Malaysia Infrastructure

Sector outlook

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22 June 2023

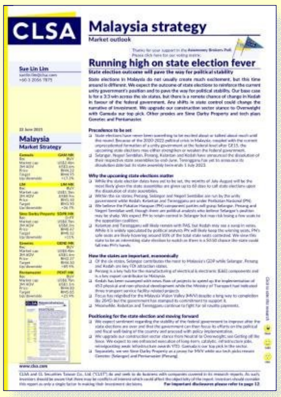
Malaysia
Infrastructure

Gamuda	**GAM MK**
Rec	**O-PF→BUY**
Market cap	US$2.4bn
3M ADV	US$3.6m
Price	RM4.22
Target	**RM4.35→RM4.95**
Up/downside	+17.3%

IJM	**IJM MK**
Rec	**O-PF→BUY**
Market cap	US$1.1bn
3M ADV	US$0.9m
Price	RM1.50
Target	**RM1.83→RM1.90**
Up/downside	+26.7%

SunCon	**SCGB MK**
Rec	O-PF
Market cap	US$0.4bn
3M ADV	US$0.1m
Price	RM1.60
Target	RM1.92
Up/downside	+20%

AQRS	**AQRS MK**
Rec	O-PF
Market cap	US$0.0bn
3M ADV	US$0.2m
Price	RM0.28
Target	RM0.30
Up/downside	+9.1%



Getting off the fence

Sector upgrade on improved job visibility and competitive dynamics

All eyes are on the upcoming state elections. We no longer sit on the fence, upgrading our construction sector stance from Neutral to Overweight as we take the view the six states will not see ruling party changes. Thereafter, sentiment on the stability of federal government should improve. This in turn enhances execution of long-term, catalytic, infrastructure jobs, reinvigorating weak infrastructure awards YTD. Meanwhile, backlog orders with weak margins are also fading. Looking ahead, Malaysia's subsidy retargeting may also benefit development expenditures. We upgrade Gamuda and IJM from O-PF to BUY, with the former our sector pick.

Some added opportunities in states going to polls; Penang of note

- **Status quo.** Six states will hold polls in July-August. Research Head, Sue Lin Lim, in *Running high on state election fever* argues for no expected changes in the ruling parties to form the state governments, though noting a remote chance of change in Kedah.
- **Added impetus.** Of late, some new projects in the polling states have sprung up. There are incremental opportunities, especially in water and highway projects (Figure 1). The most significant would be if federal government funding would be forthcoming in Penang, notably for its Light Rail Transit (*Malaysia infrastructure (Off the backburner)*, which is to be rolled-out under MRT Corp (*news*).

Project award sentiment may reverse and may benefit from subsidy redistribution

- **Subdued environment pending reversal.** Amid the retabled Federal Budget 2023, work awards have been subdued over the first five months of 2023, at RM39bn (30% below the 2021 and 2022 averages, Figure 2). Contractor filings show awards YTD are starved of infrastructure work and government flows. We expect a better roll-out once state elections conclude, given some projects hinging on the government budget/the green light (Figure 5). Sarawak is an example of an encouraging infrastructure pipeline post federal and state elections, although its boasts of a stronger position under Malaysia Agreement 63.
- **Move into more catalytic projects.** There appears to be priority for urgent projects, such as the rapid transit system in Johor and flood mitigation. On the other hand, the MRT line 3 is now undergoing cost review, had the validity for the tenders submitted by contractors extended till September, coincidentally falling close to end of state polls.
- **May benefit from subsidy re-targeting.** Research Head, Sue Lin Lim, *highlighted* the government is pushing ahead with subsidy retargeting. This may make room for more development expenditures. Preliminary estimates of savings (diesel) could be RM20bn-RM25bn, about a quarter of annual development expenditures, though it is early days yet.

The impact of margin pressure in earlier jobs now peeling away

- **Order-book with low margins seen to be fading.** CLSA believes jobs secured in 1H21 were a pressure point for projects given the spike in steel prices then (and later on, manpower costs). Given a 2.5-year construction order book to revenue (average for listed firms, Figure 10), the bulk of lower-margin jobs will have largely run their course by 2H23.
- **Improved dynamics in commercial building.** In aggregate, industry work done has yet to revert to 2019, though this is with the exception of non-residential buildings, which are seeing improving pricing dynamics. The Building Cost Index, as well construction labour daily wage data, also reveal the tough conditions have since plateaued (Figures 8 and 9).

