scheme of Arrangement, which significantly strengthened equity position, doubling net assets per share to RM0.22. Since then, the Gorup has recorded ten consecutive profitable quarters through end-2024, reinforcing its turnaround trajectory.

Secured several contracts and robust orderbooks. With its PN17 status now behind, Avangaad is focused on expansion and recovery. The Group aims to secure additional long-term charters to strengthen its order book and expand its fleet through strategic acquisitions or newbuilds to capitalize on rising market demand. As of its latest update, Avangaad's order book stands at RM408.4m (including optional contracts). Recent contract wins highlight growth trajectory, including a 3+3-year fast crew boat charter (c.RM39.4m, commencing 1Q 2025) and multiple tugboat contract extensions with Petronas FLNG1 (c.RM63.8m for 2-year terms). With favorable industry conditions and a solid financial footing, Avangaad is well-positioned to leverage the ongoing upswing in oil & gas marine activities.

Unlocking Growth Potential: FSO Deployment. Avangaad's largest fleet asset, MT FOIS Nautica Tembikai (FSO), is currently idle, but the segment is actively tendering for new FSO projects, particularly with regional oil producers. Given the rising demand for offshore storage solutions, a successful contract award could serve as a key earnings growth catalyst, adding a stable revenue stream and enhancing fleet utilization in the coming years.

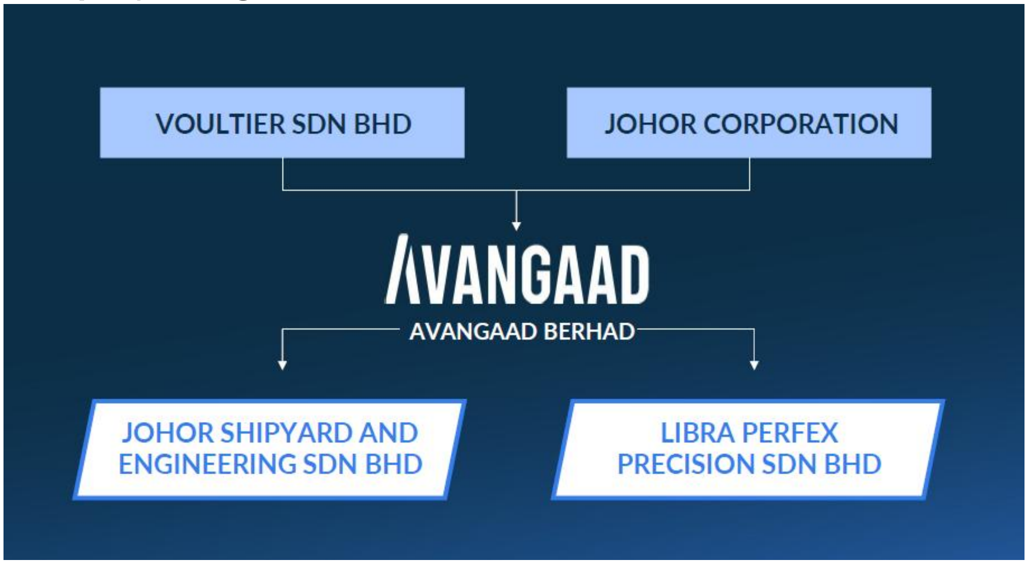
Valuation & Recommendation. Avangaad is valued at **RM0.44**, derived from a 16.0x PER on FY26F EPS of 2.8 sen. The assigned PER is based on a 0.4x PEG ratio (60% discount on 1x), considering Avangaad's smaller market capitalisation and a forecasted CAGR of 40% from FY24 to FY26F. We anticipate high earnings growth over the next two years, driven by the successful restructuring and management's expansion initiatives.

