

MOOREAST HOLDINGS LTD

(MOOR SP / 1V3.SI)

Core mooring recovery; floating wind provides asymmetric upside

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Investment Highlights

- **Core mooring recovery provides a credible earnings anchor.** Mooreast's investment case does not depend entirely on commercial floating offshore wind. FY2025's earnings recovery was driven primarily by conventional offshore mooring projects, with mooring revenue more than tripling to S\$22.9 million. We expect the segment to remain the principal earnings contributor as offshore operators continue to require engineered anchors, mooring systems, replacement equipment and lifecycle support.
- **The enlarged yard materially expands Mooreast's addressable contract size.** The acquisition of the 60 Shipyard Crescent facility increases Mooreast's fabrication footprint, waterfront access and ability to execute multiple projects concurrently. Management estimates that annual floating-wind support capacity could increase from approximately 0.5GW to between 1.5GW and 2.0GW.
- **Floating offshore wind offers material upside.** Mooreast has established reference projects and development positions across Japan, Taiwan, South Korea, Scotland and Timor-Leste. Its equipment supplied to Japan's Goto floating-wind project is now associated with an operating commercial project, while its Taiwan activities demonstrate offshore construction and leasing capability. However, most commercial-scale floating-wind projects remain subject to approvals, grid access, financing, offtake agreements, final investment decisions and supplier selection. We therefore treat these opportunities as probability-weighted optionality rather than firm backlog.

Valuation & Action.

We initiate coverage on Mooreast Holdings with an **OUTPERFORM** rating and a 12-month target price of **S\$0.195**, based on a DCF using 15.0% WACC and 2.0% terminal growth. Our target price implies 61.4% upside from S\$0.121.

Risks.

Key downside risks include (i) failure to replace large mooring contracts after revenue recognition; (ii) slower-than-expected utilisation of the enlarged yard; (iii) Project execution, margin and cash-conversion risk; (iv) Larger contracts may also weaken near-term cash conversion; and (v) Failure to convert renewable opportunities into binding contracts.

OUTPERFORM

Last close (S\$)	0.121
12M Target Price (S\$)	0.195
Previous TP (S\$)	-
Upside / (Downside) (%)	61.4%
TRADING DATA	
Market Cap (S\$m)	36.72
Issued Shares (mn)	303.45
3M Avg Daily Vol (mn)	0.17
3M Avg Daily Val (S\$m)	0.02
Free Float (%)	32.29
MAJOR SHAREHOLDERS (%)	
Feng Tai Invnt Pte Ltd	62.8%
ICH Capital Pte Ltd	3.5%

Financials & Key Operating Statistics

YE Dec (S\$'000)	2024	2025	2026F	2027F	2028F
Revenue	25,074	38,328	36,143	46,551	48,400
Net Profit	(2,307)	3,643	4,271	6,916	7,651
EPS (adj. S\$ cents)	(0.89)	1.41	1.41	2.28	2.52
EPS growth (%)	24.9%	(257.9%)	17.3%	61.9%	10.6%
DPS (S\$ cents)	N.A.	N.A.	N.A.	N.A.	N.A.
Div Yield (%)	N.A.	N.A.	N.A.	N.A.	N.A.
Net Profit Margin (%)	(9.2%)	9.5%	11.8%	14.9%	15.8%
P/E (x)	(13.6x)	8.6x	8.6x	5.3x	4.8x
P/B (x)	1.9x	1.6x	1.1x	0.9x	0.8x

Source: Company data, KGI Research estimates

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Company Background

Mooreast Holdings is a Singapore-based offshore marine engineering company specialising in engineered mooring systems, anchors, rigging solutions and offshore support services for the oil & gas, marine and offshore renewable-energy industries. Unlike traditional marine equipment distributors, Mooreast participates in higher-value engineering activities including conceptual design, fabrication, testing, integration, mobilisation and lifecycle support. This engineering capability allows the company to participate earlier in project development and capture a greater share of project value than companies supplying standardised marine hardware.

Figure 1: The energy infrastructure value chain



Source: Company, KGI Research

The business today is organised around five operating segments: Mooring, Rigging & Heavy Lifting, Marine Supplies & Services, Renewable Energy and Yard. The Mooring segment is the principal earnings contributor and encompasses engineered anchor systems, mooring lines, connectors and project execution for offshore floating assets. Rigging and Marine Supplies provide shorter-cycle recurring revenue through the distribution of lifting equipment, chains, ropes and associated marine products, while the Yard business provides fabrication, repair, testing and logistics services. The Renewable Energy segment remains relatively small in reported revenue but is strategically important because it positions Mooreast within the emerging floating offshore wind value chain.

Management has invested in expanding the group's physical footprint through the acquisition of the 60 Shipyard Crescent facility. The enlarged yard significantly increases waterfront access, fabrication space and heavy engineering capability. The strategic rationale extends beyond simply increasing floor area. The larger yard allows Mooreast to fabricate larger subsea structures, execute multiple projects simultaneously and compete for integrated offshore packages that were previously beyond its practical capacity. In our view, annual floating-wind support capacity increases from approximately 0.5GW to between 1.5GW and 2.0GW, materially expanding the company's addressable opportunity should commercial floating offshore wind accelerate.

Investment Thesis

We initiate coverage on Mooreast Holdings with an Outperform rating. The investment case is built on two independent pillars. The first is a demonstrably recovering core mooring franchise supported by an expanded fabrication platform capable of generating sustainable earnings and cash flow. The second is a portfolio of long-duration floating offshore wind opportunities that provide substantial upside without being required for our base-case valuation. This combination differentiates Mooreast from companies whose valuations depend almost entirely on speculative renewable pipelines. In our view, the current share price underestimates both the earnings power of the existing business and the embedded option value of the company's strategic positioning within floating offshore wind.

The market is valuing Mooreast as a floating-wind proxy, while the earnings recovery is already being driven by its conventional mooring franchise

Investor discussions around Mooreast increasingly focus on floating offshore wind, Timor-Leste and ScotWind. While these opportunities are strategically important, they are not yet the primary earnings driver. FY2025 demonstrated that the company's recovery was led by conventional offshore mooring projects, which generated most of the revenue growth and restored profitability. Our central view is that the market is underestimating the earnings resilience of this core business while simultaneously overemphasising the timing of renewable commercialisation. The implication is that Mooreast can continue growing earnings over the next two years even if floating-wind awards are delayed, provided offshore maintenance activity, replacement demand and project execution remain healthy. Investors should therefore focus on mooring order intake, project conversion, gross margin and operating cash flow rather than renewable announcements alone.

The new yard fundamentally changes Mooreast's long-term earnings capacity

The acquisition of 60 Shipyard Crescent is not merely a capacity addition; it materially improves Mooreast's ability to secure and execute larger, more integrated offshore projects. The expanded waterfront, fabrication area and load-out capability allow the group to handle heavier anchors, larger subsea structures and multiple concurrent projects that were previously beyond its practical operating scale. We therefore expect the new yard to be earnings-accretive rather than a drag on returns.

Our view is that utilisation will rise as Mooreast converts its existing mooring pipeline and renewable-energy opportunities into fabrication work. Once group revenue moves beyond approximately S\$45–50 million, the enlarged fixed-cost base should support stronger operating leverage, higher absolute gross profit and improved free-cash-flow generation. This is the key reason we expect the yard to become a structural earnings driver over the next 12–36 months.

The market appears to treat the facility primarily as additional land and capacity. We believe this understates its strategic value. The yard expands Mooreast's addressable contract size, reduces reliance on third-party fabrication and strengthens its position when bidding for integrated mooring packages. The critical proof points are higher yard utilisation, larger average contract values, reduced outsourcing and positive incremental ROIC.

Floating offshore wind should be viewed as asymmetric option value

Mooreast has established strategic positions across several promising floating offshore wind markets including South Korea, Scotland and Timor-Leste. These opportunities could materially expand the company's addressable market over the long term, particularly as the enlarged yard enables participation in larger integrated mooring packages. Nevertheless, floating offshore wind projects typically progress through lengthy development cycles involving seabed leasing, environmental approvals, power purchase arrangements, financing, final investment decisions and supplier selection before procurement begins. We therefore do not capitalise the full value of these pipelines in our base case. Instead, we treat them as probability-weighted upside. This approach reduces dependence on optimistic assumptions while preserving meaningful optionality. Should one or more projects advance to firm contract award, the resulting earnings and valuation uplift would represent upside to our forecasts rather than the minimum outcome required to justify an OUTPERFORM recommendation.

Figure 2: Offshore wind project execution timeline



Source: Company, KGI Research

Valuation & Peer Comparison

We value Mooreast using a discounted cash flow methodology, which we believe is more appropriate than applying a single peer multiple to near-term earnings. Mooreast's revenue and margins are inherently project-driven, while its closest listed comparables differ materially in scale, business mix, geography and balance-sheet structure. A DCF allows us to value the cash flows generated by the existing mooring, rigging, marine-services and yard businesses while incorporating renewable-energy opportunities only to the extent reflected in our probability-weighted forecasts.

DCF Valuation

Our DCF derives an enterprise value of S\$74.4 million, based on a 15.0% WACC and 2.0% terminal growth rate. After deducting S\$23.1 million of bank borrowings and S\$10.3 million of lease liabilities, and adding S\$18.2 million of cash, we derive an equity value of S\$59.3 million. Based on 303.45 million diluted shares outstanding, our DCF implies a fair value of S\$0.195 per share. This represents potential upside of 61.4%.

The 15.0% WACC is higher than that typically applied to larger offshore-services companies with broader customer bases, more visible backlogs and deeper capital-market access. In our view, this is appropriate until Mooreast demonstrates sustained order replenishment, improved cash conversion and higher utilisation at its enlarged yard.