Upgrade sector stance to Overweight

- **Upgrade to O-WT.** We believe the read-through on Penang is positive for Gamuda, which is our sector pick (previously SunCon). We upgrade our ratings on Gamuda and IJM from O-PF to BUY, with the latter mainly on price action. Despite the KLCON up 4%, this was flattered by Gamuda (+12% YTD), and we see scope for laggards.
- From a 13.5x multiple for construction segment earnings in our SOTPs, we re-apply a 15x multiple (similar to when we were previously Overweight, see *note*). We lift our Gamuda target price from RM4.35 to RM4.95, and lift IJM from RM1.83 to RM1.90. Risks to our call include unexpected state poll outcomes and the modification of projects post 12th Malaysia plan mid-term review (October).

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Great

Solid

Meh

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 For important disclosures please refer to page 12.

Getting off the fence

Polling to be done by July-August

Not expecting changes in ruling parties

All the 6 states that have yet to hold elections would imminently have respective state assemblies dissolved. What ensues would be that the states are constitutionally required to hold an elections within 60 days; there is an expectation that the polling date would likely be simultaneous. Research head Sue Lin Lim views that there is no changes in the camp to form the state governments and for projects to proceed.

Additional projects requiring direct spending are not large

Added opportunities, with some longer-term positives

There has been more infrastructure announcements ahead of state polls. Over the recent month, we have seen both renewed push for certain emphasis and news from projects in the 6 states. Those that involve government direct spending range from basic infrastructure such as highways and flood mitigation. There was also additional allocation announced for Kedah. The additional opportunities here so far do not seem too large a burden, adding up to more than RM 3bn (Kelantan, Negeri Sembilan and Kedah).

Figure 1

Recent emphasis or announcement of projects for states going for elections

States	Project	Funding	Additional Funding (RM bn)	Status	Remarks
Penang	Penang LRT	MRT Corp bonds or development expenditure	Government funding not disclosed	Finalising location of depot	Tender for first phase of project to be called by end of year
Kelantan	Kelantan Integrated River Basin Project (PLSB)	Federal government	1.06	Flood prevention	PLSB phase 2 in September. Expected to be completed 2028
Kelantan	Allocation to resolve water supply issue	Jointly federal with state	0.5	Overcome lack of clean water	In addition to the RM1 bn allocation earlier this year
Negeri Sembilan	Infrastructure, including highway exit	Federal government	1.00	Highway exit to Seremban ring road (RM600 mn), roads and bridges and schools	-
Negeri Sembilan	Malaysia Vision Valley 2.0	-	-	-	Ministries to study investment initiatives
Kedah	Additional allocation	Federal Government	1.60	For schools, government clinics and water supply projects	To speed up 453 projects. Includes pledges to bring in more investments

Source: CLSA, various news sources

Some indirect opportunities

Some projects are still in planning. Federal government would work together with the Kelantan government to carry out water supply projects. In the case of Malaysian Vision Valley 2.0, this development based on public-private collaboration is to create a metropolis for the state of Negri Sembilan to be a developed state by 2045. These may spawn opportunities in the aircraft manufacturing industry, as well as for maintenance, repair and overhaul in the shipping sector. These may spawn construction opportunities albeit later down the line.

More promise in Penang projects where funding could be forthcoming from the federal government

But most imminently, we view the more significant beneficiary could be Penang, (see *Malaysia Construction (Island Rail)*, assuming funds to kick start the light rail transit (LRT) project is forthcoming. The tender to be called by year end appears aggressive, though some changes have been agreed to expedite it (expansion of alignment to Tanjung Bungah instead of Komtar, and depot site change to be on Penang island itself instead of being on the reclaimed island). According to transport minister, the Penang LRT will be federal funded, and undertaken by MRT Corp *(link)*. Earlier, it was mentioned the LRT involved assistance via loans which required involvement of federal government, *(link)*.