Earnings Summary

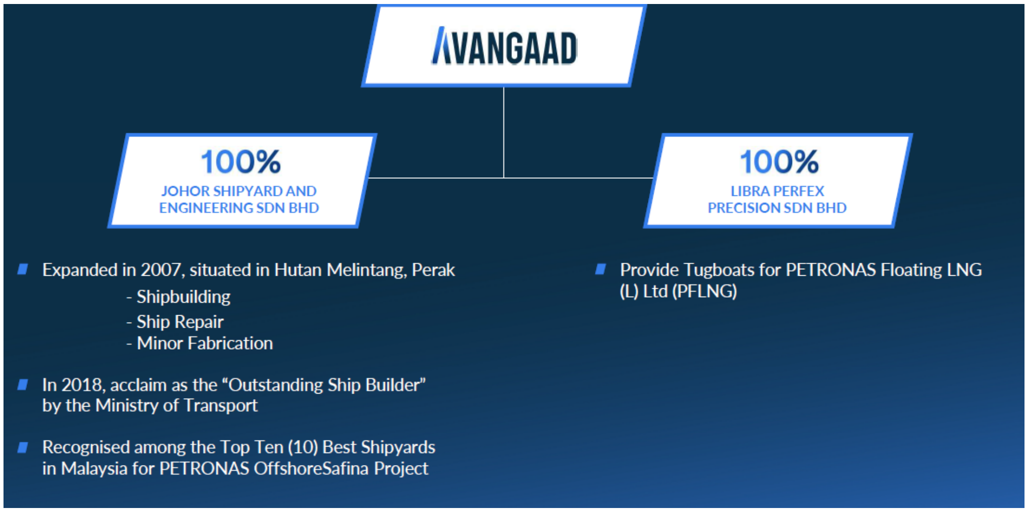
FYE Dec (RM m)	FY22	FY23	FY24	FY25F	FY26F
Revenue	153.6	133.1	122.7	158.0	282.9
EBITDA	42.6	67.6	238.9	60.1	107.5
Pre-tax profit	9.0	29.9	211.2	29.7	47.0
Net profit	16.3	23.7	154.3	23.2	36.7
Core net profit	16.3	23.7	19.0	23.2	36.7
Core EPS (sen)	1.2	1.8	1.4	1.7	2.8
P/E (x)	22.8	15.7	19.5	16.0	10.1
P/B (x)	11.0	6.5	1.3	1.2	1.1
EV/EBITDA (x)	5.7	4.1	1.3	4.6	1.7
Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Net Gearing (%)	387%	164%	24%	30%	53%

Source: Company, Apex Securities

Company Background



Sources: Avangaad



Sources: Avangaad

Avangaad Berhad, formerly known as E.A. Technique (M) Berhad, was founded in 1993 as a marine transport service provider. Over the years, the Group expanded into shipbuilding and offshore support services, achieving a major milestone with its listing on Bursa Malaysia's Main Market in 2014.

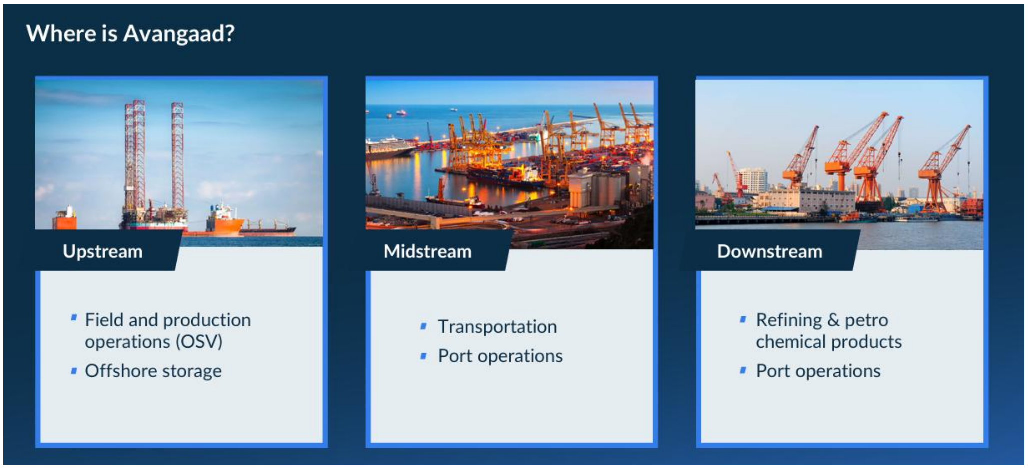
Initially, E.A. Technique (EATech) operated product tankers and barges, but in 2007, the Group diversified by establishing Johor Shipyard & Engineering, marking its entry into the shipbuilding and repair business. By the 2010s, the Group further expanded into offshore support services, securing fast crew boat contracts and embarking on an FSO (Floating Storage and Offloading) project.

However, challenges arose with the FSO Nautica Tembikai conversion project in 2015, leading to disputes and cost overruns. An arbitration ruling in 2020 required the Group to pay MHB RM122m, significantly straining its finances. This, coupled with a weak offshore market, resulted in substantial net losses of RM105.5m in 2020 and RM150.6m in 2021. By the end of 2021, shareholders' equity had declined to just RM6.0m, triggering PN17 classification in 2022.

A turnaround took place in mid-2024, when Voultier Sdn Bhd, led by Datuk Wira Mubarak Hussain and Dato' Lai Keng Onn, stepped in as a white knight investor, injecting RM79.6mthrough a share issuance. The restructuring plan also included RM171.0m in debt waiver, restoring financial stability and reversing accumulated losses of RM122.0m into retained earnings of RM32.0m by end-2024.

With two consecutive quarters of profitability, Bursa Malaysia approved Avangaad's PN17 upliftment on 20 Feb 2025. Shortly after, the Group rebranded as Avangaad Berhad recently (Feb 2025), marking a new chapter in its recovery and growth strategy.

