International Cement Group Ltd.

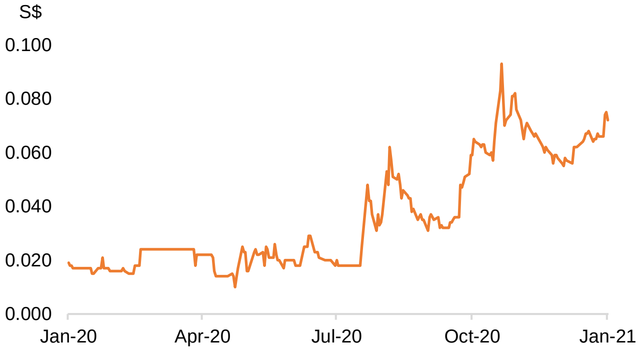
Date: 22 January 2021

BUY **Target Price: S$0.089**

(Initiating Coverage) **(+23.6%)**

ICG SP

Price: S$0.072 (as at 21 Jan 2021)



Share price	1M	3M	6M	1Y
ICG	+28.6%	+22.0%	+260.0%	+278.9%
STI	+6.0%	+19.5%	+14.7%	-7.1%

Market capitalisation	S$424.4 million	
Current price	S$0.072	
Shares outstanding	5.73 billion(1)	
Free Float	15.3%	
Major shareholders	Victory Gate Ventures Limited	78.5%
Recommendation of other brokers	N/A	

(1) 70,916,430 Placement shares are not listed on the SGX-ST due to a lapse for the listing and quotation of the Placement shares

Source: Company data, Bloomberg, SAC Capital

Analyst

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Cementing a foothold in Central Asia

A new beginning. International Cement Group Ltd. and its subsidiaries (collectively the "**Group**" or "**ICG**") produces cement in Central Asia region. It was listed via a transfer-listing from Compact Metal Industries Ltd. ICG holds a 65% stake in the largest cement plant and a grinding station in Khatlon region in Tajikistan as well as a 87.5%-owned cement plant in Kazakhstan, with a combined annual capacity of about 3 million metric tonnes. Aside from its cement business, the Group also retains aluminium extrusion operations held with CMI. It fabricate and supplies aluminium windows and doors to residential properties in Singapore. It owns a fabrication plant in Johor Bahru.

Opportunities in cement industry in the Central Asia region. Driven by projected plans for reconstruction, urbanisation and infrastructure growth in Central Asia, demand for cement in the region is expected to increase in the near future. The demand for cement is further boosted by China's Belt and Road Initiative. According to the Tajikistan's Ministry of Industry and New Technology, it was reported that Tajikistan increased cement production by 10.5% from 3.8 Megatonne ("**Mt**") in 2018 to 4.2 Mt in 2019. With ongoing projects in the region, the increase in demand and the ability to supply allow ICG to benefit from the projected growth of the cement industry in Central Asia.

Initiate with a BUY rating with a target price of S$0.089. We arrived at our target price on the back of our DCF valuation (terminal growth rate: 1.0%, WACC: 10.0%). The Group's financial has improved significantly since venturing into cement business in end-FY2017. We are of the view that the Group will continue to produce positive results, especially with the addition of its Kazakhstan plant. The Group's presence and experience in the cement industry in the Central Asia region will also allow it to benefit from the projected growth of the industry in the region.

Key risks: Foreign Exchange Risk.

Key Historical Financials

Year ended 31 December (S$'000)	2017	2018	2019	2020F	2021F
Revenue	41,114	114,107	131,229	140,000	150,000
% Growth	60.5%	177.5%	15.0%	6.7%	7.1%
EBITDA	2,873	39,717	42,880	47,728	53,628
EBITDA Margin	7.0%	34.8%	32.7%	34.1%	35.8%
Profit Before Tax	289	31,083	33,405	33,111	38,365
Profit/(loss) attributable to owners	-1,507	16,388	15,730	15,592	18,065
Net Margin	-3.7%	14.4%	12.0%	11.1%	12.0%
EPS (Singapore Cents)	-0.09	0.29	0.28	0.27	0.32
P/EBITDA (x)	143.0	10.3	9.6	8.6	7.7
P/E (x)	N.A.	24.9	26.1	26.3	22.7
P/B (x)	2.2	2.1	2.0	1.9	1.8
Net Debt / Equity	Net Cash	Net Cash	1.1%	Net Cash	Net Cash

N.A: Not Applicable.