Sentiment may reverse from a subdued environment especially in infrastructure

Awards in 5M23 are 30% below the 2021/2022 levels

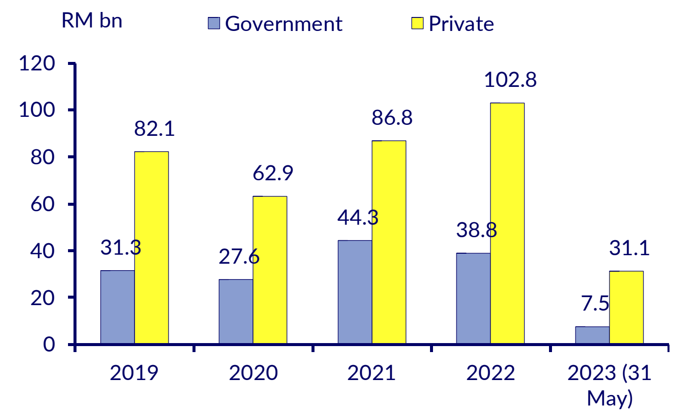
While 2022 was a solid year from a job award perspective relative to 2021 that was under intermittent lockdowns, 2023 have paled in comparison. On the aggregate industry level, construction awards tallied by the Construction Industry Development Board indicate that the work awards were RM39bn for the first 5 months of 2023. This was below 30% of the averages seen in 2021 and 2022.

The pipeline more noticeably dried up from government-led projects which is not surprising

It appears to us while private-led projects have still retained momentum, pipeline from government so far tailed off significantly. This is not all too surprising given the re-tabling of the Budget in February 2023, which perhaps caused projects to be in bottleneck, and also the state elections that may have cast an overhang. By category, infrastructure awards have been very soft, though well cushioned by the resurgent awards in the non-residential property segment.

Figure 2

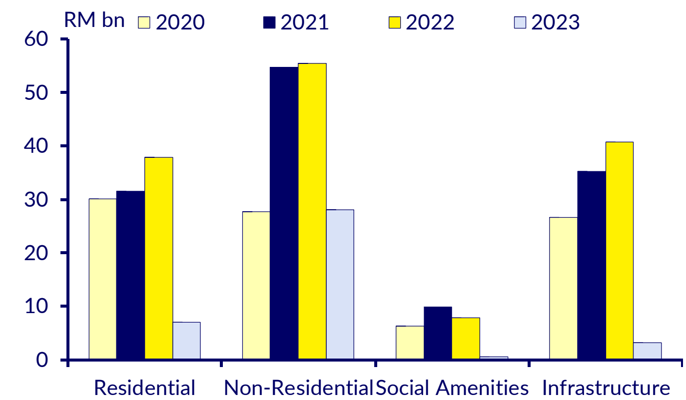
Construction awards by the government versus private



Source: CLSA, CIDB Convince website

Figure 3

Construction awards by nature



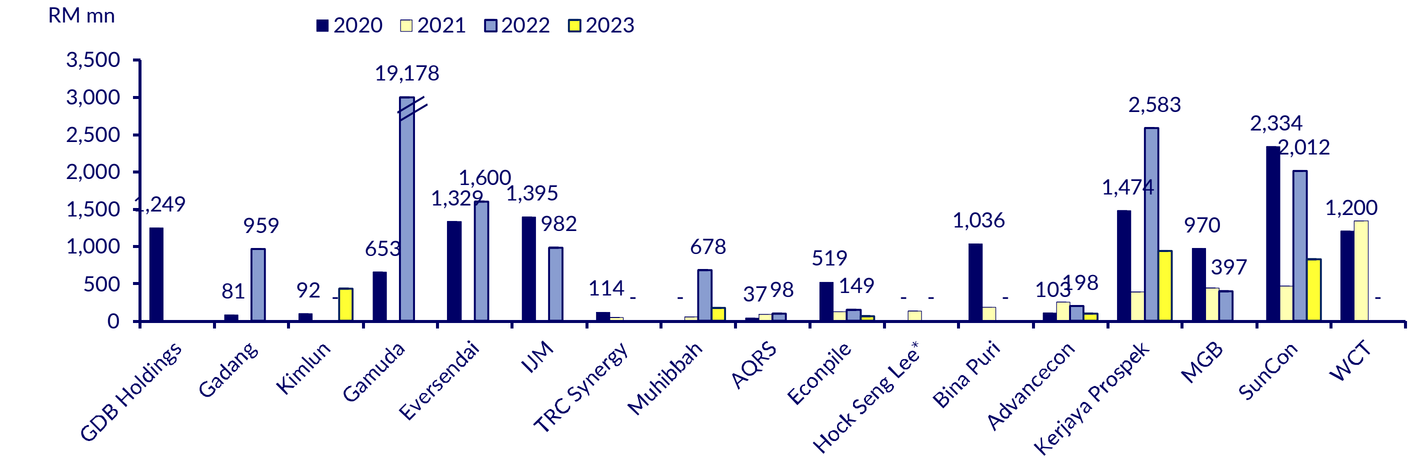
Source: CLSA, CIDB Convince website

The property development segment was more vibrant for project awards, with infrastructure awards minimal