Business Overview



Sources: Avangaad

Core Operations – Avangaad Berhad is a Malaysian marine services provider operating a diverse fleet that supports the oil & gas and maritime sectors. The Group's business is structured into two major segments: Marine Transportation & Offshore Storage and Port Marine Services. Additionally, Avangaad has an in-house marine engineering arm that handles shipbuilding and maintenance. The Group's operations encompass: Chartering tankers for oil and gas transportation and storage; Chartering marine tugboats for port operations; Chartering offshore support vessels (OSVs), particularly fast crew boats (FCBs), to transfer personnel and light cargo offshore. In practical terms, Avangaad facilitates the movement of refined petroleum products between refineries and end-users, provides floating storage solutions at offshore oil fields, offers harbor towage and mooring services at ports, and transports offshore personnel and supplies.

Source: Avangaad

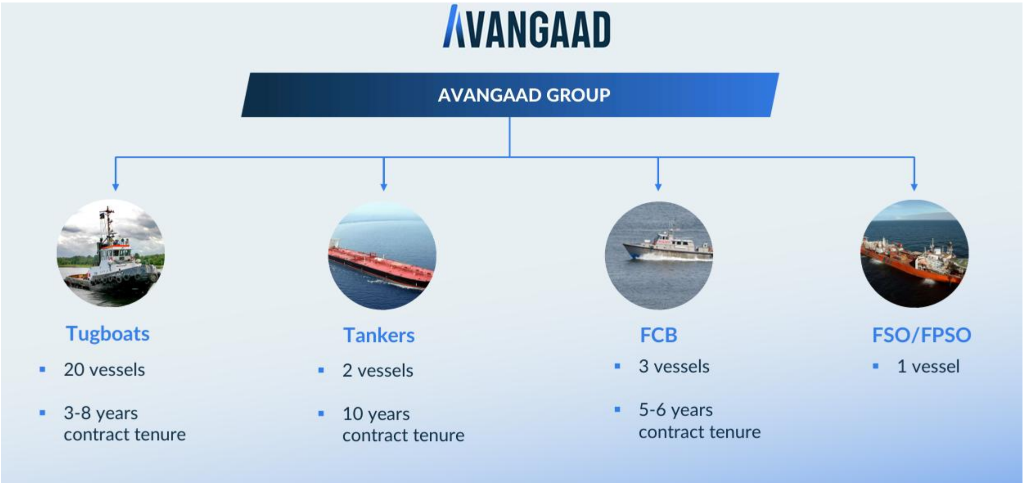
Marine Transportation & Offshore Storage. Avangaad provides afloat solutions across the oil production value chain, ranging from coastal product tankers delivering fuels to Floating Storage and Offloading (FSO) units that serve as temporary storage hubs at offshore fields. FSOs are typically moored near production platforms, storing oil before transfer to export tankers.

Offshore Support. The Group operates fast crew boats (FCBs) and offshore support vessels (OSVs) that assist upstream activities, including: Ferrying offshore personnel and supplies and Supporting floating LNG (FLNG) operations. For example, Avangaad provides tug services to Petronas Floating LNG 1 (PFLNG1), assisting in berthing LNG carriers at the FLNG facility.

Port Marine Services. Avangaad's port marine services cover harbor towage and mooring. The company charters tugboats to port operators for guiding large tankers, LNG carriers, and container ships safely into berth. Its tugboats and mooring boats provide critical services at refineries and oil terminals.

Marine Engineering Services. Avangaad operates a 20-ac shipyard in Hutan Melintang, Perak, primarily supporting its in-house fleet. The shipyard specialises in: Shipbuilding & ship repair and Minor fabrication works.

Fleet assets



Sources: Avangaad

Fleet assets. Based on latest channel checks, Avangaad owns a fleet of 26 vessels, comprising: 2 product tankers (for transporting refined oil domestically), 1 Floating Storage and Offloading (FSO) unit (for offshore oil storage), 3 offshore support vessels (OSVs) (mainly fast crew boats) and 20 port service and utility vessels (including harbor tugs and mooring boats).

Avangaad operates a total fleet of 26 marine vessels

- As of February 2025

OIL TANKERS	STATUS
MT NAUTICA PONTIAN 2	OWNED
MT NAUTICA KLUANG 2	OWNED

FLOATING STORAGE UNIT/ OFFLOADING (FSU/FSO)	STATUS
MT FOIS NAUTICA TEMBIKAI	OWNED

OSV/TUGBOATS	STATUS
MV NAUTICA TG PUTERI XXX (FCB)	OWNED
MT NAUTICA GAMBIR (FCB)	OWNED
MT NAUTICA LANGSAT (FCB)	OWNED
MV NAUTICA TG PUTERI XXIII	OWNED
MV NAUTICA TG PUTERI XXVII	OWNED
MV NAUTICA TG PUTERI XXVIII	OWNED
MV NAUTICA TG PUTERI XXIX	OWNED
MV NAUTICA TG PUTERI XXXVII	OWNED