Investment Highlights

Business Overview:

International Cement Group Ltd. and its subsidiaries (collectively the "**Group**" or "**ICG**") are primarily in the business of cement production in the Central Asia region. Currently, ICG owns and operates the largest cement plant and a grinding station in Khatlon region in Tajikistan (under the "Mohir" brand) as well as a cement plant in Kazakhstan (under the "Alacem" brand). Aside from its cement business, the Group has also retained its aluminium operations in the manufacturing and marketing of aluminium windows and doors primarily for residential properties in Singapore.

A new beginning. ICG was listed on SGX Mainboard in 2019 via a transfer listing from Compact Metal Industries Ltd. The core business is the production and sale of cement in Central Asia. It owns a 65% stake in the largest cement plant and a grinding station in Khatlon region in Tajikistan (under the "Mohir" brand) and added a 87.5%-owned plant at Khazakhstan in April 2020 (under the "Alacem" brand). Total annual cement production capacity is about 3 million metric tonnes.

The Group also retained the operation to produce aluminium windows and doors for residential properties in Singapore, previously held under Compact Metal. Its plant at Johor Bahru undertakes fabrication work for aluminium windows, doors, curtain walls, cladding and roofing panels. As at 30 June 2020, the aluminium sector order book stood at S$17.4 million, to be completed next 3 years.

Opportunities in cement industry in the Central Asia region. Driven by projected plans for reconstruction, urbanisation and infrastructure growth in Central Asia, demand for cement in the region is expected to increase in the near future. The demand for cement is further boosted by China's Belt and Road Initiative. As the world's biggest cement producer, China had since imposed legislations that place curbs its carbon emission. This in turn limits the cement production in the country, and the demand for cement production is expected to be picked up by producers in the Central Asia region. According to the Tajikistan's Ministry of Industry and New Technology, it was reported that Tajikistan increased cement production by 10.5% from 3.8 Megatonne ("**Mt**") in 2018 to 4.2 Mt in 2019. In the same year, the exports of cement to neighbouring countries such as Uzbekistan and Afghanistan had increased by 11.0% Year-on-Year from 1.4 Mt to 1.6Mt. With infrastructure development expected to continue to be the key driver of the region's cement industry, ICG is put in an advantageous position to benefit from infrastructure and construction projects both within Central Asia and with the Belt and Road Initiative. ICG reported a production capacity of 3 million metric tonnes, having continually increased production capacity in the Central Asia region year-on-year. With ongoing projects in the region, the increase in demand and the ability to supply allow ICG to benefit from the projected growth of the cement industry in Central Asia.

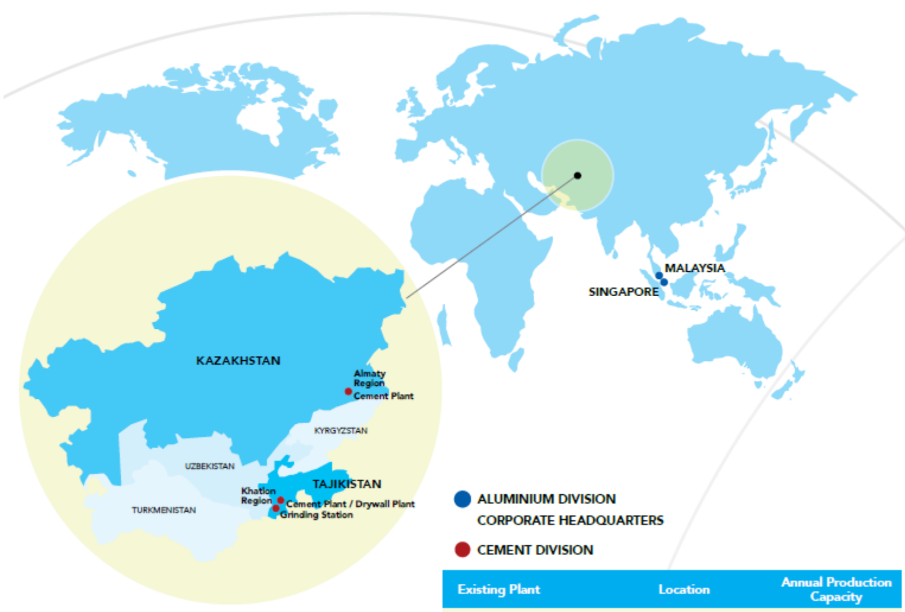
Initiate with a BUY rating with a target price of S$0.089. We arrived at our target price on the back of our DCF valuation (terminal growth rate: 1.0%, WACC: 10.0%). The Group's financial has improved significantly since venturing into cement business in end-FY2017. We are of the view that the Group will continue to produce positive results, especially with the addition of its Kazakhstan plant. The Group's presence and experience in the cement industry in the Central Asia region will also allow it to benefit from the projected growth of the industry in the region.