Zooming in to listed contractors, the same pattern was evident. Most of the jobs that have been received in 2023, as reported by contractors through BURSA Malaysia, were in the property development front, with only isolated wins in infrastructure. Total awards so far announced up to mid-June for listed companies we track of c.RM2.5bn was below 25% of past full-year averages over the past three years.

Figure 4

Contractor filings of order wins based on BURSA Malaysia



Source: CLSA, Cpmpany filings. *Delisted.

Focus to return to kick-starting catalytic projects

Urgency to ensure catch up in project progress

We believe spending priorities are in the urgent projects or those requiring immediate attention. For example, the MRT Corp is concentrating on completing the Johor-Bahru Singapore RTS link. This project has encountered delays and the MRT Corp is looking to ensure that the bilateral project gets completed by 2026 to be operational in 2027 (*news*).

The government has shown that it is committed to hastening a roll out of critical infrastructure

Flood mitigation is another example. In this regard, government courted some scrutiny in its adherence to best practise as it opted for limited tender in some cases (instead of open tender), though this underscore government's sense of urgency in critical projects. For water projects, the natural resources, environment and climate change ministry is mulling implementing a proposed review of water tariffs to ensure a return of capital to operators, seen as the needed fillip in the water sector (link). Also, government is also looking to expedite state development by channelling funds directly to states rather than via departments/agencies (*link*).

We believe decisive spending on projects could resume

We believe the state elections, once concluded, could spark a more decisiveness in spending, especially in catalytic projects. This is especially so if the spending involves federal funding/approval in our opinion. Some selection of projects relating to the states going to polls are below (Figure 5).

Figure 5

Some noted projects requiring approval/funding relating to states going to the polls

Planning/feasibility phase	Funded by	RM bn	Description	Status
Penang Transport Master Plan	State/ private	32	15 years. Priority on reclaiming islands	Environmental impact assessment approved for island reclamation; pending environmental management plan
Sungei Perak Raw Water Transfer Scheme	Federal purview	1.4	Target completion by 2025 to meet demand in Penang and north Perak until 2050. Over 4 phases and includes treatment plant.	Letter sent to Water, Land and Natural Resources Ministry
Penang Hill cable car	State	0.2	2.9 km link between botanic gardens and top of Penang Hill	Built at RM245 mn with a 30 year concession; expects to start construction of cable car project in Q2 2024
Northern Corridor Expressway/projects	State	2	Catch up on development for the state of Kedah	2 phases of expressway (East Coast Expressway) worth RM1.7 bn and RM300 mn manufacturing and logistics hub
Kulim International Airport	Private	2.5	Total expected cost at RM6.8 bn, with construction cost at RM2.5 bn and land acquisition cost RM2.5 bn (previously RM1.2 bn)	Kedah told to resubmit plans after tycoon backs out. Transport ministry is studying the project
Phase 3 of the East Coast Highway project (LPT3)	Private	-	Reduce traffic congesion on east coast of Peninsular	Request for proposal process will be initiated for a privatisation exercise
Westports 2 expansion	Private	3 -4 (initial)	To increase port capacity	Requiring inking concession with government

Source: CLSA

Sarawak has been seeing a strong pipeline

Indications that tender validity has been extended to September for MRT3 from channel checks

Improving competitive dynamics within the commercial property space

An example of states that have concluded with their state elections in Sarawak (in 2021, and next election will only be due in 2027). We had in 2H22 previously updated on the magnitude of potential opportunities there which *Malaysia Street scenes (Borneo powerhouse)*; peninsula firms could have some opportunities to partner with local entities. Head of Research Lim Sue Lin has also flagged in CLSA's outlook *Malaysia Strategy (2023 outlook: reality bites)* that there is more expected to be done under MA1963.