OSV/TUGBOATS	STATUS
MV NAUTICA TG PUTERI I	OWNED
MV NAUTICA TG PUTERI XI	OWNED
MV NAUTICA TG PUTERI XII	OWNED
MV NAUTICA TG PUTERI XV	OWNED
MV NAUTICA TG PUTERI XVI	OWNED
MV NAUTICA TG PUTERI XVII	OWNED
MV NAUTICA TG PUTERI XVIII	OWNED
MV NAUTICA TG PUTERI XIX	OWNED
MV NAUTICA TG PUTERI XX	OWNED
MV NAUTICA TG PUTERI XXI	OWNED
MV NAUTICA TG PUTERI XXII	OWNED
MV NAUTICA TG PUTERI XXIV	OWNED
MV NAUTICA TG PUTERI XXV	OWNED
MV NAUTICA TG PUTERI XXVI	OWNED
MV NAUTICA TG PUTERI XXXVIII	OWNED

Sources: Avangaad

Long-Term Charters & Fleet Utilisation. Avangaad's fleet is primarily chartered out on multi-year contracts, ensuring stable revenue streams. Product tankers (MT Nautica Pontian 2 & MT Nautica Kluang 2) operate under 10-year charters for coastal petroleum transport; FSO Nautica Tembikai previously served as a floating storage unit at an offshore field; Fast crew boats transport offshore oil & gas workers and Harbor tugs & mooring boats support refinery, oil, and container ports such as: Kertih Port (Terengganu) – Petrochemical terminal, Sungai Udang Port (Melaka) – Oil terminal. Northport (Port Klang) – Container port. Fleet utilisation remains exceptionally high, with an average rate of ~97.5% in 2024, including: 100% uptime for product tankers, ~99% utilisation for port service vessels. Avangaad's well-diversified operations, relatively young fleet, and strong charter contracts position it favourably for sustained earnings growth in the oil & gas marine services sector.

Recent Acquisition. Avangaad has recently signed a preliminary agreement to acquire Bumi Jaya Shipcare Sdn Bhd, a marine consultancy company, along with two tugboats assets, for a total consideration of RM49m. The acquisition is expected to be funded through internal cash and partially via bank financing. The move will expand Avangaad's vessel fleet and strengthening its capabilities. The Group expects to finalise the acquisition by 3Q 2025, with earnings contribution anticipated from 4Q 2025, subject to securing long-term charter contracts for the newly acquired assets.

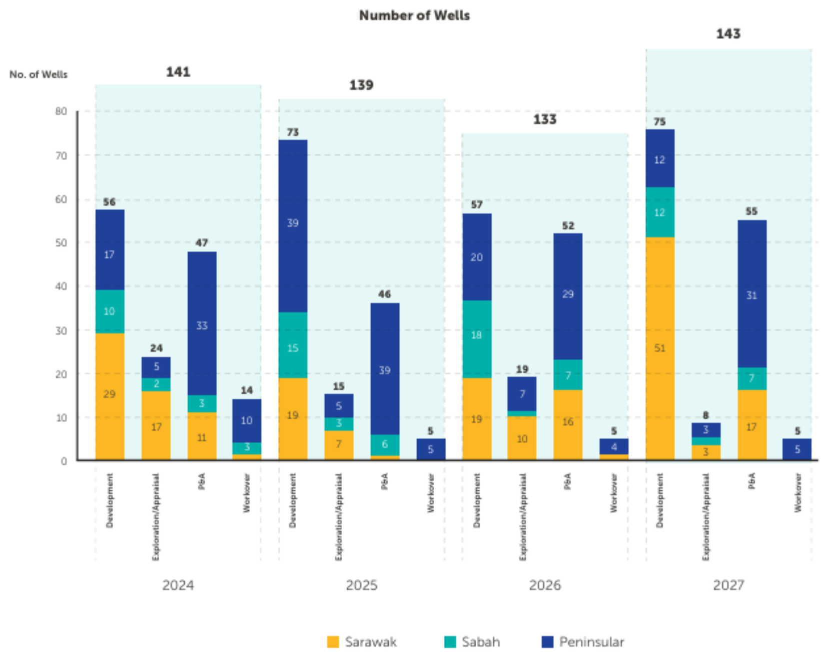
Industry Overview

Maritime & Oil & Gas Logistics Industry. Overall industry backdrop for Avangaad's businesses has significantly improved over the past two years, with the outlook remaining favourable moving forward. Key drivers include increased offshore drilling and production activity, expansion of Floating Production Storage & Offloading (FPSO) and Floating LNG (FLNG) projects, and higher utilization rates and rising charter rates due to vessel shortages.