Company Background

International Cement Group Ltd. ("**ICG**") was listed on the Mainboard of the Singapore Exchange on 8 March 2019 after Compact Metal Industries Ltd transferred its listing status to ICG following an internal restructuring exercise pursuant to a scheme of arrangement.

ICG's core business is in the production and distribution of cement for the use in construction of infrastructure projects, including residential buildings, roads, bridges, highways and railways, in the Central Asia region. The Group owns and operates the largest cement plant and a grinding station in Khatlon region in Tajikistan (under the "Mohir" brand). The Group also owns and operates a cement plant in Kazakhstan (under the "Alacem" brand). As at 31 December 2019, the Group has a combined annual cement production capacity of about 3 million metric tonnes.

In addition, the Group is also in the business of manufacturing and marketing aluminium windows and doors primarily for residential properties in Singapore. The aluminium business was the principal business activity of Compact Metal Industries Ltd, which is retained by ICG after the transfer of listing status.



Existing Plant	Location	Annual Production Capacity
TAJIKISTAN (MOHIR)		
1 Cement Plant	Yovon District, Khatlon Region	1.2 mil MT
1 Grinding Station	Kolkhozabad, Khatlon Province	0.6 mil MT
Upcoming development		
1 Drywall (Gypsum Plasterboard) Plant	Yovon District, Khatlon Region	30 mil M²
KAZAKHSTAN (ALACEM)		
1 Cement Plant	Sary-Ozek, Almaty Region	1.2 mil MT

Source: Company data

Corporate History

Formerly listed as Compact Metal Industries Ltd ("**CMI**"), the Group's early business model was centered around the fabrication of mild steel windows before expanding to become an one-stop aluminium specialist, which offers a range of aluminium products, including curtain walling, windows, doors and grilles.

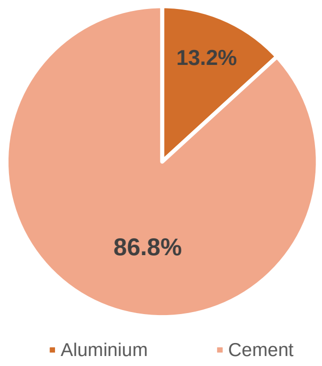
In November 2015, CMI began its transformation by entering into a scheme of arrangement for a proposed international restructuring exercise to transfer its Mainboard listing status to International Cement Group Pte. Ltd.

In October 2017, CMI made its first venture into the cement business through the acquisition of a 65% equity interest in a cement plant in Tajikistan. The successful diversification into the cement business was shown to be profitable and prompted CMI to resume its internal restructuring exercise. The two parties terminated the 2015 agreement and signed a new agreement in 2018.

In March 2019, ICG completed the internal restructuring exercise and was successfully listed on the Mainboard of the Singapore Exchange.

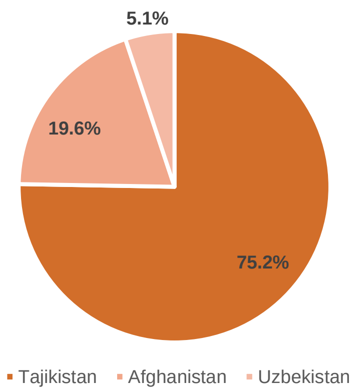
In the same year, the Group expanded its cement production capabilities and broadened its footprint in Central Asia region by completing the construction of its first cement plant in Kazakhstan and the construction of a grinding station in Tajikistan. Together with the cement plant in Tajikistan, the annual production capacity of ICG increased to 3 million metric tonnes. In FY2019, the Group's cement division contributed 86.6% of its total revenue.