Figure 3: DCF Valuation

DCF VALUATION <i>All Amounts Stated in SGD unless stated otherwise</i> <i>Year Ended 31' Dec</i>	<i>Projected</i>				
	FY26	FY27	FY28	FY29	FY30
EBIT	7,614,848	10,065,955	10,921,045	12,538,867	13,018,254
Taxrate	20.0%	20.0%	20.0%	20.0%	20.0%
EBIT (1-T)	6,091,878	8,052,764	8,736,836	10,031,093	10,414,604
(+) D&A	2,718,806	2,509,817	2,331,888	2,179,343	2,047,615
(-) Change in NWC	3,077,282	(2,236,918)	(529,512)	(1,589,852)	(471,100)
(-) Capex	(1,100,000)	(1,100,000)	(1,100,000)	(1,100,000)	(1,100,000)
Free Cash Flow	10,787,965	7,225,663	9,439,213	9,520,585	10,891,119
Terminal Value					85,453,395
Total FCFF to be Discounted	10,787,965	7,225,663	9,439,213	9,520,585	96,344,514
PV of Free Cash Flow	9,380,839	5,463,639	6,206,436	5,443,425	47,900,251
Enterprise Value	74,394,590				
(-) Debt	33,328,326				
(+) Cash	18,200,008				
Equity Value	59,266,272				
Diluted Shares Outstanding ('000)	303,450,000				
Fair Value / Share (S\$)	0.195				
Current Share Price (S\$)	0.121				
Upside / (Downside)	61.4%				

Source: KGI Research

Peer comparison

Mooreast has no perfect listed comparable. The most relevant companies operate across offshore engineering, mooring equipment, subsea services, marine fabrication and offshore-energy support, but they differ considerably in size, product scope and earnings quality.

Tekmar Group is the closest operating analogue due to its exposure to offshore-energy engineering and subsea protection and mooring-related products. However, Tekmar's recent earnings volatility and loss-making periods reduce the reliability of its P/E multiple. Other offshore-services peers are substantially larger and more diversified, with broader vessel fleets, international operations, longer order books and stronger access to financing. The peer group trades at approximately 18.1x forward P/E and 7.5x EV/EBITDA. We do not apply these median multiples directly to Mooreast because doing so would ignore its smaller scale, lower liquidity, more concentrated earnings base and limited disclosed order-book visibility.

At our S\$0.195 target price, Mooreast would trade at approximately 8.9x FY2027E P/E. This remains approximately 50% below the peer average and does not assume full convergence with larger offshore-services companies.

Figure 4: Peer Comparison

Ticker	Company	Last Price	Mkt Cap (sgd\$m)	Div Yield (%)	Net Gearing (%)	P/E Current	P/E Fwd	EV/EBITDA	Rev Growth (%)	Gross Margin (%)	Net Margin (%)
MOOR SP	MOOREAST HOLDINGS LTD	SGD 0.121	36.7	-	84.5	8.6	N/A	6.3	52.9	44.8	9.5
TGP LN	TEKMAR GROUP PLC	GBP 14.75	35.6	-	14.1	186.2	N/A	N/A	-12.4	34.2	-13.6
AT/ LN	ASHTREAD TECHNOLOGY HOLDINGS	GBP 421.5	589.0	0.3	69.3	10.5	9.1	4.4	20.9	74.4	15.9
FSJ LN	JAMES FISHER & SONS PLC	GBP 468	408.8	-	76.9	N/A	21.0	5.4	-9.9	32.6	-1.1
OII US	OCEANEERING INTL INC	USD 48.07	6132.6	-	17.1	24.3	24.4	10.4	4.6	20.4	12.7
NOV US	NOV INC	USD 19.5	8910.2	2.2	12.5	24.4	22.2	9.8	-1.4	20.2	1.7
STM SP	SEATRUM LTD	SGD 2.15	7273.2	1.4	16.6	13.2	13.6	7.2	24.3	7.4	2.8
Peer Average				1.3	34.4	51.7	18.1	7.5	4.4	31.5	3.1

Source: Bloomberg consensus, KGI Research

KGI's view

We believe the valuation is supported by the recovery of the core mooring business, the increased contract capacity provided by the 60 Shipyard Crescent facility and the company's established offshore-engineering capabilities. The renewable-energy pipeline provides additional upside but is not fully capitalised in our base case. The principal rerating catalysts are stronger mooring order intake, higher yard utilisation, improved operating cash flow and conversion of renewable-development opportunities into binding supplier awards. Conversely, failure to replenish the mooring order base, weaker cost discipline or further delays to the renewable pipeline would place our earnings forecasts and target price at risk.

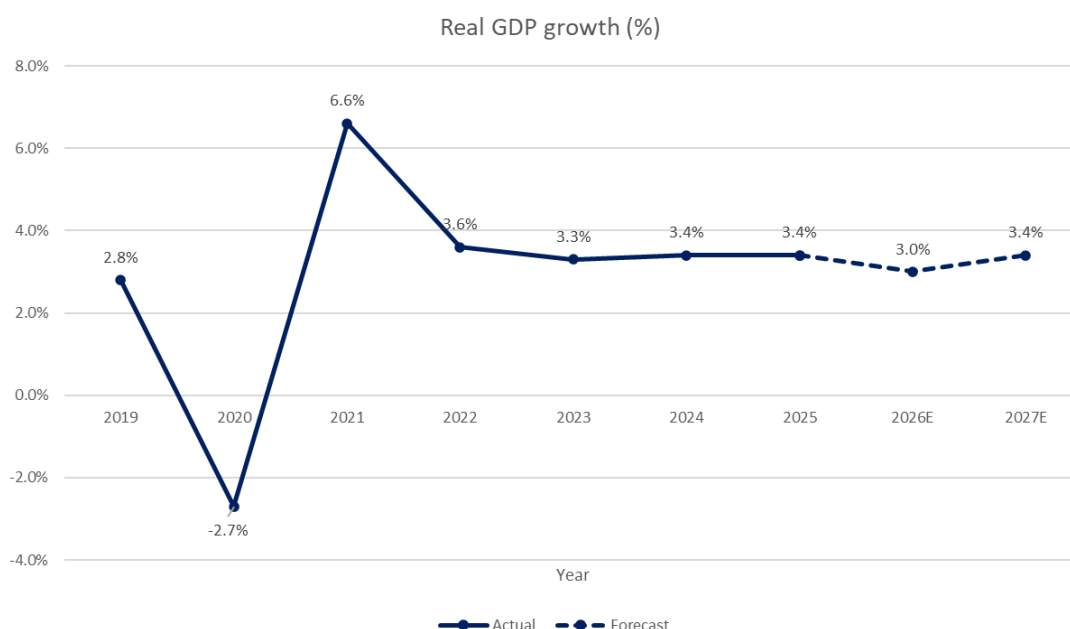
Macroeconomic Outlook

Global growth remains sufficient to support energy demand, but not strong enough to absorb poor project economics

The IMF projects global real GDP growth of 3.0% in 2026 and 3.4% in 2027, below the 3.5% average recorded in 2024–25. For Mooreast, the macro implication is neither a broad demand collapse nor an indiscriminate capex boom. Energy projects will continue to advance, but developers and operators will apply tighter hurdle rates to long-duration, capital-intensive projects.

Offshore oil and gas and floating wind respond differently to the same macro backdrop. Oil and gas operators can prioritise brownfield work, tie-backs and maintenance projects with shorter paybacks, sustaining demand for mooring, rigging and marine services even when exploration budgets weaken. Floating-wind developers face a larger financing burden because most cash outflows occur years before power sales begin. Higher discount rates, construction inflation and uncertain grid timing therefore delay FID more directly.

Figure 5: Global Real GDP Growth



Source: IMF World Economic Outlook Update

Disinflation has stalled; project finance remains a constraint

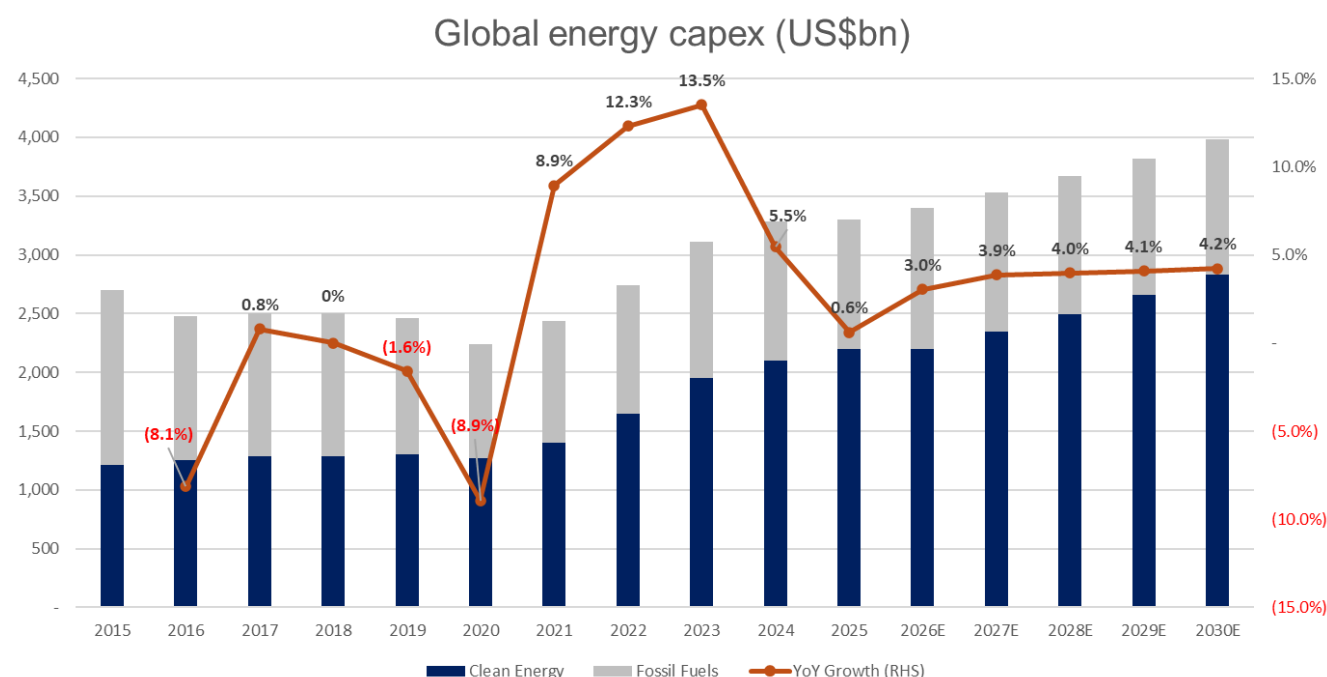
The IMF notes that global disinflation has stalled and that conflict and financial-market repricing remain downside risks. This is material for Mooreast because offshore infrastructure is financed on long-duration cash flows. A 100bp increase in project WACC can materially reduce the present value of late-life cash generation, requiring either higher electricity strike prices, lower supplier costs or stronger government support.

