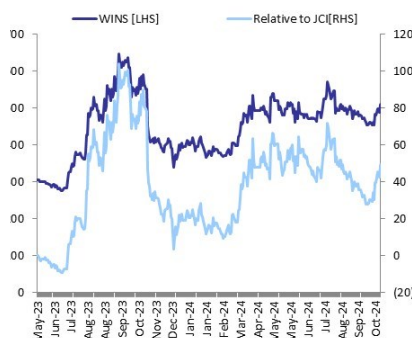


Buy

(Maintained)

Last Price (Rp)	510
Target Price (Rp)	760
Previous Target Price (Rp)	760
Upside/Downside	+49.0%
No. of Shares (mn)	4,365
Mkt Cap (Rpbn/US\$mn)	2,226/142
Avg, Daily T/O (Rpbn/US\$mn)	3.4/0.2
Free Float (%)	38.8
Major Shareholder (%)	34.0
Wintermarjaya Lestari	
EPS Consensus (US\$cents)	
	2024F 2025F 2026F
BRIDS	0.6 0.6 0.7
Consensus	n.a n.a n.a
BRIDS/Cons (%)	n.a n.a n.a

WINS relative to JCI Index



Source: Bloomberg

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Wintermar Offshore Marine (WINS IJ)

Recently acquired WM Mentawai PSV to bolster earnings growth in 2H24 onwards

- We visited WINS's recently acquired WM Mentawai PSV, which is currently running tests on vessel capability.
- We expect stronger earnings for WINS in 2H24 and FY25 derived from higher charter rates and new vessels acquired.
- We maintain a Buy rating on WINS with a TP of Rp760. Key risks include lower charter and utilization rate.

WM Mentawai PSV: further strengthening of WINS' fleet profile

WM Mentawai PSV was built by Xiamen Shipbuilding Industry Co. Ltd. in 2022. After taking on crew transport job to a wind farm project in Taiwan, the vessel was sold to WINS in Aug24 and was delivered to Batam on 5th Sep24. In terms of size, WM Mentawai is similar to the other PSVs owned by WINS, with a capacity of 700sqm with an engine size of 6,000HP. Furthermore, WM Mentawai is equipped with dynamic positioning-2, which allows it to take on deepwater projects. Up until this moment, the ship is still docking in Batam undergoing several tests to ensure its readiness once a contract for the ship is available. Nonetheless, given the relatively young age of WM Mentawai, it should naturally be at an advantage to win tender contracts due to the better living quarter conditions and the more advanced set of control panels on the bridge. Furthermore, we observed WINS' Sea Pollux PSV in the shipyard, still undergoing maintenance as it awaits spare parts. The company expects the vessel to be fully operational by early 2025.

Stronger 2H24 and FY25 growth is in the cards

We expect a stronger 2H24 performance derived from its 4 high tier vessels that has secured a more favorable long-term contract in 3Q24, as well as short-term contracts secured at an increasingly strong spot price. Furthermore, its latest AWB vessel should already be operating at maximum utilization, which should also boost earnings in 2H24. In FY25 onwards, we expect earnings growth to be derived from WM Mentawai and other PSVs that are waiting for new contracts in early FY25, followed by a stronger average charter rate, which has been persistently strong (currently at c.US\$22-23k/day, +22% yoy).

Maintain Buy rating with a TP of Rp760

We maintain our Buy rating on attractive industry position and solid earnings growth. WINS currently trades at 4.9x FY25F PE and 0.7x FY25F PBV, a discount to its regional peers. Our valuation is based on a blended P/B ratio of 1.1x and P/E of 8.3x, slightly lower than peers due to WINS' lower ROE of 13% (vs. peers 17%), which translates into a target price of Rp760. Key risks include lower charter and utilization rates.

Key Financials

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
Revenue (US\$mn)	61	73	89	102	108
EBITDA (US\$mn)	14	20	49	48	52
Net Profit (US\$mn)	1	7	25	28	32
EPS (US\$cents)	0.0	0.2	0.6	0.6	0.7
EPS Growth (%)	510.0	501.1	274.3	11.8	15.7
BVPS (US\$cents)	2.9	3.1	3.7	4.3	5.0
PER (x)	124.4	20.7	5.5	4.9	4.4
PBV (x)	1.1	1.0	0.9	0.7	0.6
EV/EBITDA	10.8	7.1	2.7	2.5	1.6