Segment Revenue (FY2019)



Source: Company data, SAC Capital

Cement Sales by Country (FY2019)



Source: Company data, SAC Capital

Business Overview

ICG's core business is in the production and distribution of cement. In addition to its cement business, the Group is also in the business of the manufacturing and marketing aluminium windows and doors for residential properties.

Cement Division

ICG's main business is the production and distribution of cement in the Central Asia region for the use in the construction of infrastructure projects, including residential buildings, roads, bridges, highways and railways. Currently, ICG's production facilities are located in Tajikistan and Kazakhstan.

In Tajikistan, the Group owns and operates the largest cement plant in the Yovon district of the Khatlon region. Producing cement under the "Mohir" brand, the Mohir plant has an annual production capacity of 1.2 million metric tonnes. Additionally, the Group also owns and operates a grinding station with an annual production capacity of 0.6 million metric tonnes in the Kolkhozabad district of the Khatlon Province. The grinding station is strategically located close to the Group's export customers, thus reducing transportation costs.

ICG's Tajikistan cement production serves both the domestic and the export markets. Currently, the Group's cement is exported to Afghanistan and Uzbekistan. Customers of the Group's products include retail customers, construction firms and distributors who resell the cement to other end users.

In Kazakhstan, the Group owns and operates a cement plant with an annual production capacity of 1.2 million metric tonnes, which was constructed in December 2019. Producing cement under the "Alacem" brand, the Alacem plant sells its cement to the domestic market, specifically to the Almaty and Taldykorgan areas, as well as the Horgos ports near the Kazakh-Chinese border.

Aluminium Division

ICG is also in the business of manufacturing and marketing of aluminium windows and doors for residential properties. The Group currently owns and operates a fabrication plant at Sedenak, Johor Bahru after disposing its extrusion plant at Pasir Gudang, Johor in December 2019. The Group primarily undertakes valuing-adding fabrication work for aluminium windows, doors, curtain walls, cladding and roofing panels. As at 31 December 2019, the Group has an order book of approximately S$22.7 million, which is expected to be progressively recognised over the next 2 to 3 years.

Industry Overview

Aluminium Business

ICG's aluminium division produces and markets aluminium windows and doors for residential properties in Malaysia and Singapore. According to Statista, Singapore's consumption of aluminium has remained relatively constant from 2017 to 2019 at 51.1 million metric tons. ICG recognises that the metals industry in Malaysia and Singapore has increasingly become saturated, and thus, more focus is being placed on their cement operations.

Cement Business

ICG's cement operations lie within the Central Asia region, which consists of the former Soviet republics of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan that are colloquially known as the "Stans". More specifically, ICG's current cement operations concentrate in Tajikistan and Kazakhstan, with its Tajikistan cement plant being the largest in the country's Khatlon Region.

Central Asia is emerging as a centre ground between the East and the West. Foreign investment has been a major driving factor for the growth of cement production sector. Countries such as China, Russian, Iran, Turkey and Japan had invested substantially in the region, and India and the US have maintained military bases here.

Demand for cement

Cement, being the material to make concrete, is widely used in the construction industry. With the increasing need for residential and commercial spaces, buildings and other establishments globally, cement demand is expected to grow with an increase in construction activity brought about by the need for urbanisation. The need for urbanisation is prominent in emerging economies, such as those in Central Asia, which are facing growing population.

The construction materials industry had seen strong market value growth at a CAGR of 5.6% between 2015 to 2019. According to Marketline, global construction materials value is forecasted to see a CAGR of 6.0% between 2019 to 2024, to reach $1,220.5 billion in 2024. Fortune Business Insights reported that the global cement market size was valued at USD 312.5 million in 2018, and is expected to reach USD 463.0 billion by 2026, growing at a CAGR of 5.2%.

Strong government support and major project opportunities in Central Asia have continued to drive growth and demand for the cement industry. For example, in Kazakhstan, the government had announced a US$9 billion investment policy to develop its infrastructure, which include housing for 77,000 families and modernisation of its transport system by building 48,000 kilometres of new roads. In Uzbekistan, the Ministry of Transport had secured a 240 kilometres road project in the city of Karakalpakstan. The project is critical to the development of the country into a transport hub, thus creating significant demand and opportunities for cement suppliers.

Industry Overview

Similarly, the Afghan Ministry of Mines and Petroleum has been working to finalise discussions on cement projects that would require an estimated investment of $350 million. On top of that, the Ministry also has plans to further upgrade some major cement plants in the country. These Government initiatives showcase the increased construction activity in the Central Asia region, which signals a positive demand for cement.