The financing constraint does not eliminate offshore demand; it changes the order in which projects proceed. Projects with secured offtake, grid access, experienced sponsors and established supply chains are likely to advance first. This supports our preference for Korea's industrially integrated projects and for UK projects that have passed the CFD gate, rather than treating every announced development as equally probable.

Energy security has become a structural capex driver

Energy security has moved from a secondary policy consideration to a core investment driver. Geopolitical tensions and commodity-market disruption have reinforced the strategic value of domestic electricity generation and diversified hydrocarbon supply. This creates a two-sided opportunity for Mooreast: offshore wind receives policy support as homegrown generation, while offshore oil and gas remains necessary to replace declining fields and maintain supply resilience.

Figure 6: Global energy capex



Source: IEA World Energy Investment, KGI Research

Lower turbine prices do not mean lower offshore-project costs

Clean-energy equipment prices have declined in several categories, but offshore projects continue to face cost pressure in cables, transformers, vessels, ports and specialised labour. The IEA estimates grid-material prices have nearly doubled over five years, reflecting high demand and constrained manufacturing capacity. Floating-wind economics are therefore not determined by turbine prices alone.

For Mooreast, steel, chain, coatings, labour and subcontracted marine logistics are the most relevant cost exposures. Larger projects can raise absolute gross profit but also require greater procurement commitments before milestone collection. Contract advances, escalation clauses and supplier credit therefore matter as much as headline contract margin.

Figure 7: Macro variable sensitivity for Mooreast under our modelling considerations

Variable	Industry effect	Mooreast revenue	Mooreast margin / cash	KGI's view
Higher interest rates	Delays wind FID and raises required CfD/PPA	Defers renewable orders	Longer bid cycle; working capital tied up	Negative near term
Higher steel / chain costs	Raises package capex	May increase contract value	Negative without pass-through	Mixed
Higher oil prices	Supports offshore operator cash flow	Positive for mooring and yard	Better utilisation	Positive
Stronger SGD	Lowers imported input cost	Reduces translated overseas revenue	Depends on hedging and contract currency	Mixed
Tight vessel market	Raises installation cost and delays schedules	Defers delivery milestones	Can increase logistics cost	Negative timing
Grid investment acceleration	Improves offshore-wind deliverability	Raises future procurement probability	Supports capacity utilisation	Positive

Source: KGI Research

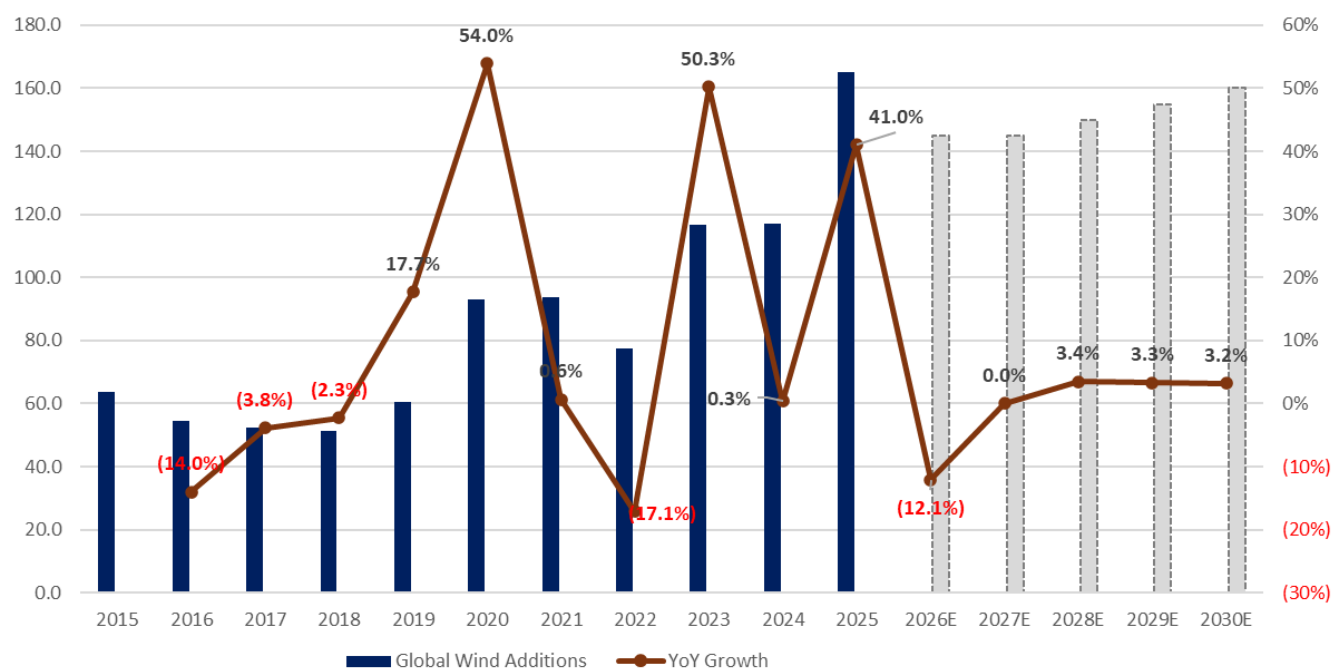
Singapore remains strategically relevant as an offshore fabrication hub

Singapore's established marine ecosystem provides access to engineering talent, shipyards, ports, classification services, vessel operators and regional logistics. This reduces the execution risk of Mooreast's expanded yard and supports cross-selling between its mooring, rigging, marine supplies and yard divisions.

The constraint is cost competitiveness. Singapore labour and land costs are structurally higher than in several regional fabrication centres. Mooreast must therefore compete through engineering content, quality assurance, delivery reliability and integrated project scope rather than low-cost steel fabrication alone.

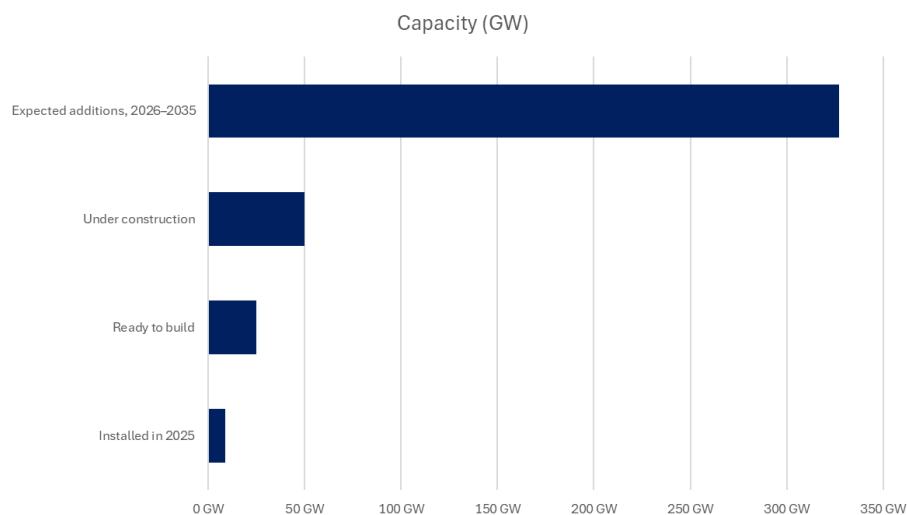
Offshore wind outlook

GWEC reports that global wind additions reached 165GW in 2025, 40% above the previous annual record, lifting installed wind capacity to 1,299GW. The broad demand backdrop is favourable: electricity consumption is increasing, digital infrastructure is expanding, and governments are prioritising energy security.

Figure 8: Global wind additions reached a record 165GW in 2025


Source: GWEC Global Wind Report, KGI Research

Offshore wind remains a smaller, more complex subset. More than 9GW was grid-connected in 2025, taking cumulative global offshore capacity to 92.5GW. GWEC estimates over 50GW is under construction, around 25GW is ready to build and 327GW could be added during 2026–35.