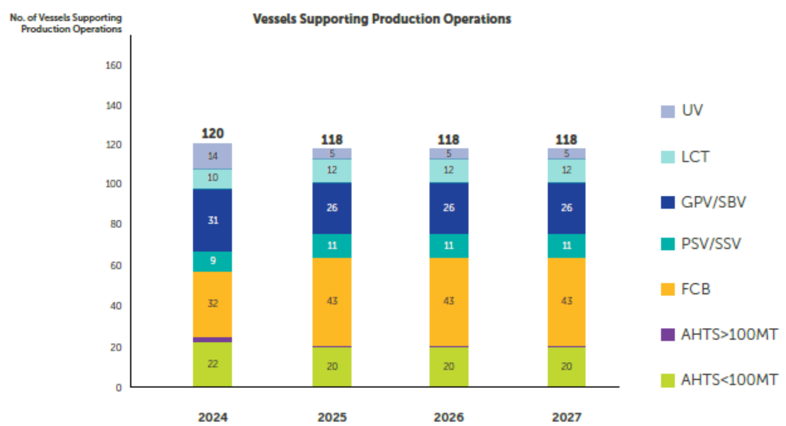
Oil logistic

Regionally, Southeast Asia's fuel consumption continues to rise, while Malaysia's refining output remains a key contributor to coastal transport demand. Domestically, PETRONAS's upstream and downstream activities, as outlined in the Petronas Activity Outlook 2025-2027, signal a resilient demand for marine logistics services, further reinforcing sector stability.

The Malaysian offshore and marine vessel segment is experiencing structural shifts, with rising demand amid limited vessel availability. The Petronas Activity Outlook 2025-2027 highlights concern over an aging offshore support vessel (OSV) fleet, with insufficient new builds to replace retiring vessels. Despite these challenges, demand remains strong, primarily driven by sustained upstream production activities (refer to charts below).



Sources: Petronas Activity Outlook 2025-2027 report



Sources: Petronas Activity Outlook 2025-2027 report

In the tanker transportation segment, global oil trade has rebounded strongly, supported by post-pandemic economic recovery and geopolitical shifts. Tanker freight markets saw a significant upswing in 2022-2023, driven by high demand for oil products and disruptions such as the Ukraine-Russia conflict, which rerouted energy flows and extended shipping distances. Tightened tanker supply consequently pushed charter rates to multi-year highs. According to DNV, tanker owners entered 2024 with favorable market conditions, supported by strong oil demand and sustained high freight rates, leading to a surge in newbuilding orders after years of underinvestment. While some normalisation is expected, industry forecasts remain positive, with global tanker trade volumes projected to grow through 2024-2025, underpinned by steady oil demand.

In regards to Avangaad's tankers which operate within regional waters, these market trends present strong employment prospects and potentially improved charter terms upon renewal. Key regional projects, including Kasawari and Jerun gas fields, as well as refinery and petrochemical expansions, are expected to drive demand for tankers, FSO, and FSU solutions at satellite fields.

In summary, the oil logistics market improving market conditions served by Avangaad is on an upswing, benefiting from global trade dynamics and domestic investment. However, oil price volatility and OPEC production policies remain key factors that could impact cargo volumes.

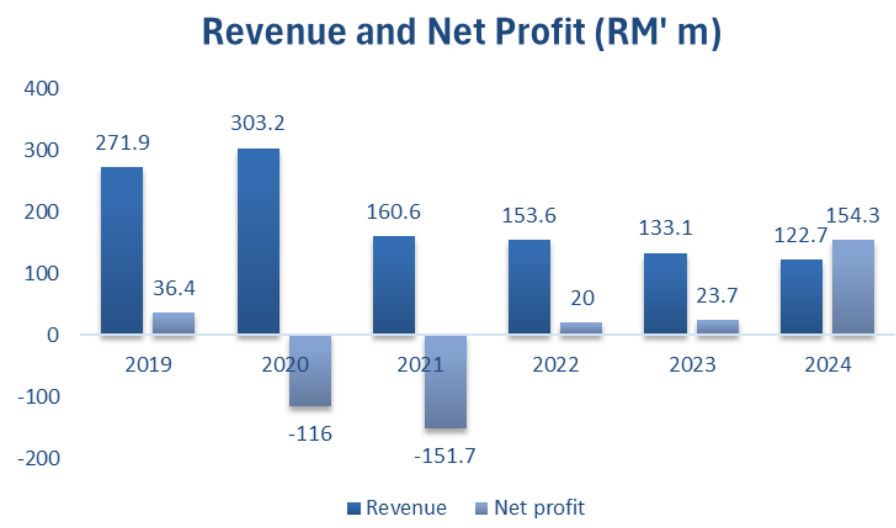
Port and Marine Services

Beyond oil & gas, Avangaad operates within the port logistics and marine services sector, providing towage, mooring, and harbor operations support services. The Malaysian port industry has demonstrated resilience and steady growth over the years, even amid global trade uncertainties. Port Klang (which includes Northport, Avangaad's client) achieved a record-breaking 11.0m TEUs in 2024, surpassing pre-pandemic levels. Similarly, The Port of Tanjung Pelepas (Malaysia's largest transshipment hub) recorded an all-time high of 12.3m TEUs in 2024, reinforcing Malaysia's strategic role as a regional shipping hub.