According to the Tajikistan's Ministry of Industry and New Technology (MOINT), it was reported that Tajikistan increased cement production by 10.5% from 3.8 Mt in 2018 to 4.2 Mt in 2019 to cater to high demand. In 2019, the exports of cement to neighbouring countries like Uzbekistan and Afghanistan increased by 11.0% YoY from 1.4Mt to 1.6Mt. The increase in demand for cement in the region could be attributed to the decline of Chinese-based suppliers as legislations in China curb carbon emissions, and hence the amount that could be produced locally.

<u>China's Belt Road Initiative</u>

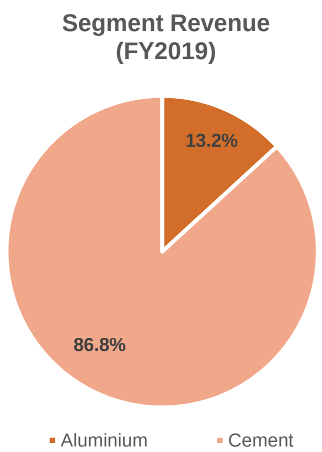
China's Belt and Road Initiative, or the "One Belt One Road", is a foreign and economic infrastructure development strategy adopted by the Chinese Government to link China to Central Asia, the Middle East, Russia and Europe via the Silk Road Economic Belt. In addition, the Maritime Silk Road would link China with South East and South Asia, Africa and Europe.

Cement prices worldwide had declined significantly previously due to the overcapacity of production in many countries including China. However, with the expected capital investment of US$ 4 – 8 trillion for the Belt Road Initiative, the flow of funds is expected to trickle down to increase the demand for cement, as it is a key construction material. Furthermore, with legislations in place to curb cement production in China, more demand is expected from Central Asian cement suppliers.

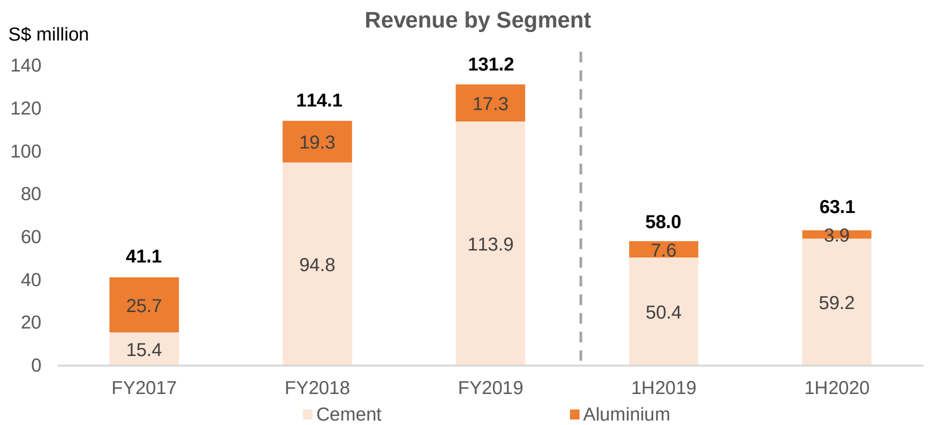
Industry Overview

With infrastructure development expected to continue to be the key driver of the region's cement industry, ICG is put in an advantageous position to benefit from infrastructure and construction projects both within Central Asia and with the Belt and Road Initiative. ICG reported a production capacity of 3 million metric tonnes, with a record of having continually increased production capacity in the Central Asia region year-on-year. With ongoing projects in the region, the increase in demand and the ability to supply allow ICG to be better able to meet the projected demands for reconstruction, urbanisation, and infrastructure growth in the Central Asia region.

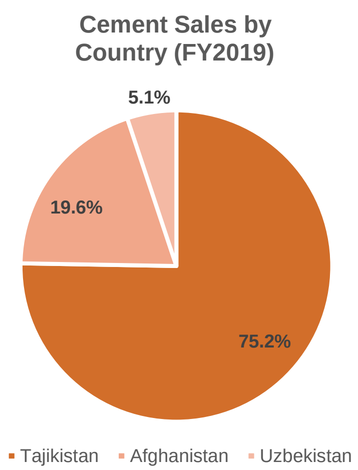
Financial Summary



Since venturing into the cement business in late 2017, ICG's financials have improved steadily over the years. In FY2019, 86.8% of the Group's revenue came from its cement operations while the rest is contributed by its aluminium business.