Figure 9: Offshore-wind pipeline and near-term readiness


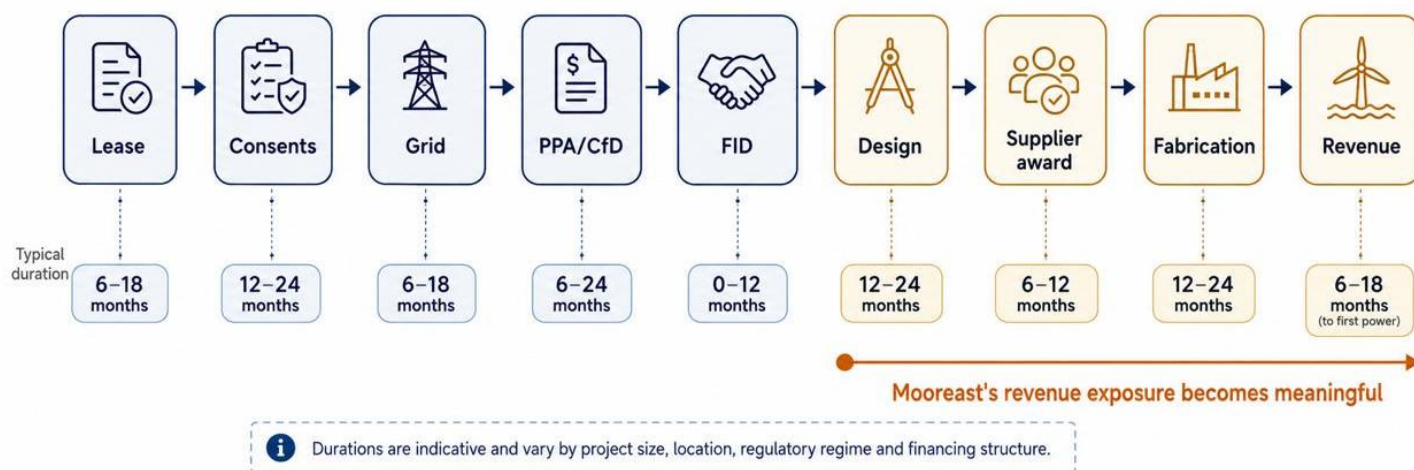
Source: GWEC Global Offshore Wind Report 2026

Industry Outlook

The investment issue is bankable capacity, not headline pipeline

GWEC expects offshore wind installations to grow at a 24% CAGR from 2026 to 2030. This supports a large long-run market for mooring systems, anchors and fabrication. However, only a fraction of announced capacity is ready to enter procurement. Planning, grid connection and auction design remain the principal constraints.

Figure 10: Floating-wind pipeline & Mooreast's revenue exposure



Source: KGI Research

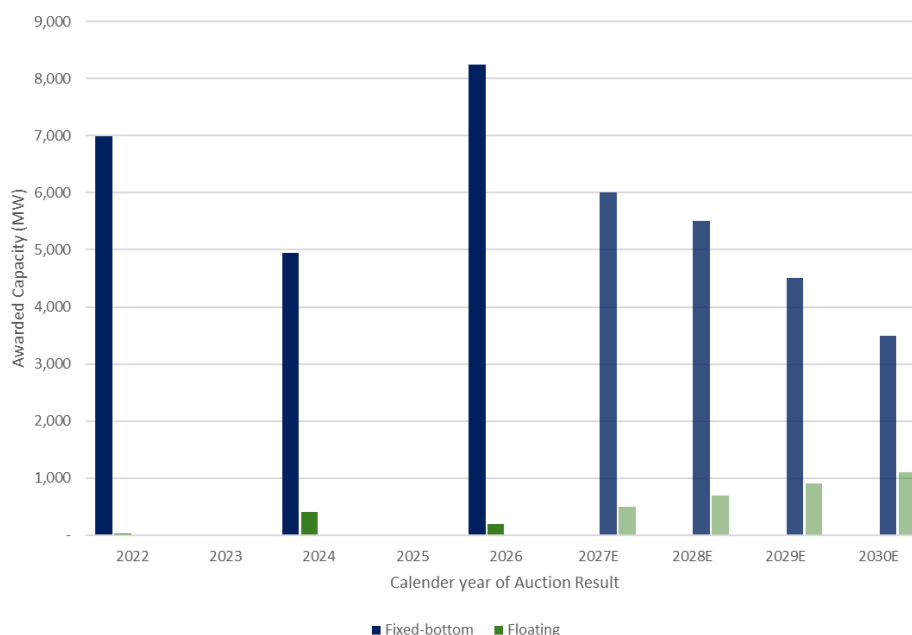
Mooreast's addressable revenue becomes meaningful from detailed design and supplier selection onward. Earlier project milestones can generate engineering or qualification work, but they should not be treated as firm backlog. This distinction is central to forecasting: the industry can grow rapidly in aggregate while an individual supplier experiences uneven annual revenue because contract awards cluster around FID and fabrication schedules.

UK and ScotWind Outlook

AR7 restores offshore-wind confidence, but floating awards remain limited

The UK's Allocation Round 7 awarded 8,437.5MW of offshore wind capacity. Fixed-bottom projects accounted for 8,245MW, while floating offshore wind accounted for only 192.5MW across Erebus and Pentland. The outcome demonstrates that the CfD framework can restore project bankability when strike prices reflect changed industry economics.

Figure 11: UK wind projects awarded



Source: UK Department for Energy Security and Net Zero, AR7 results, 14 January 2026, KGI Research

The floating-wind clearing price of £216.49/MWh in 2024 prices was materially above the £91.20/MWh fixed-bottom price. This differential reflects the earlier maturity of floating technology, higher foundation and mooring costs, limited industrial scale and more demanding installation requirements.

For Mooreast, the higher floating-wind strike price is positive because it recognises the true cost of the supply chain. The limitation is scale: 192.5MW is insufficient by itself to create a large recurring market. Further rounds must award materially more floating capacity, while grid and port investment must progress in parallel.

ScotWind is a major long-duration market, not a near-term order book

Crown Estate Scotland states that 20 ScotWind projects secured seabed option agreements. Scotland's wider offshore-wind pipeline is estimated at around 40GW, with more than 23GW of floating capacity. This establishes Scotland as one of the world's largest floating-wind development markets.

Seabed options provide exclusive development rights, not construction approval or revenue support. The projects must still complete environmental work, secure grid access, obtain a CfD or alternative PPA, reach FID and award supply contracts. We therefore view ScotWind as strategically valuable for Mooreast's market positioning and partnerships, but largely outside the FY2026–28 base revenue case.

Figure 12: UK / ScotWind implications for Mooreast

Development	Positive read-through	Constraint	Forecast treatment
AR7 fixed-bottom awards	Improves cable, vessel and port investment	Limited direct mooring content	Indirect supply-chain support
AR7 floating awards	Validates floating economics and mooring need	Only 192.5MW awarded	Small near-term opportunity
ScotWind options	Very large floating pipeline	Pre-FID and grid dependent	Long-dated option value
Scottish supply-chain commitments	Supports local procurement and partnerships	Competition for local content	Strategic positioning

Source: UK DESNZ, Crown Estate Scotland, KGI Research

Asia outlook

Korea's advantage is execution infrastructure, not simply wind resource

South Korea combines deep-water wind resources with shipbuilding, heavy fabrication, cable manufacturing, ports and offshore contractors. This industrial base lowers the number of missing supply-chain links relative to markets that must first develop specialised ports and fabrication capacity.

For Mooreast, Korea is strategically compatible with its anchor, mooring and fabrication capability. A commercial floating-wind project requires multiple anchors and mooring lines per turbine, creating a project wallet that can be meaningful even if Mooreast captures only a subset of the package.

The key constraint is local-content execution. Korean projects are likely to favour domestic fabrication, consortium participation and established relationships with local yards and EPC contractors. Mooreast's opportunity therefore depends on partnership structure, certification, scope allocation and ability to localise selected activities while retaining design and product value.

Figure 13: Korea versus UK floating-wind execution conditions

Factor	South Korea	UK / Scotland	Mooreast implication
Shipyard base	Large and experienced	Strong marine base, but floating ports need investment	Korea has shorter industrial ramp
Cable capability	Established domestic suppliers	Strong European suppliers with long backlogs	Both attractive; timing differs
Offtake support	Auction-based and evolving	Mature CfD framework	UK policy clearer; Korea execution ecosystem stronger
Local content	High strategic importance	Scottish supply-chain commitments	Partnerships are essential
Project maturity	Selected projects moving into advanced development	Large pipeline, many pre-FID	Korea may convert earlier

Source: UK DESNZ, Crown Estate Scotland, KGI Research

Taiwan and Japan provide commercially relevant references, but for different reasons

Taiwan and Japan should not be presented as equivalent floating-wind markets for Mooreast. Japan is the stronger technical and commercial reference because Mooreast supplied permanent floating-wind components to the 16.8MW Goto project. Taiwan is principally an offshore execution and customer-access reference: Mooreast supplied installation aids and temporary mooring equipment for the fixed-bottom Yunlin project and established a local office in 2024. The distinction matters because Japan demonstrates product qualification for a floating asset, while Taiwan demonstrates the ability to support large offshore construction campaigns in Northeast Asia.

Together, the two markets reduce future customer-perception risk. A developer assessing Mooreast for a Korean, Japanese or Taiwanese floating-wind package can point to equipment delivered into a Japanese commercial project and to repeated offshore-wind support work in Taiwan. However, neither reference by itself proves that Mooreast can win and execute a utility-scale integrated mooring package. The next step in the qualification ladder is a larger contract covering anchors, permanent mooring lines or a complete station-keeping package.

Figure 14: Mooreast project-reference disclosures

Market	Mooreast reference	What it proves	Investment relevance
Japan	US\$2.6m contract for 15 mid-water arch buoys for the 16.8MW Goto floating wind farm	Permanent floating-wind component engineering, fabrication and delivery	High strategic relevance; modest historical revenue
Taiwan	Installation aids and temporary mooring equipment for Yunlin, including follow-on phases	Offshore logistics, leasing, project responsiveness and repeated customer execution	Medium strategic relevance; supports regional customer access

Source: KGI Research

Japan: Goto converts a prototype track record into a commercial operating reference

In August 2022, Mooreast secured a US\$2.6 million contract to deliver 15 mid-water arch buoys to the Goto Islands floating offshore wind farm off Nagasaki. The project has 16.8MW of capacity and uses eight 2.1MW turbines on hybrid spar-type floaters. The contract equates to approximately US\$0.155 million per MW of wind-farm capacity, although this ratio is scope-specific and should not be extrapolated to a complete mooring system.