Source: WINS, BRIDS Estimates

Exhibit 1. WM Mentawai bridge



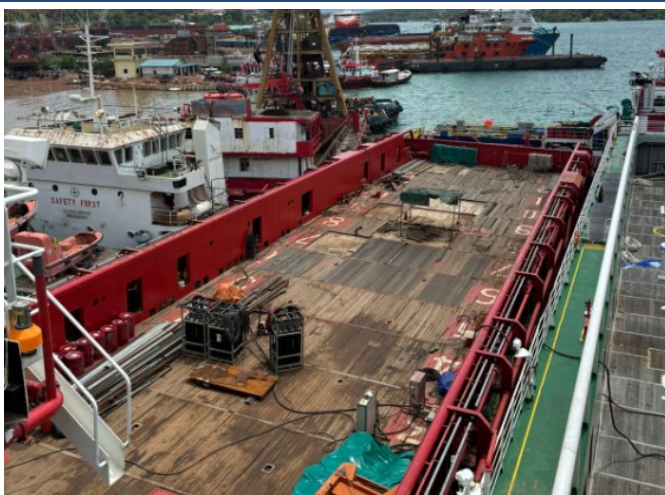
Source: BRIDS site visit

Exhibit 2. WM Mentawai deck



Source: BRIDS site visit

Exhibit 3. Sea Pollux PSV



Source: BRIDS site visit

Exhibit 4. WM Mentawai Engine



Source: BRIDS site visit

Exhibit 5. WM Mentawai Pilot Deck



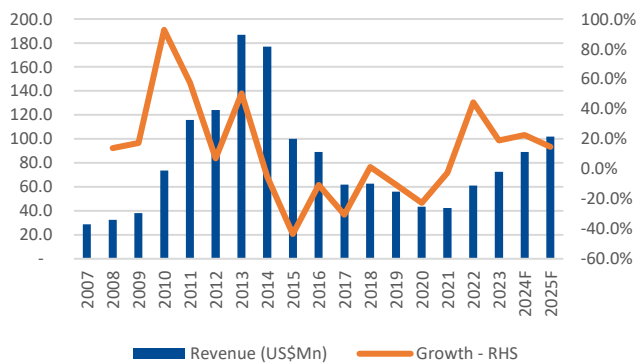
Source: BRIDS site visit

Exhibit 6. WM Mentawai Dynamic Positioning (DP) 2



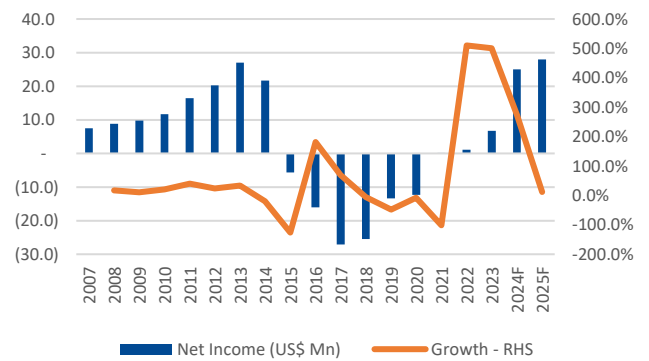
Source: BRIDS site visit

Exhibit 7. Revenue and Growth



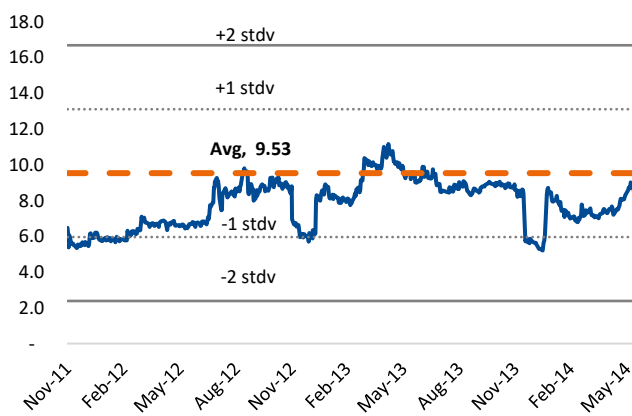
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 8. Net Income and Growth