Source: Company data, SAC Capital



The Group's overall revenue grew by 15.0% year-on-year from S$114.1 million in FY2018 to S$131.2 million in FY2019. This came on the back of a 20.1% growth in the cement segment driven by higher cement sales volume as a result of stronger demand for cement in Tajikistan. This was partially offset by a drop in sales of aluminium projects and aluminium related products. We expect the cement segment to continue its growth driven by: i) strong demand for cement in the Central Asia region and ii) contribution from the cement plant in Kazakhstan, which completed its construction in December 2019 and is expected to gradually begin sales in the 2nd half of 2020. Geographically, domestic sales in Tajikistan contributed 75.2% of the total cement revenue in FY2019 while the rest was made up by export sales to Afghanistan and Uzbekistan.

(S$'000)	FY2018	FY2019
Cement		
Revenue	94,796	113,935
Profit/(Loss) Before Tax	33,675	38,058
Aluminium		
Revenue	19,311	17,294
Profit/(Loss) Before Tax	(2,476)	(3,814)
Overall		
Revenue	114,107	131,229
Net Profit	26,658	28,381
PAT Margin	**23.4%**	**21.6%**

Looking into the reportable segment results, the Group's cement segment recorded a S$38.1 million in profit before tax while the aluminium segment recorded a loss before tax of S$3.8 million in FY2019. Since venturing into the cement business in November 2017, the Group's profit after tax margin improved to 23.4% and 21.6% in FY2018 and FY2019 respectively as compared to 0.9% recorded in FY2017.

Covid-19 Impact

The outbreak of Covid-19 had led to a slowdown in construction activities and tightened border control measures in Central Asia. As a result, sales of cement by the Tajikistan plant had dropped from 2nd half of Match to end May 2020. Sales have since resumed to pre-Covid-19 levels. Despite that, the cement segment still recorded a higher contribution of S$8.7 million in 1H2020, leading to a 8.8% year-on-year increase in revenue to S$63.1 million in 1H2020. On the other hand, commencement of sales from the Kazakhstan plant has also been delayed and sales is expected to start August 2020. We believe that the cement segment will continue to impact the Group positively in the near future.

Future Plans and Growth Strategy

Increase product offerings within the construction sector
The Group plans to expand its product offerings through the construction of a drywall (gypsum plasterboard) production line within its cement plant in Tajikistan. The investment, which is estimated to cost the Group US$15 million (approximately S$21 million) is expected to have an annual production capacity of 30 million square metres of drywall and is expected to be completed by 2021. ICG is optimistic the new business will be able to tap into the Group's existing distribution channels n Tajikistan and meet local demand as well as to enter in the Central Asia market.

Expanding its presence in the Central Asia region
The Group is planning to expand its footprint in Central Asia with more projects in the region. In order to capture the growing demand for cement, the Group is continuously exploring opportunities to increase its overall production capacity through investments in construction of cement plants, acquisitions, joint ventures, and/or strategic collaborations, particularly within the Central Asia region.

Key Risks

Foreign exchange risks
The currencies in which transactions are primarily denominated are the Tajikistani Somoni ("**TJS**"), Kazakhstani Tenge ("**KZT**"), United States Dollar ("**USD**") and Chinese Yuan ("**CNY**"). Revenue and expenses are primarily denominated in domestic currencies such as TJS and KZT while payables to intercompanies and the main EPC contractor are primarily denominated in CNY and USD. An unfavorable movement of exchange rate will potentially result in huge foreign exchange loss.

Management

Ma Zhaoyang was a Director of ICG since 5 November 2015 before being appointed as the Executive Chairman following the completion of the Scheme of Arrangement of Compact Metal Industries Ltd. Mr Ma is also currently a Non-Executive Director at Hong Kong listed West China Cement Limited, one of the leading cement producing companies in China's Shaanxi province, which specialises in the production and distribution of cement products. Between 2009 to 2018, Mr Ma served as a Chairman at Sino Vanadium Inc., a vanadium mining company. He was also the Non-Executive Director of Taihua PLC from 2006 to 2018 and the Independent Non-Executive Director of Xian Kaiyun Holding Group Co Limited between 2006 to 2012. Mr Ma holds a Master's degree and a Doctorate degree in Management from Northwestern Polytechnic University (Shaanxi, China). In addition, Mr Ma was an Associate Professor of Management at the University between 1996 to February 2019.