The commercial value of the reference is greater than the contract's absolute size. Mid-water arch buoys support the routing and dynamic behaviour of inter-array cables between moving floating structures. Their design must account for buoyancy, fatigue, hydrodynamic loading, cable bend radius and installation tolerances. Successful delivery therefore demonstrates engineering and fabrication capability for equipment exposed to floating-platform motion, rather than simple commodity steel supply.

The project entered operation in January 2026, strengthening the reference

The Goto project was initially expected to begin operation in January 2024, but commercial operation commenced in January 2026. The approximately two-year slippage illustrates the schedule risk inherent in floating wind, even for a relatively small commercial project. For Mooreast, completion is nevertheless positive: the equipment has moved from an announced award and fabrication reference to an operating-project reference.

This improves qualification credibility with developers, EPCI contractors and floater designers. In safety-critical offshore procurement, an operating reference can carry more weight than a prototype because the equipment has passed design review, fabrication, installation and commissioning gates. The value should appear through a higher probability of inclusion in approved vendor lists and tenders rather than through immediate recurring revenue from Goto itself.

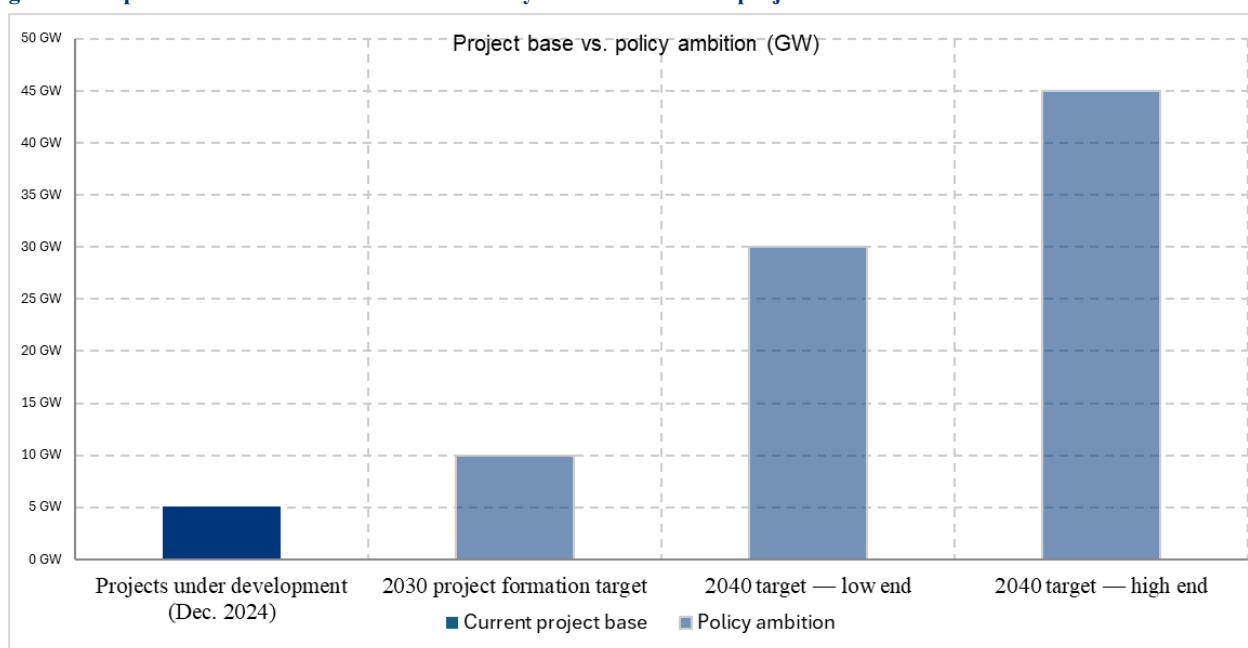
Figure 15: Goto reference-project scorecard

Goto metric	Data	Analytical implication
Project capacity	16.8MW	Commercial reference, but much smaller than future 300–500MW projects
Turbines	Eight × 2.1MW	Early-generation scale; future systems will require larger structures and loads
Mooreast scope	15 mid-water arch buoys	Cable-support component, not complete mooring package
Contract value	US\$2.6m	Material reference but limited absolute contribution
Initial expected operation	Jan-24	Demonstrates original schedule
Actual commercial operation	Jan-26	Two-year delay highlights execution risk
Reference status	Operating	Stronger qualification value from 2026 onward

Source: Company Data, KGI Research

Japan's market potential is large because deep water favours floating systems

Japan targets 10GW of offshore-wind project formation by 2030 and 30–45GW by 2040. As of 2024, approximately 5.1GW of projects were under development. Japan's seabed drops rapidly away from the coast, limiting the addressable area for conventional fixed-bottom foundations and making floating technology strategically important to the 2040 ambition.

Figure 16: Japan's offshore wind ambition materially exceeds its current project base


Source: Japan Agency for Natural Resources and Energy, METI

The market is not a straight-line growth story. Mitsubishi Corporation's consortium withdrew from three awarded projects totalling approximately 1.8GW in 2025 after cost inflation undermined economics, prompting the government to review its auction framework. A separate 684MW Niigata project has also reconsidered turbine size and construction timing. These developments show that policy targets do not automatically translate into supplier orders.

For Mooreast, Japan's value is therefore twofold. First, the Goto reference creates credibility in a market where local developers and contractors place substantial weight on proven performance and long-term supplier relationships. Second, Japan's move toward larger floating projects expands the potential wallet for permanent anchors, mooring lines, connectors and fabrication. The near-term constraint is that commercial-scale floating procurement remains behind policy ambition.

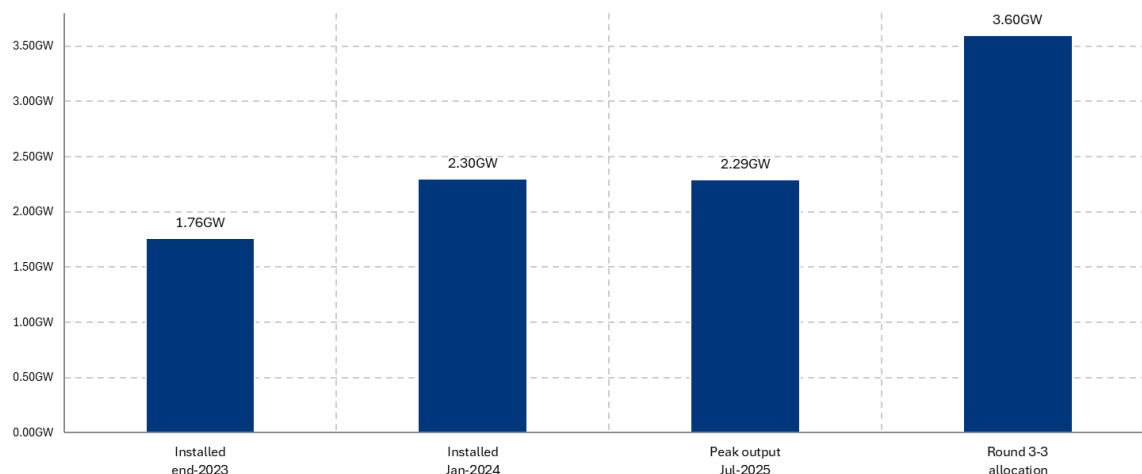
Figure 17: Japan's wind project market

Driver	Description	KGI's modeling considerations	Risk
National target	10GW by 2030; 30–45GW by 2040	Large long-term addressable market	Project formation is not installed capacity
Development base	5.1GW under development as of 2024	Pipeline exists beyond demonstrations	Many projects remain pre-FID
Floating relevance	Deep coastal waters and EEZ expansion	Permanent mooring demand rises	Technology and cost remain immature
Operating reference	16.8MW Goto operating from Jan-2026	Mooreast has a domestic commercial reference	Scope limited to mid-water arch buoys
Auction stress	c.1.8GW Mitsubishi-led withdrawal in 2025	Framework may be redesigned	Highlights cost and bankability risk

Source: METI, KGI Research

Taiwan has moved beyond demonstration scale

Taiwan had 1.763GW of offshore wind installed at end-2023 and approximately 2.3GW by January 2024. By July 2025, 421 offshore turbines remained operational through Typhoon Danas, and instantaneous offshore-wind output reached 2.29GW, equivalent to 9.2% of electricity consumption at the peak. These data establish Taiwan as an operating offshore-wind market with recurring requirements for marine logistics, inspection, temporary mooring, replacement equipment and construction support.

Figure 18: Taiwan offshore-wind milestones


Source: Taiwan Ministry of Economic Affairs

Round 3-3 reopens the project pipeline with up to 3.6GW

Taiwan's 2026 Round 3-3 framework makes up to 3.6GW available, with grid connection expected around 2030–31. The market is moving into deeper waters as the most accessible shallow-water sites are developed. This raises engineering complexity and increases the relevance of temporary mooring, installation equipment and, over time, floating solutions.

The risk is project economics. Taiwan's previous zero-bid model relied heavily on corporate power-purchase agreements, while deeper-water projects face higher foundation, cable and installation costs. The government's willingness to refine auction terms and reduce rigid localisation requirements is therefore important to project bankability.