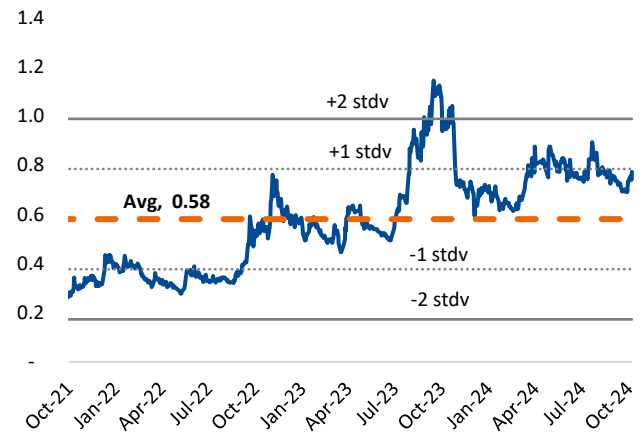
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 9. Previous cycle peak P/E Band



Source: Company, BRIDS

Exhibit 10. P/B Band



Source: Company, Bloomberg, BRIDS Estimates

Exhibit 11. Valuation Summary Table

	2024	2025
Current price	510	
Current PB	0.7	0.6
PB target	1.1	1.1
TP	754	
Current PE	5.6	5.0
PE target	8.3	8.3
TP	760	
Blended TP	760	
Upside	49.0%	

Source: BRIDS Estimates

Exhibit 12. Peers Comparison

				PE (x)		PB (x)		EV/EBITDA (x)		ROE (%)	
Date	12-Aug-24	Company	Mkt.Cap	24F	25F	24F	25F	24F	25F	24F	25F
Indonesia (IDR bn)											
WINS IJ	WINS IJ Equity	WINTERMAR OFFSHORE MARINE	142	5.4	4.8	0.7	0.6	6.6	6.4	13.4	13.0
600938 CH	600938 CH Equity	CNOOC LTD-A	127,886	9.5	9.1	1.8	1.7	2.7	2.7	19.7	18.3
ADNOC DRI UH	ADNOC DRI UH Equity	ADNOC DRILLING CO PJSC	20,736	17.1	15.4	5.6	5.0	11.9	10.8	34.7	33.3
TDW US	TDW US Equity	TIDEWATER INC	3,539	16.7	8.2	2.8	2.1	6.4	4.5	25.0	35.0
1052 HK	1052 HK Equity	YUEXIU TRANSPORT INFRASTRUCT	816	8.4	7.5	0.5	0.5	7.5	7.0	5.3	5.8
DEHB MK	DEHB MK Equity	DAYANG ENTERPRISE HLDGS BHD	645	9.3	8.5	1.5	1.3	5.2	5.0	16.1	15.6
PVD VN	PVD VN Equity	PETROVIETNAM DRILLING AND WE	612	17.2	11.0	1.0	0.9	6.8	5.5	7.3	8.4
MMHE MK	MMHE MK Equity	MALAYSIA MARINE AND HEAVY EN	166	7.9	8.6	0.5	0.5	3.9	4.4	6.4	4.6
ABL NO	ABL NO Equity	ABL GROUP ASA	124	10.9	7.9	1.2	1.2	6.9	4.9	6.8	15.1
Avg.				12.1	9.5	1.9	1.7	6.4	5.6	15.2	17.0