For tug service providers such as Avangaad, higher port call volumes translate to sustained demand for harbour towage and mooring services. Additionally, specialised oil terminals, such as Petronas's Melaka and Terengganu ports, continue to handle stable or growing crude and petroleum product volumes, driven by robust downstream operations. The harbour tug service industry in Malaysia is highly competitive, comprising both port operators' in-house fleets and outsourced providers like Avangaad. However, in recent years, outsourcing has gained traction, offering cost efficiency and operational flexibility for port operators. Avangaad's contract renewals with Northport and PFLNG1 in 2023/24 highlight the sustained demand and reliance on third-party marine service providers.

Looking ahead, the port sector outlook for 2025 remains modestly positive, with throughput expected to grow in the low single digits, barring major global economic slowdowns. Additionally, potential tariff hikes (e.g., the Port Klang Authority's proposed 30% increase in container handling fees) could lead to higher infrastructure investments, indirectly benefiting marine service providers. However, geopolitical risks, including trade wars, shifting tariff policies, and global shipping cycles paints an uncertain picture. Nevertheless, Malaysia's strategic location and growing manufacturing and export-driven economy positions well for the port logistics industry over the expansionary plans. For Avangaad, maintaining long-term partnerships with port operators and securing contract renewals (such as Northport's annual tug charter) will be critical to sustaining its market position.

Financial Highlights



Sources: Avangaad, Apex Securities

Revenue trend. Avangaad's financial performance has undergone a major turnaround in recent years. Revenue experienced volatility between FY19 and FY21, peaking at RM303.2m in FY20 before plunging to RM160.6m in FY21, largely due to contract completions and the idling of the Nautica Tembikai FSO. Revenue then stabilised at RM153.6m in FY22 before declining further to RM133.1m in FY23, primarily impacted by lower vessel utilisation and the continued non-deployment of the FSO.

Despite lower revenue, bottomline rebounded strongly in FY23, with gross profit surging 90% yoy to RM47.5m (35.7% GP margin) and net profit improved 45% yoy to RM23.7m. The marine transport and storage segment contributed 45% of total revenue (RM59.8m), while EBITDA soared to RM31.0m (from RM3.3m in FY22). Meanwhile, port services emerged as the largest segment, accounting for 55% of revenue (RM73.3m) with a strong EBITDA of RM38.1m.

Sources: Avangaad

FY2024 Performance. In FY24, revenue declined 8% yoy to RM122.7m, mainly due to the continued downtime of the FSO and the disposal of a tanker. However, core operating profit (excluding one-offs) rose to RM44m (from RM26m in 2023), signalling operational improvements. The restructuring plan revolving RM171m debt waiver contributed to a one-off pre-tax profit of RM211.2m, resulting in a net profit of RM154.3m. Excluding these exceptional one-offs, core net profit stood at RM19m.

Financial position. Avangaad's financial position strengthened significantly post restructuring. As of 31 Dec 2024, shareholders' equity surged to RM291.9m (from RM57.5m in FY23), driven by a RM79.6m equity injection and the reversal of accumulated losses. Total borrowings were reduced to RM89.0m (all Islamic term loans), lowering net gearing to 0.24x. Additionally, trade and other payables saw a sharp reduction from RM299m to RM35.7m, as the restructuring plan successfully cleared outstanding obligations.

Earnings outlook. Moving forward, we forecast core net profit at RM23.2m in FY25F (+22% yoy) and RM36.7m in FY26F (+58% yoy), supported by: (i) Resilient fleet utilisation and stable charter rates, backed by execution of long-term contracts. (ii) Market demand and potential M&A opportunities, enabling fleet expansion and immediate profit contributions. (iii) Potential contract for the idling FSO Nautica Tembikai, which could serve as a key earnings catalyst upon securing a long-term deployment.

Valuation & Recommendation

Not Rated. We assigned a fair value of **RM0.44** for Avangaad, based on a 16.0x PER assigned to FY26F EPS of 2.8 sen. The valuation is derived using a 0.4x PEG ratio (reflecting a 60% discount to 1x PEG), considering Avangaad's smaller market capitalisation relative to its projected two-year CAGR growth of 40% from FY24 to FY26F. We anticipate strong growth over the next two years, driven by the successful financial restructuring and management's strategic initiatives to expand fleet capacity and enhance operational efficiency.

Peers Comparison

Company	Market Group	FYE	Price (RM)	Market Cap (RM 'm)	P/E (x) FY24	P/E (x) FY25F	Dividend Yield (%)	Revenue (RM' m)	Core Net Profit (RM' m)
Avangaad Berhad	**MAIN**	**Dec**	**0.280**	**371**	**19.5**	**16.0**	**0.0%**	**122.7**	**19.0**
Lianson Fleet Group Berhad	MAIN	Dec	0.935	753	12.7	8.4	0.0%	235.8	45.0
Perdana Petroleum Berhad	MAIN	Dec	0.200	445	3.0	N/A	0.0%	440.1	146.0
Marine&General Berhad	MAIN	Apr	0.250	195	12.6	N/A	0.0%	348	47.0
Sealink International Berhad	MAIN	Dec	0.165	83	4.4	N/A	0.0%	125.3	18.2
MISC Berhad	MAIN	Dec	7.120	3180	26.6	13.1	5.1%	13237.5	1193.5
Alam Maritim Berhad	MAIN	Jun	0.030	46	1.0	N/A	0.0%	357.2	26.3
Weighted average ex- Avangaad Berhad					**20.9**	**10.2**	**3.4%**	**9052**	**831**

Source: Company, Apex Securities

Investment Risk

Execution risk in expanding business. Avangaad is actively bidding for contracts in the FSO, OSV, and tugboat segments, while also exploring potential M&A opportunities. However, delays or failures in securing these projects could limit earnings growth and hinder expansion plans.