Figure 19: Taiwan market data

Taiwan wind projects	Description	KGI's modelling considerations
Installed capacity, end-2023	1.763GW	Established operating market
Installed capacity, Jan-2024	c.2.3GW	Rapid construction and installation activity
Operating turbines during Typhoon Danas	421	Large installed base and resilience reference
Peak offshore-wind output, Jul-2025	2.29GW / 9.2% of demand	Offshore wind is system-relevant
Round 3-3 allocation	Up to 3.6GW	New project pipeline for 2030–31
Mooreast Taiwan office	Established in 2024	Closer customer coverage and project response

Source: Company data, Taiwan MOEA

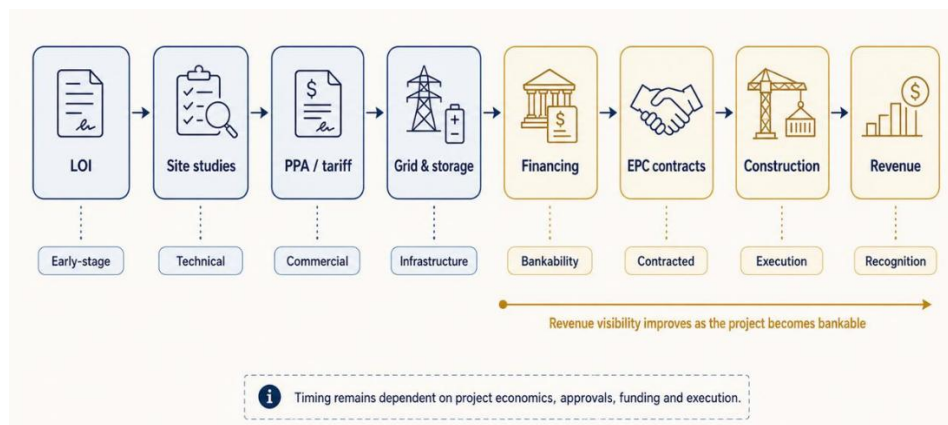
Japan and Taiwan provide complementary reference value. In Japan, Mooreast's US\$2.6 million supply of 15 mid-water arch buoys to the 16.8MW Goto floating wind farm has become an operating commercial reference following the project's January 2026 commissioning. This demonstrates qualification for a permanent floating-wind cable-support component, although it does not constitute an integrated mooring package. In Taiwan, Mooreast has completed repeated leasing work for installation aids and temporary vessel-mooring equipment at Yunlin and established a local office in 2024. Taiwan's installed offshore capacity rose from 1.763GW at end-2023 to approximately 2.3GW by January 2024, while the 2026 Round 3-3 framework offers up to 3.6GW for 2030–31 grid connection. We view Japan as the stronger floating-technology credential and Taiwan as the stronger near-term construction, leasing and lifecycle-services market. The next material proof point is a utility-scale award for permanent anchors or an integrated mooring package.

Timor-Leste potentially transformational power project

Mooreast disclosed that it entered into a Letter of Intent in November 2025 with Timor-Leste's electricity, water and sanitation authorities to develop between 300MW and 500MW of floating renewable energy. The company described the initiative as an expansion beyond mooring supply into project development, grid transmission and infrastructure upgrades, and smart-energy systems. This potentially increases Mooreast's addressable revenue, but also introduces development, financing and sovereign-counterparty risks that are not present in a conventional equipment contract.

The LOI does not establish a binding construction timetable, electricity tariff, financing package, project-company structure or firm equipment order. We therefore classify it as development pipeline rather than backlog. The key investment question is whether Mooreast can convert strategic support into a bankable PPA, funded first phase and clearly defined contractual scope.

Figure 20: Timor-Leste commercial milestones



Source: Mooreast FY2025 Annual Report, ADB

The national power need is real, but 300–500MW is large relative to the grid

ADB power-sector work identifies EDTL as the vertically integrated utility responsible for generation, transmission and distribution. Historical planning has highlighted indigenous hydropower, wind and other renewable resources, but also network quality, affordability and institutional constraints. ADB assessments have estimated substantial renewable potential, although implementation has historically required public-sector and development-finance support.

A 300–500MW programme is likely to require phased development, storage, transmission upgrades and additional demand. The KGI working case of a 50MW first phase is therefore more credible than immediate build-out of the full ambition. The project may also need industrial demand, interconnection or export pathways to support the longer-term scale.

Timor-Leste first-phase economics

We estimate that an initial 50MW phase could require total investment of approximately US\$300–350 million over a 36-month development and construction period. This is an estimate derived from a bottom-up bill-of-materials analysis using publicly available floating-wind project disclosures, supplier benchmarks and comparable component-cost allocations.

Our estimated cost structure comprises approximately 35% for turbines, 30% for floating foundations, 15% for mooring and anchoring systems, and 20% for inter-array and export cables. On this basis, the project would contain an estimated US\$45–52.5 million mooring and anchoring expenditure pool before allocation among engineering providers, component manufacturers and installation contractors.

The implied total investment intensity of US\$6–7 million per MW is above that of mature, utility-scale fixed-bottom offshore wind. We consider the premium reasonable for a relatively small, first-of-a-kind floating project because unit costs would incorporate limited procurement scale, specialised floating structures and mooring systems, offshore mobilisation, cable infrastructure and project-enabling works. Grid reinforcement, storage or other supporting infrastructure could increase the total requirement further, depending on the final project configuration.

This expenditure pool should not be interpreted as potential Mooreast revenue in its entirety. Mooreast’s economically attributable scope will depend on whether it supplies selected anchors or fabricated components, a broader mooring package, or an integrated engineering and fabrication solution. We therefore apply separate scope-capture and probability assumptions when translating the project’s bill of materials into Mooreast revenue.

Figure 21: Project BOM estimate

Integrated cost block	Scope included	Public benchmark logic	KGI assumptions	Bear case	Base case	Bull case	Base cost / MW
Turbine package	Turbines, towers, OEM commissioning and associated logistics	50MW project cost × 35%	35.0%	105.0	113.8	122.5	2.3
Floating foundations	Floater, structural fabrication, assembly and load-out	50MW project cost × 30%	30.0%	90.0	97.5	105.0	2.0
Mooring and anchoring	Anchors, mooring lines, connectors, engineering and offshore installation	50MW project cost × 15%	15.0%	45.0	48.8	52.5	1.0
Electrical infrastructure	Array/export cables, offshore electrical equipment, grid interface and installation	50MW project cost × 20%	20.0%	60.0	65.0	70.0	1.3
Total project	Integrated initial 50MW phase	50MW × US\$6.0–7.0m/MW	100.0%	300.0	325.0	350.0	6.5

Source: NREL Cost of Wind Energy Review (FY2025), KGI Research

Figure 22: Mooreast renewable energy footprint


Source: KGI Research

Company Outlook

Mooreast enters FY2026 with a stronger operating base, expanded physical capacity and more financing flexibility than it had before the FY2025 recovery. Our forecast does not require commercial floating wind to sustain near-term profitability: FY2027E growth is driven mainly by mooring and yard activity. That provides a credible bridge to later renewable opportunities.

The forecast nevertheless has two demanding assumptions. First, FY2026E EBITDA improvement requires overhead reduction despite the facility ramp. Second, the FY2029E revenue acceleration depends on probability-weighted Timor-Leste and Haewoori 2 work that is not yet awarded to Mooreast. The company outlook is therefore constructive but testable: order replenishment, yard throughput, administrative expense and operating cash flow should improve before investors capitalise the full renewable pipeline.

Three conclusions define the outlook

(i) Mooring remains the primary earnings anchor. The model has mooring revenue recovering to S\$27.8 million in FY2027E, or 59.7% of group sales, after a normalisation year in FY2026E. This means the next earnings leg is still underwritten by conventional offshore work rather than by commercial-scale floating wind. **(ii) The enlarged yard changes the size and number of projects Mooreast can execute.** In our view, the relevant benefit is not acreage alone but the ability to fabricate larger products, stage concurrent work and reduce third-party handling. The value case therefore rests on utilisation and throughput rising faster than the associated fixed-cost base. **(iii) Renewables influence the outer-year growth slope but are not required to protect near-term profitability.** The step-up from FY2029E depends heavily on probability-weighted Timor-Leste and Haewoori 2 revenue. Until those projects clear bankability and supplier-selection gates, working-capital discipline and order replacement remain more important to earnings quality than headline project capacity.

FY2026E is a bridge year: revenue normalises, while earnings depend on cost discipline

We forecast FY2026E revenue of S\$36.1m, down 5.7% from S\$38.3m in FY2025. We view this as broadly stable in the context of FY2025's 52.9% project-led rebound. The decline chiefly reflects the absence of the S\$12.5 million high-value mooring work recognised in FY2025, partly replaced by S\$8.0 million of inferred order replenishment and a normalised base of smaller mooring, leasing and spares revenue.

The expected profile is also **second half weighted**. Engineering, procurement and material mobilisation can precede revenue recognition, while delivery and customer-acceptance milestones cluster later in the year. Consequently, a flat 1H2026 versus 2H2025 would not, by itself, invalidate the outlook; the more useful tests are order intake, customer advances, contract assets and 2H delivery conversion.

Gross margin is modelled at 42.0% in FY2026E, 281bp below FY2025's project-mix-assisted 44.8% but above FY2024's 39.8%. The model nevertheless lifts EBITDA margin by 241bp to 28.6%.