Cao Jianshun holds the position of Deputy Chief Executive Office in ICG and is responsible for overseeing the cement operations of the Group. Mr Cao also serves as the Chief Executive Officer in the Group's subsidiaries, International Manufacturing Company Chzhungtsai Mohir Cement LLC and Alacem LLP. With over 20 years of experience in the cement industry, Mr Cao possesses immense knowledge in all aspects of the operation and management of a cement plant, including production, sales, finance and maintenance. Mr Cao graduated from Shaanxi Provincial Committee Party School in 2005 specialising in economic management.

Lee Zhen Jesica is the Chief Financial Officer of ICG and is responsible for the Group's finance, accounting and regulatory compliance functions, including tax, corporate, internal controls, and sustainability reporting. She is also involved in the Group's mergers and acquisitions activities. Ms Lee has more than 10 years of audit experience, covering multi-national and local companies in both the public and private sectors, as well as government-linked companies, from a diversified industries in Singapore and the United Kingdom. Ms Lee graduated from the Nanyang Technological University with a Bachelor of Accountancy degree and is a member of the Institute of Singapore Chartered Accountants.

Income Statement (S$'000)

	Fiscal Year Ended 31 December				
	2017	2018	2019	2020F	2021F
Revenue	41,114	114,107	131,229	140,000	150,000
Other income	536	1,295	1,177	3,727	1,127
Changes in inventories	844	(1,020)	(2,530)	(2,699)	(2,892)
Raw materials used	(17,187)	(32,633)	(40,978)	(42,000)	(45,000)
Staff and related costs	(9,500)	(9,566)	(10,182)	(11,300)	(12,107)
Depreciation of PPE	(1,879)	(5,412)	(6,138)	(7,930)	(8,003)
Impairment loss on PPE	(55)	0	(1,218)	0	0
Amortisation of intangible assets	(668)	(3,072)	(2,984)	(2,931)	(2,931)
Reversal of/(loss allowance) on trade and other receivables and contract assets	(388)	1,502	540	0	0
Other expenses	(12,491)	(33,968)	(35,158)	(40,000)	(37,500)
Finance income	145	257	244	244	244
Finance costs	(182)	(407)	(597)	(4,000)	(4,000)
Profit before tax	**289**	**31,083**	**33,405**	**33,111**	**38,365**
Tax credit/(expense)	72	(4,425)	(5,024)	(4,980)	(5,770)
Profit for the year	**361**	**26,658**	**28,381**	**28,131**	**32,595**
Profit/(Loss) attributable to:					
Owners of the Company	**(1,507)**	**16,388**	**15,730**	**15,592**	**18,065**
Non-controlling interests	1,868	10,270	12,651	12,540	14,529
EPS/(LPS) (Singapore cents)	**(0.09)**	**0.29**	**0.28**	**0.27**	**0.32**

Cash Flow Statement (S$'000)

	Fiscal Year Ended 31 December				
	2017	2018	2019	2020F	2021F
Profit for the year	361	26,658	28,381	28,131	32,595
Amortisation of intangible assets	668	3,072	2,984	2,931	2,931
Depreciation of PPE	1,879	5,412	6,138	7,930	8,577
Finance costs	182	407	597	4,000	4,000
Finance income	(145)	(257)	(244)	(244)	(244)
Others	(23)	3,634	6,030	0	0
Change in working capital	(28)	(5,401)	6,385	(13,938)	225
Net cash from/(used in) operations	**2,894**	**33,525**	**50,271**	**28,810**	**48,083**
Acquisition of PPE	(9,326)	(38,067)	(57,498)	(10,228)	(2,228)
Acquisition of intangible assets	0	(2)	(145)	0	0
Interest received	145	231	28	244	244
Others	3,576	740	2,501	0	0
Net cash from/(used in) investing	**(5,605)**	**(37,098)**	**(55,114)**	**(9,984)**	**(1,984)**
Dividends paid	0	(3,069)	(6,474)	(6,237)	(7,226)
Net change in equity	0	0	3,191	0	0
Net change in debt	(637)	(4,865)	11,850	0	0
Others	(318)	(3,807)	(4,294)	(4,000)	(4,000)
Net cash (used in)/from financing	**(955)**	**(11,741)**	**4,273**	**(10,237)**	**(11,226)**
Net increase/(decrease) in cash	**(3,666)**	**(15,314)**	**(570)**	**8,590**	**34,873**
Cash at beginning of the year	32,397	28,570	13,027	12,345	20,935
Effect of exchange rate fluctuations	(161)	(229)	(112)	0	0
Cash at end of the year	**28,570**	**13,027**	**12,345**	**20,935**	**55,809**