Fleet aging & replacement costs. While Avangaad's fleet is relatively young, maintaining older vessels beyond their optimal operational lifespan could lead to higher maintenance expenses. Additionally, limited financing availability for new vessel acquisitions in the industry may constrain fleet expansion opportunities.

Contract renewal & order book risk. The Group's earnings visibility depends on its ability to renew expiring contracts and secure new ones. Any failure to maintain key contracts could lead to fleet underutilization, impacting revenue. Meanwhile, the idling FSO remains a key earnings risk, as securing a new lease agreement in the near term is crucial for monetising asset.

Financial Highlights

Income Statement

FYE Dec (RM m)	FY22	FY23	FY24	FY25F	FY26F
Revenue	**153.6**	**133.1**	**122.7**	**158.0**	**282.9**
Gross Profit	**24.9**	**47.5**	**50.1**	**66.4**	**118.8**
EBITDA	**42.6**	**67.6**	**238.9**	**60.1**	**107.5**
Depreciation & Amortisation	-39.5	-31.0	-24.0	-24.9	-54.0
EBIT	**2.9**	**36.4**	**214.6**	**35.1**	**53.5**
Net Finance Income/ (Cost)	-9.3	-8.1	-4.8	-5.4	-6.5
Associates & JV	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	**9.0**	**29.9**	**211.2**	**29.7**	**47.0**
Tax	7.3	-6.2	-56.8	-6.5	-10.3
Profit After Tax	**16.3**	**23.7**	**154.3**	**23.2**	**36.7**
Minority Interest	0.0	0.0	0.0	0.0	0.0
Net Profit	**16.3**	**23.7**	**154.3**	**23.2**	**36.7**
Exceptionals	0.0	0.0	-135.3	0.0	0.0
Core Net Profit	**16.3**	**23.7**	**19.0**	**23.2**	**36.7**

Key Ratios

FYE Sep	FY22	FY23	FY24	FY25F	FY26F
EPS (sen)	1.2	1.8	1.4	1.7	2.8
P/E (x)	22.8	15.7	19.5	16.0	10.1
P/B (x)	11.0	6.5	1.3	1.2	1.1
EV/EBITDA (x)	5.7	4.1	1.3	4.6	1.7
DPS (sen)	0.0	0.0	0.0	0.0	0.0
Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EBITDA margin (%)	27.7%	50.8%	194.7%	38.0%	38.0%
EBIT margin (%)	1.9%	27.4%	175.0%	22.2%	18.9%
PBT margin (%)	5.8%	22.5%	172.1%	18.8%	16.6%
PAT margin (%)	10.6%	17.8%	125.8%	14.7%	13.0%
NP margin (%)	10.6%	17.8%	125.8%	14.7%	13.0%
CNP margin (%)	10.6%	17.8%	15.5%	14.7%	13.0%
ROE (%)	48.3%	41.2%	6.5%	7.4%	10.4%
ROA (%)	3.2%	5.0%	4.0%	4.4%	5.3%
Gearing (%)	513.1%	217.9%	30.5%	46.6%	62.6%
Net gearing (%)	386.8%	163.9%	23.9%	30.4%	52.7%

Valuations	FY26F
Core Diluted EPS (RM)	0.028
P/E multiple (x)	16.0
Fair Value (RM)	**0.44**
ESG premium/discount	0.0%
Implied Fair Value (RM)	**0.44**

Source: Company, Apex Securities

Balance Sheet

FYE Dec (RM m)	FY22	FY23	FY24	FY25F	FY26F
Cash	42.6	31.0	19.1	50.7	34.5
Receivables	24.6	31.8	57.1	29.5	63.5
Inventories	1.0	0.1	0.1	0.1	0.1
Other current assets	18.2	11.4	0.9	0.9	0.9
Total Current Assets	**86.4**	**74.4**	**77.3**	**81.3**	**99.1**
Fixed Assets	412.0	393.3	395.5	440.5	594.5
Intangibles	0.0	0.0	0.0	0.0	0.0
Other non-current assets	8.6	2.7	1.9	1.9	1.9
Total Non-Current Assets	**420.6**	**396.0**	**397.5**	**442.4**	**596.4**
Short-term debt	51.5	40.9	18.1	87.9	131.8
Payables	317.0	286.4	35.7	49.7	103.2
Other current liabilities	0.7	0.3	0.2	0.2	0.2
Total Current Liabilities	**369.2**	**327.7**	**54.0**	**137.8**	**235.2**
Long-term debt	121.7	84.3	70.8	58.6	87.9
Other non-current liabilities	2.2	15.2	58.0	12.8	21.3
Total Non-Current Liabilities	**123.9**	**99.5**	**128.8**	**71.4**	**109.2**
Shareholder's equity	33.8	57.5	291.9	314.5	351.2
Minority interest	0.0	0.0	0.0	0.0	0.0
Total Equity	**33.8**	**57.5**	**291.9**	**314.5**	**351.2**