Figure 23: Revenue forecast by segment

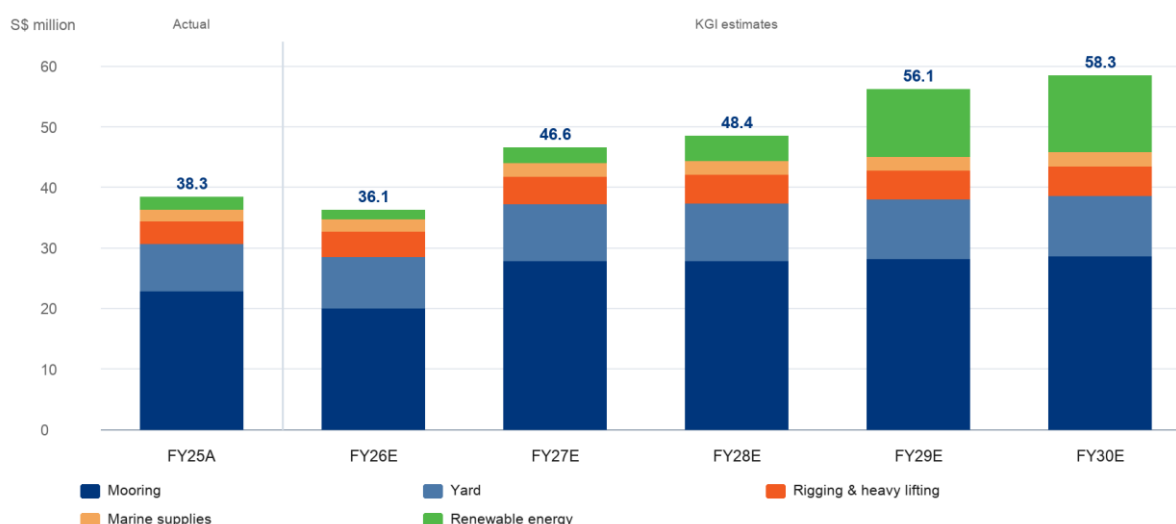
Metric	FY25A	1H26E	2H26E	FY26E	Modelling note
Revenue	S\$38.3m	S\$13.1m	S\$23.0m	S\$36.1m	1H flat vs 2H25A; 2H residual
Gross profit	S\$17.2m	S\$5.5m	S\$9.7m	S\$15.2m	~42.0% margin
Gross margin	44.8%	42.0%	42.0%	42.0%	Normalised mix
EBITDA	S\$10.0m	S\$0.9m	S\$9.4m	S\$10.3m	~28.6% margin
Net profit	S\$3.6m	-S\$1.4m	S\$5.7m	S\$4.3m	~11.8% margin

Source: Company Data, KGI Research

FY2027E reopens growth; renewables become visible only from FY2029E

Revenue rises 28.8% to S\$46.6m in FY2027E as mooring revenue reaches S\$27.8m, yard revenue increases 10% to S\$9.4m and the two smaller recurring divisions each grow 10%. Renewable revenue rises 81% but remains only S\$2.5m, or 5.4% of group sales. The near-term rebound is therefore still an oil-and-gas and execution story, not a commercial floating-wind story.

Figure 24: Revenue by segment, FY2025A-FY2030E



Source: Company, KGI Research

The revenue mix changes more visibly in FY2029E. Renewable revenue jumps from S\$4.056m in FY2028E to S\$11.001m in FY2029E, taking its share of group sales from 8.4% to 19.6%. This is the single largest forecast

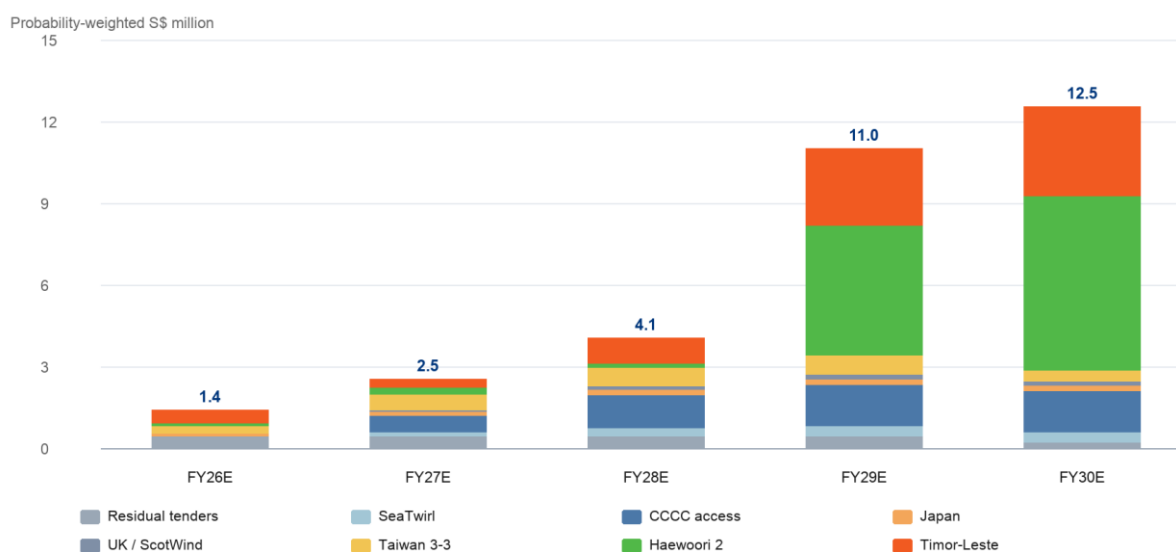
discontinuity and is driven mainly by probability-weighted Timor-Leste and Haewoori 2 contributions. It should be read as scenario-weighted pipeline conversion, not contracted backlog.

Figure 25: KGI renewable project revenue forecast (S\$ million)

Project / current gate	Modelling notes	KGI probability assumptions	FY26E	FY27E	FY28E	FY29E	FY30E	Total
Timor-Leste — LOI; PDA, PPA and financing pending	Near-term advisory, engineering and development-support scope only; no EPC or mooring award assumed before bankability gates are cleared. KGI bottom-up BOM estimate: 50MW × S\$312,000/MW. Derived from US\$325m midpoint project cost × 15% mooring wallet × 25% Mooreast capture × S\$1.28/US\$.	60–65%	0.5	0.3	0.9	2.8	3.3	7.8
Haewoori 2 — auction awarded; pre-FID, no supplier award	Early qualification, design-assist and prototype scope. Auction award improves project visibility, but supplier selection and FID remain outstanding. 532MW × S\$100,000/MW central Mooreast scope estimate. Assumes a meaningful, non-integrated anchor and mooring-component package rather than the full system wallet.	25–30%	0.1	0.3	0.2	4.8	6.4	11.7
Taiwan Round 3-3 — tender and support pipeline	Execution-reference case based on Taiwan construction support rather than permanent floating-wind station-keeping scope.	35%	0.3	0.6	0.7	0.7	0.4	2.7
CCCC / SeaTwirl — strategic partnerships, not backlog	Strategic cooperation creates tender access, not backlog. Model probability is deliberately below the original broad assumption pending identifiable project awards. Pilot, engineering and selected components scope only. No full commercial deployment included without project financing and a firm supplier award.	15%	—	0.8	1.5	1.9	1.9	6.0
Japan / UK — early-stage development support	Limited to pre-award engineering and tender activity. No utility-scale fabrication revenue assumed before CfD, grid, FID and supplier-award gates. Follow-on component and engineering scope anchored to Mooreast's Goto and Fukushima qualification references; no named award assumed.	15–20%	0.1	0.2	0.3	0.4	0.4	1.4
Other tenders — residual probability-weighted pipeline	Portfolio allowance for smaller engineering, prototype and component awards; prevents the model from assigning a large unidentified EPC contract.	15%	0.5	0.5	0.5	0.5	0.2	2.0
Total renewable revenue			1.4	2.5	4.1	11.0	12.5	31.5

Source: KGI Research

Figure 26: KGI probability-weighted renewable revenue by project source



Source: KGI Research

Mooring remains the underwriting engine, with renewable optionality layered on top

Mooreast's core outlook rests on engineered mooring work for offshore oil and gas, marine assets and related station-keeping applications. FY2025 provided the clearest recent proof: mooring revenue more than tripled to S\$22.9 million, helped by several high-value projects including the approximately S\$8.8 million Gulf of Thailand multi-buoy mooring upgrade.

The order pattern is inherently uneven. Large mooring packages can create sharp revenue step-ups, while the normal base includes smaller orders, equipment leasing and spares. The model responds by separating disclosed large projects, inferred backlog conversion and recurring orders. This is analytically preferable to applying a single top-down growth rate, but inferred backlog remains an estimate until supported by order-book or contract-liability disclosure.

Order replacement is the next test

The evidence for a sustainable mooring base is credible, though not yet conclusive. O&G-related orders were building through 2H2024 and retained momentum in early FY2025, while the Gulf of Thailand MBM delivery demonstrates Mooreast's ability to execute sizeable, engineered scopes. The company's participation from design and fabrication through logistics, installation and commissioning should also support broader wallet capture than component supply alone.

The remaining constraint is line of sight. Mooreast does not disclose a detailed order book, so investors must triangulate FY2027E revenue from book-to-bill, customer advances, contract liabilities and contract announcements. In our view, order intake needs to replace recognised FY2026 revenue, while gross margin and cash conversion need to hold as average contract size rises. A sustained fall in mooring revenue below S\$20 million would weaken both the earnings base and the rationale for carrying a larger fixed-cost platform.

The new yard expands addressable contract size

The acquisition of 60 Shipyard Crescent is the most tangible change in Mooreast's operating capacity. The 98,919 sqm waterfront facility is more than three times the land area of 51 Shipyard Road and has 865m of waterfront. Management states that production capacity will increase from roughly 0.5GW to 1.5-2.0GW of floating offshore wind support capacity per year.

The facility changes the scope Mooreast can tender for: larger subsea foundations, higher-specification chain stoppers, staging and assembly, and simultaneous vessel or project activity. Consolidating fabrication and logistics at one location should also reduce congestion and third-party handling. These benefits are operationally credible, but they do not accrue automatically; the fixed-cost base rises before utilisation is proven.

