

2Q FY17 QIC INFRASTRUCTURE REPORT

30 August 2017

Name of P/E: Can One Berhad (Can One)		P/E Website: www.canone.com.my
Business Summary: Manufacture and distribution of its core, plastic jerry cans and food products		
Top Three Shareholders: Fuch An Hoe		27.4%
Soh Ewe Gio		19.9%
Market / Sector:	Industrial Products	Stock Code: 6309
		Shareng Ticker: C1A1:SE
Market Capitalisation:	RM 767.6m	Recommendation: BUY
Target Price:	RM 3.50	Expected Capital Gain: 70.4%
		Expected Div. Yield: 2.7%
Current Price:	RM 3.27	Expected Total Return: 73.1%
Analyst: Jom Ross Ng Tel: +603 2663 5500 Email: jross@bct.com.my		

Key Stock Metrics	2017	2016	2015E	2014E
EPS (RM)	0.1	0.2	0.06	0.1
EPS (¢)	0.9	1.6	0.5	0.8
Net Dividend/Share (RM)	0.2	0.0	0.0	0.0
Yield/Share (RM)	0.02	0.00	0.00	0.00
Book Value/Share (RM)	0.19	0.20	0.72	0.82
Dividend Coverage (times)	0.42	0.02	0.02	0.02
EV (RM)	1,013	1,000	1,813	1,900
Increased Net Debt			25.7%	
Average volume (shares)			102,000	

Key Share Data	2017	2016	2015E	2014E
Free float (%)				
Book Value/Share (RM)	0.19	0.20	0.72	0.82
Operating E/Share (RM)	0.0	0.0	0.04	0.0
EPS (RM)	0.1	0.2	0.06	0.1
Net Dividend/Share (RM)	0.2	0.0	0.0	0.0
EPS (¢)	0.9	1.6	0.5	0.8
EPS (RM)	0.1	0.2	0.06	0.1
Dividend Yield (%)	0.6	0.7	0.4	0.4
Dividend Yield (%)	1.5	1.5	1.5	1.5
Dividend Yield (%)	1.1	0.5	0.4	0.6
EV (RM)	0.2	0.2	0.5	0.6
Net Leverage (%)	80.0	80.0	74.3	69.0

Key Financials (RM mil)	2017	2016	2015E	2014E
Revenue	1,036.36	1,217.33	1,791.84	1,699.88
EBITDA	86.52	108.49	154.77	179.68
Operating E/Share	0.00	0.00	0.05	0.00
Net Interest Income	(21.25)	(24.14)	(46.85)	(76.85)
Assets	28.00	4.96	15.46	-
EV	-	-	191.38	-
Free Cash	83.49	63.01	158.44	74.51
Free Cash	0.83	0.53	1.58	0.74
Free Cash Margin (%)	8.1	5.3	8.8	4.4
Free Cash Margin (%)	7.9	5.3	8.8	4.2
Net Margin (%)	5.6	9.0	8.2	9.0

4. 2Q FY17 Results Highlight

	2Q FY17	2Q FY16	Chg
	RMm	RMm	%
Revenue	833.00	796.96	106.7
Operating Profit	42.94	21.76	193.9
Net Interest cost	(27.86)	(6.76)	307.6
Assets	-	4.96	0.0
EV	143.34	-	0.0
Free Cash	126.21	41.36	186.2
Net Profit	19.08	11.21	168.6
Operating Margin (%)	5.1	2.7	
Free Cash Margin (%)	15.1	5.2	
Net Margin (%)	2.3	1.4	

- 18FY17 financial numbers were disclosed by the acquisition of Kian Hoe Can Factory Berhad (KCF) On 18 May 16. Can One's effective stake in KCF increased 50% of total KCF shares, which allowed Can One to consolidate the earnings of KCF. On 30 Aug 16, based on the voted acquisition on the closing of offer, Can One held 97,080 of the total KCF shares. Subsequently, the listing status of KCF was removed on 16 May 16. As at 28 Feb 16, Can One completed the voluntary acquisition of the remaining offer shares.

- As such, due to the consolidation of KCF's financials in 18FY17, the financial comparison for Can One against previous periods is not meaningful.