Cash Flow

FYE Dec (RM m)	FY22	FY23	FY24	FY25F	FY26F
Pre-tax profit	**9.0**	**29.9**	**211.2**	**29.7**	**47.0**
Depreciation & amortisation	39.5	31.0	24.0	24.9	54.0
Changes in working capital	-16.1	-24.6	-121.8	13.6	-87.5
Others	-9.1	-0.8	-167.7	-0.4	-3.0
Operating cash flow	**23.2**	**35.5**	**-54.4**	**67.9**	**10.5**
Net capex	72.1	-5.4	-11.1	-20.0	-100.0
Others	-13.8	6.6	10.4	0.0	0.0
Investing cash flow	**58.3**	**1.1**	**-0.7**	**-20.0**	**-100.0**
Dividends paid	0.0	0.0	0.0	0.0	0.0
Others	-42.4	-45.8	43.2	-16.3	73.2
Financing cash flow	**-42.4**	**-45.8**	**21.1**	**-16.3**	**73.2**
Net cash flow	**39.2**	**-9.2**	**-11.9**	**31.6**	**-16.3**
Forex	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0
Beginning cash	1.0	40.2	31.0	19.1	50.7
Ending cash	**40.2**	**31.1**	**19.1**	**50.8**	**34.5**

ESG Matrix Framework:

Environment

Parameters	Rating	Comments
Climate	★★★	Committed to net-zero carbon emissions by 2050, with strategies to reduce emissions in line with the International Maritime Organization's (IMO) climate goals.
Waste & Effluent	★★★	Implemented structured waste management policies, including Garbage Management Plans (GMP) and the Shipboard Oil Pollution Emergency Plan to prevent pollution.
Energy	★★★	Increased energy efficiency through vessel speed optimization, fuel-efficient technologies, and compliance with MARPOL Annex VI regulations to reduce carbon intensity.
Water	★★★	Efficient water consumption practices on vessels, utilising seawater for non-essential processes to reduce freshwater usage.
Compliance	★★★	Fully compliant with international maritime environmental regulations, including MARPOL and ISO 14001:2018 Environmental Management System certification.

Social

Diversity	★★★	Supports inclusive hiring, with a workforce comprising diverse age groups, backgrounds, and a structured performance review process for fair career development.
Human Rights	★★★	Enforces non-discriminatory policies in hiring and employment practices, ensuring compliance with Malaysia's Employment Act.
Occupational Safety and Health	★★★	Certified with ISO 45001:2018 for occupational health and safety; recorded zero workplace fatalities in FY2023.
Labour Practices	★★★	Implements structured employee benefits, training, and fair wage policies; provides maternity and paternity leave benefits in line with national regulations.

Governance

CSR Strategy	★★★	Active participation in corporate social responsibility (CSR) programs, focusing on healthcare support and infrastructure development.
Management	★★★	Strong corporate governance structure with ISO 37001:2016 Anti-Bribery Management System certification.
Stakeholders	★★★	Regular engagements with investors, employees, and industry peers through annual reports, briefings, and sustainability disclosures.

Overall ESG Scoring: ★★★

Recommendation Framework:
BUY: Total returns* are expected to exceed 10% within the next 12 months.
HOLD: Total returns* are expected to be within +10% to – 10% within the next 12 months.
SELL: Total returns* are expected to be below -10% within the next 12 months.
TRADING BUY: Total returns* are expected to exceed 10% within the next 3 months.
TRADING SELL: Total returns* are expected to be below -10% within the next 3 months.
*Capital gain

Sector Recommendations:
OVERWEIGHT: The industry defined by the analyst is expected to exceed 10% within the next 12 months.
NEUTRAL: The industry defined by the analyst is expected to be within +10% to – 10% within the next 12 months.
UNDERWEIGHT: The industry defined by the analyst, is expected to be below -10% within the next 12 months.

ESG Rating Framework:
★★★★★ : Appraised with 3% premium to fundamental fair value
★★★★ : Appraised with 1% premium to fundamental fair value
★★★ : Appraised with 0% premium/discount to fundamental fair value
★★ : Appraised with -1% discount to fundamental fair value
★ : Appraised with -5% discount to fundamental fair value

As of **Thursday, 20 Mar, 2025**, the analyst(s), whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:
(a) nil.