Balance Sheet (S$'000)

	Fiscal Year Ended 31 December				
	2017	2018	2019	2020F	2021F
PPE	135,672	160,765	262,488	264,785	258,436
Intangible assets	59,521	53,697	48,849	45,918	42,987
Investment properties	119	612	145	145	145
Trade and other receivables	13,715	23,599	1,564	1,564	1,564
Contract assets	1,569	1,634	1,296	1,296	1,296
Total non-current assets	**210,596**	**240,307**	**314,342**	**313,708**	**304,429**
Inventories	17,872	19,439	19,853	20,136	21,574
Trade and other receivables	24,950	19,234	19,474	19,230	20,603
Contract assets	1,097	682	1,978	1,419	1,520
Other investments	2	1	1	1	1
Cash and cash equivalents	28,609	13,084	12,402	20,992	55,866
Assets held for sale	0	0	425	425	425
Total current assets	**72,530**	**52,440**	**54,133**	**62,203**	**99,989**
Total assets	**283,126**	**292,747**	**368,475**	**375,911**	**404,418**
Share capital	273,633	273,633	276,824	276,824	276,824
Capital reserve	404	404	1,437	1,437	1,437
Revaluation reserve	2,651	2,668	357	357	357
Currency translation reserve	(1,866)	(10,438)	(14,855)	(14,855)	(14,855)
Accumulated losses	(85,267)	(71,407)	(58,686)	(49,331)	(38,492)
Equity attributable to owners of the Company	**189,555**	**194,860**	**205,077**	**214,432**	**225,271**
Non-controlling interests	56,097	56,036	58,855	71,395	85,924
Total equity	**245,652**	**250,896**	**263,932**	**285,827**	**311,195**
Loans and borrowings	136	2,588	15,357	15,357	15,357
Trade and other payables	716	615	21,763	21,763	21,763
Provisions	0	0	106	106	106
Deferred tax liabilities	8,632	8,899	8,887	8,887	8,887
Total non-current liabilities	**9,484**	**12,102**	**46,113**	**46,113**	**46,113**
Trade and other payables	20,534	27,185	58,239	43,777	46,904
Contract liabilities	71	151	152	155	166
Provisions	635	615	34	34	34
Loans and borrowings	6,691	1,746	0	0	0
Current tax payable	59	52	5	5	5
Total current liabilities	**27,990**	**29,749**	**58,430**	**43,972**	**47,110**
Total liabilities	**37,474**	**41,851**	**104,543**	**90,085**	**93,223**
Total equity and liabilities	**283,126**	**292,747**	**368,475**	**375,911**	**404,418**

Ratios

	Fiscal Year Ended 31 December				
	2017	2018	2019	2020F	2021F
Profitability					
EBITDA Margin	7.0%	34.8%	32.7%	34.1%	35.8%
Profit Before Tax Margin	0.7%	27.2%	25.5%	23.7%	25.6%
Net Margin	-3.7%	14.4%	12.0%	11.1%	12.0%
Liquidity (x)					
Current Ratio	2.6	1.8	0.9	1.4	2.1
Quick Ratio	1.9	1.1	0.6	0.9	1.6
Interest Coverage Ratio	15.8	97.6	71.8	11.9	13.4
Net Debt to Equity	Net Cash	Net Cash	1.1%	Net Cash	Net Cash
Valuation (x)					
P/S	10.0	3.6	3.1	2.9	2.7
P/EBITDA	143.0	10.3	9.6	8.6	7.7
P/E	N.A.	24.9	26.1	26.3	22.7
P/B	2.2	2.1	2.0	1.9	1.8
Returns					
Return on Equity	N.A.	8.5%	7.9%	7.4%	8.2%
Return on Assets	N.A.	5.7%	4.8%	4.2%	4.6%

N.A: Not Applicable.

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