Key Risks

Mooreast's principal risks relate to the replacement of large mooring contracts, utilisation of its expanded fabrication facility, execution and cash conversion, conversion of its renewable pipeline, and the funding required to support larger projects. These factors could materially affect our earnings forecasts, free cash flow and DCF valuation.

Failure to replenish large mooring contracts

Mooreast's revenue is inherently project-based and can fluctuate materially depending on the timing and scale of individual contract awards. FY2025 illustrates the positive side of this operating model: mooring revenue more than tripled to S\$22.9 million, supported by several high-value projects, including the Gulf of Thailand multi-buoy mooring upgrade. However, the completion of these projects creates a high replacement requirement in subsequent years.

A sustained decline in annual mooring revenue below approximately S\$20 million would weaken our earnings assumptions and reduce the economic justification for maintaining a larger fabrication and operating platform. The key indicators are new contract awards, book-to-bill, customer advances, contract liabilities and the proportion of revenue supported by repeat customers.

Underutilisation of the enlarged yard

The acquisition of the 60 Shipyard Crescent facility materially increases Mooreast's physical capacity. The 98,919 sqm waterfront facility is more than three times the size of its previous site and provides approximately 865 metres of waterfront. If project conversion is slower than expected, the yard could dilute margins and returns rather than enhance them. The risk is particularly relevant during FY2026E, when revenue is expected to decline but EBITDA margin is forecast to improve.

Project execution, margin and cash-conversion risk

Mooreast participates across engineering, procurement, fabrication, testing, logistics, mobilisation and commissioning. This enables the company to capture a larger share of project value, but it also increases execution risk. Profitability depends on accurate project costing, timely procurement, clear technical specifications and the ability to manage customer variations without incurring unrecoverable costs. Steel, chains, connectors, coatings, marine logistics and specialised subcontractors are significant cost inputs. An increase in these costs may compress margins where contracts do not contain sufficient escalation protection. Project delays may also increase labour, storage and mobilisation expenses, while design changes or failed customer acceptance tests could result in additional work without proportional revenue.

Larger contracts may also weaken near-term cash conversion.

Mooreast may need to purchase materials and commit fabrication capacity before receiving customer milestone payments. This could result in higher inventories, contract assets and receivables even when reported revenue and profit increase. Delays in certification, acceptance or customer payment would reduce operating cash flow and increase funding requirements.

Failure to convert renewable opportunities into binding contracts

Mooreast has positioned itself across several potentially attractive floating offshore-wind markets, including South Korea, Scotland, Japan, Taiwan and Timor-Leste. These opportunities provide substantial long-term upside, but most remain at development, qualification or early commercial stages and should not be treated as firm backlog. Floating offshore-wind projects must typically secure seabed rights, environmental approval, grid connection, an offtake agreement, financing and final investment decision before material supplier awards are made. Delays at any stage can move procurement schedules by several years. Even after a project reaches FID, Mooreast must still compete for a defined share of the anchor, mooring, fabrication or engineering scope.

Financial Summary

INCOME STATEMENT (S\$'000)	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue	25,074.5	38,328.1	36,142.7	46,551.2	48,399.6
Cost of sales	(15,101.9)	(21,153.7)	(20,962.8)	(26,534.2)	(27,103.8)
Gross profit	9,972.6	17,174.4	15,180.0	20,017.0	21,295.8
Marketing and distribution	(834.3)	(958.3)	(903.6)	(1,163.8)	(1,210.0)
Administrative expenses	(9,062.8)	(9,324.5)	(7,228.5)	(9,310.2)	(9,679.9)
EBITDA	3,933.1	10,034.9	10,333.7	12,575.8	13,252.9
Depreciation & amortisation	(3,085.2)	(2,967.1)	(2,718.8)	(2,509.8)	(2,331.9)
Operating profit (EBIT)	847.9	7,067.7	7,614.8	10,066.0	10,921.0
Net finance income / (cost)	(1,669.0)	(1,493.9)	(1,527.9)	(665.3)	(600.7)
Other gains / (losses)	(1,246.1)	(858.5)	(747.7)	(755.7)	(757.1)
Profit before tax	(2,067.2)	4,715.4	5,339.2	8,645.0	9,563.2
Tax expense	(239.8)	(1,072.9)	(1,067.8)	(1,729.0)	(1,912.6)
Minority interests	-	-	-	-	-
Net profit (PATMI)	(2,307.0)	3,642.5	4,271.4	6,916.0	7,650.5
EPS (adj. S\$ cents)	-0.89	1.41	1.41	2.28	2.52
DPS (adj. S\$ cents)	N.A.	N.A.	N.A.	N.A.	N.A.

CASH FLOW STATEMENT (S\$'000)	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before tax	(2,067.2)	4,715.4	5,339.2	8,645.0	9,563.2
Depreciation & amortisation	3,085.2	2,967.1	2,718.8	2,509.8	2,331.9
Working capital changes	831.2	1,418.1	3,077.3	(2,236.9)	(529.5)
Tax paid	(116.5)	(593.8)	(1,067.8)	(1,729.0)	(1,912.6)
Other operating items	1,202.6	909.0	1,527.9	665.3	600.7
Operating cash flow	2,935.3	9,415.8	11,595.4	7,854.1	10,053.7
Capex	(1,295.1)	(3,733.2)	(1,100.0)	(1,100.0)	(1,100.0)
Proceeds from disposal of PPE	1,238.6	541.7	500.0	500.0	500.0
Other investing items	(2,090.1)	3,631.3	373.9	377.9	378.6
Investing cash flow	(2,146.5)	439.8	(226.1)	(222.1)	(221.4)
Repayment of lease liabilities	(998.4)	(1,069.4)	(1,000.0)	(1,000.0)	(1,000.0)
Interest paid on loans and borrowings	(524.9)	(1,453.9)	(776.7)	(746.7)	(716.7)
Repayment of loans and borrowings	(1,058.9)	(1,168.4)	(1,000.0)	(1,000.0)	(1,000.0)
Other financing items	(879.4)	(783.4)	(949.4)	(296.4)	(262.6)
Financing cash flow	(3,461.6)	(4,475.1)	(3,726.1)	(3,043.1)	(2,979.3)
Forex gains/(loss)	3.9	(134.7)	-	-	-
Net change in cash	(2,672.9)	5,380.5	7,643.1	4,588.9	6,852.9
Beginning cash	15,623.2	12,954.2	18,200.0	25,843.1	30,432.0
Ending cash	12,954.2	18,200.0	25,843.1	30,432.0	37,284.9

BALANCE SHEET (S\$'000)	FY24A	FY25A	FY26E	FY27E	FY28E
Cash and bank balances	16,170.1	18,200.0	25,843.1	30,432.0	37,284.9
Trade and other receivables	8,262.3	7,109.6	6,931.5	8,927.6	9,282.1
Inventories	6,661.6	6,328.8	4,951.1	6,376.9	6,630.1
Contract assets	4,607.4	2,045.2	1,980.4	2,550.8	2,652.0
Prepaid operating expenses	1,160.8	770.7	770.7	770.7	770.7
Current assets	36,862.2	34,454.3	40,476.8	49,057.9	56,619.8
Property, plant & equipment	4,084.2	6,434.9	5,747.9	5,198.4	4,758.7
Right-of-use assets	28,631.4	28,636.4	27,204.6	25,844.3	24,552.1
Other non-current assets	1,719.2	1,162.9	1,162.9	1,162.9	1,162.9
Non-current assets	34,434.7	36,234.2	34,115.4	32,205.6	30,473.7
Total assets	71,296.9	70,688.5	74,592.2	81,263.6	87,093.5
Trade payables	3,580.6	3,677.3	4,594.6	5,815.7	5,940.6
Contract liabilities	5,441.1	1,470.7	2,010.1	2,544.4	2,599.0
Other current liabilities	3,435.0	8,816.0	3,105.6	3,050.4	2,995.2
Current liabilities	12,456.7	13,964.0	9,710.4	11,410.5	11,534.8
Long-term borrowings	23,095.3	21,785.4	20,840.6	19,895.8	18,951.0
Other non-current liabilities	16,633.9	12,364.4	11,364.4	10,364.4	9,364.4
Non-current liabilities	39,729.2	34,149.9	32,205.1	30,260.3	28,315.5
Total liabilities	52,185.8	48,113.8	41,915.4	41,670.8	39,850.2
Retained earnings	4,491.2	8,143.8	12,415.2	19,331.2	26,981.7
Minority interests	14,619.9	14,430.8	20,261.6	20,261.6	20,261.6
Total equity	19,111.1	22,574.6	32,676.8	39,592.8	47,243.3

KEY RATIOS & VALUATION	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue growth (%)	(12.6%)	52.9%	(5.7%)	28.8%	4.0%
Gross margin (%)	39.8%	44.8%	42.0%	43.0%	44.0%
EBITDA margin (%)	15.7%	26.2%	28.6%	27.0%	27.4%
Net profit margin (%)	(9.2%)	9.5%	11.8%	14.9%	15.8%
ROE (%)	(12.1%)	16.1%	13.1%	17.5%	16.2%
ROA (%)	(3.2%)	5.2%	5.7%	8.5%	8.8%
Net debt / equity (x)	0.5x	0.2x	(0.1x)	(0.2x)	(0.4x)
Net debt / EBITDA (x)	2.2x	0.5x	(0.4x)	(0.7x)	(1.3x)
Dividend payout (%)	N.A.	N.A.	N.A.	N.A.	N.A.
P/E (x)	(13.6x)	8.6x	8.6x	5.3x	4.8x
EV/EBITDA (x)	9.3x	3.7x	3.6x	2.9x	2.8x
Dividend yield (%)	N.A.	N.A.	N.A.	N.A.	N.A.

Source: Company, KGI Research estimates

KGI's Ratings

The following table summarises the ratings convention used by KGI Securities in this and other research reports.

Rating	Definition
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