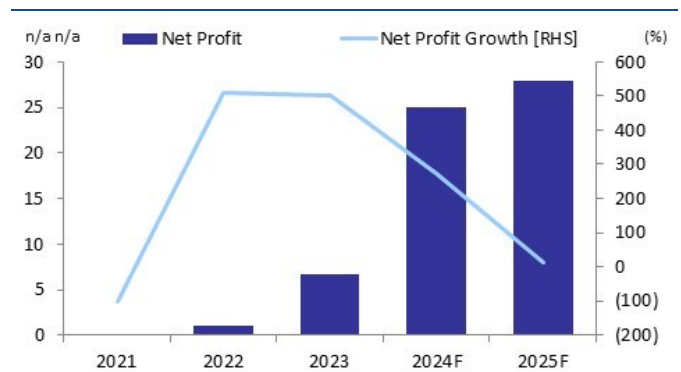
Source: Bloomberg, BRIDS

Exhibit 13. Revenue and Growth



Source: Company, BRIDS Estimates

Exhibit 14. Net Profit and Growth



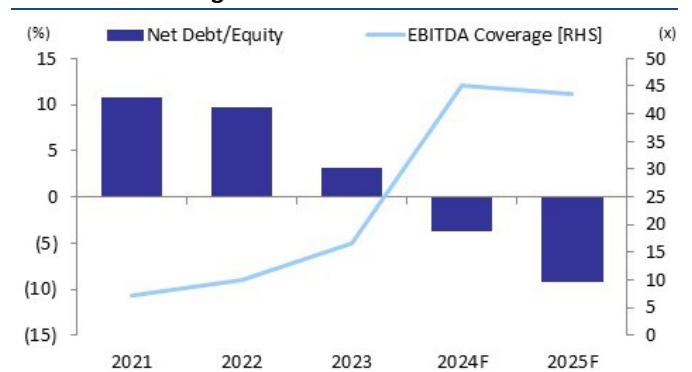
Source: Company, BRIDS Estimates

Exhibit 15. Margins



Source: Company, BRIDS Estimates

Exhibit 16. Gearing Level



Source: Company, BRIDS Estimates

Exhibit 17. Income Statement

Year to 31 Dec (US\$mn)	2022A	2023A	2024F	2025F	2026F
Revenue	61	73	89	102	108
COGS	(50)	(58)	(58)	(57)	(57)
Gross profit	11	15	31	45	51
EBITDA	14	20	49	48	52
Oper. profit	2	7	36	32	38
Interest income	0	0	0	0	0
Interest expense	(1)	(1)	(1)	(1)	(1)
Forex Gain/(Loss)	0	0	0	0	0
Income From Assoc. Co's	0	1	2	2	2
Other Income (Expenses)	0	0	0	0	0
Pre-tax profit	1	7	36	33	38
Income tax	0	0	(3)	0	0
Minority interest	0	0	(8)	(5)	(6)
Net profit	1	7	25	28	32
Core Net Profit	1	7	14	27	31

Exhibit 18. Balance Sheet

Year to 31 Dec (US\$mn)	2022A	2023A	2024F	2025F	2026F
Cash & cash equivalent	2	9	21	34	69
Receivables	27	26	29	34	35
Inventory	0	0	0	0	0
Other Curr. Asset	11	8	8	8	8
Fixed assets - Net	129	131	140	152	148
Other non-curr.asset	20	21	21	21	21
Total asset	189	195	220	249	282
ST Debt	6	6	6	6	6
Payables	9	12	12	13	14
Other Curr. Liabilities	1	2	2	2	2
Long Term Debt	11	8	8	8	8
Other LT. Liabilities	7	5	5	5	5
Total Liabilities	34	33	33	34	35
Shareholder's Funds	128	135	160	188	220
Minority interests	28	27	27	27	27
Total Equity & Liabilities	189	195	220	249	282

Exhibit 19. Cash Flow

Year to 31 Dec (US\$mn)	2022A	2023A	2024F	2025F	2026F
Net income	1	7	25	28	32
Depreciation and Amort.	12	13	13	15	15
Change in Working Capital	(2)	4	(3)	(3)	0
Other Oper. Cash Flow	(2)	1	(9)	(12)	3
Operating Cash Flow	9	25	26	28	50
Capex	(12)	(13)	(13)	(15)	(15)
Others Inv. Cash Flow	0	0	0	0	0
Investing Cash Flow	(12)	(13)	(13)	(15)	(15)
Net change in debt	(5)	(5)	0	0	0
New Capital	1	0	0	0	0
Dividend payment	0	0	0	0	0
Other Fin. Cash Flow	0	0	0	0	0
Financing Cash Flow	(4)	(6)	0	0	0
Net Change in Cash	(7)	6	12	13	35
Cash - begin of the year	10	2	9	21	34
Cash - end of the year	2	9	21	34	69

Exhibit 20. Key Ratio

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
Growth (%)					
Sales	44.4	19.0	22.9	14.2	6.0
EBITDA	(9.0)	43.1	142.7	(3.4)	10.1
Operating profit	(15.8)	268.6	386.7	(9.4)	15.9
Net profit	510.0	501.1	274.3	11.8	15.7
Profitability (%)					
Gross margin	18.4	20.7	34.9	44.5	47.5
EBITDA margin	23.3	28.0	55.2	46.7	48.5
Operating margin	3.3	10.1	40.2	31.8	34.8
Net margin	1.8	9.2	28.0	27.4	29.9
ROAA	0.6	3.5	12.1	11.9	11.9
ROAE	0.9	5.1	17.0	16.1	15.5
Leverage					
Net Gearing (x)	0.1	0.0	0.0	(0.1)	(0.2)
Interest Coverage (x)	1.4	6.0	32.8	29.7	33.5

Source : WINS, BRIDS Estimates

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INVESTMENT RATING

BUY	Expected total return of 10% or more within a 12-month period
HOLD	Expected total return between -10% and 10% within a 12-month period
SELL	Expected total return of -10% or worse within a 12-month period

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