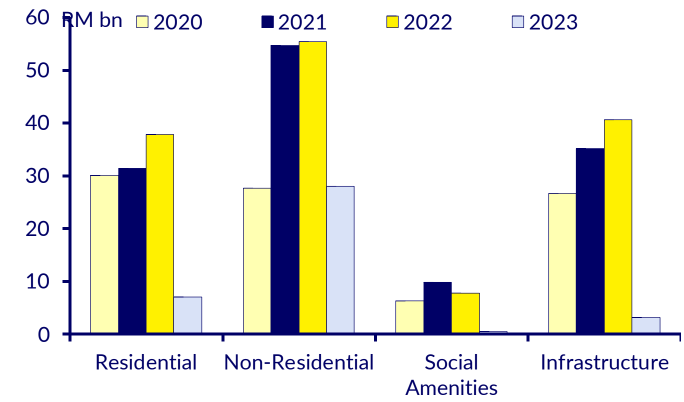
Back to Klang Valley, we are anticipating the MRT3 roll out. Dubbed, the circle line, which is under alignment review was to have its cost optimised, with a completion of the cost review by June 2023. So far, there is no firm news that has surfaced, and we understand from our channel checks as well that the tender validity for the MRT3 projects have been extended to September (from June). This could be indicative of the potential award timing, which coincidentally would be after state polls. Meanwhile, the anticipated tender for the systems package for the MRT3 has also not been advertised, checking to MRT Corp's website.

Competitive dynamics appear to improving in non-residential space

In aggregate, construction work done in the industry has yet to revert to 2019 levels (Figure 7). This is true for the sub-segments of civil engineering and residential mortgages, with the exception being non-residential buildings. This latters' competitive pricing dynamics should improve. Likewise, there has been stronger momentum in non-residential projects in 5M23 new awards (Figure 6). Based on our channel checks, these could include certain logistics/warehousing and factories, partly fuelled by greater domestic and to some extent foreign investments.

Figure 6

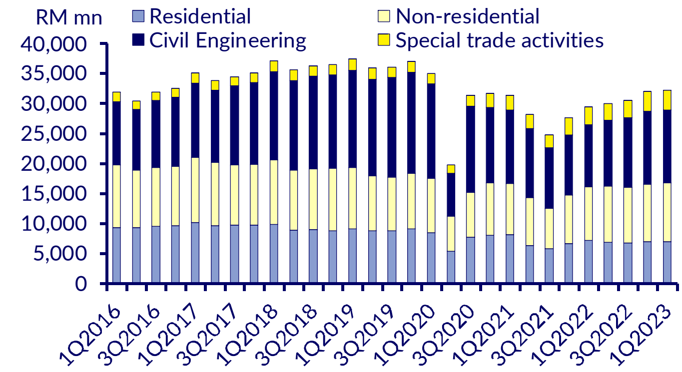
Project awards by type (up to May for 2023)



Source: CLSA, Construction Industry Development Board

Figure 7

Construction work done by sector



Source: CLSA, Construction Industry Development Board

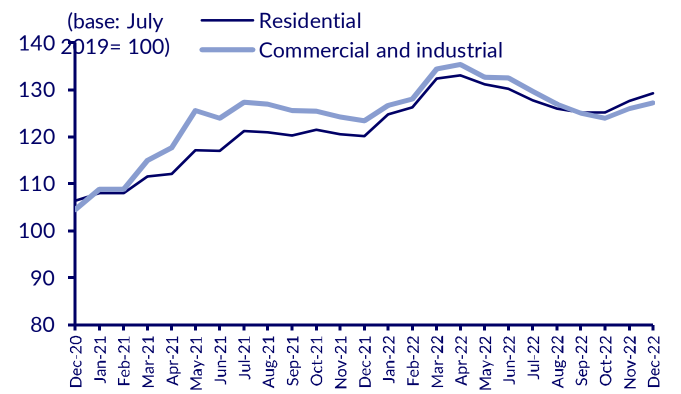
Worker wages starting to plateau as the demand supply situation moves towards equilibrium

Troubled margin phase estimated to taper off

The challenges in obtaining workers are easing, although anecdotally the demand for workers is still outstripping supply, Up to mid-march 2023, the human resource ministry approved an employment quota of 995,000 foreign workers. Judging by the survey from the construction industry development board (CIDB), average daily rate for the general construction worker, which spiked in 2H2021, is starting to plateau (for both local and foreign civil construction general worker). See Figure 9.

Figure 8

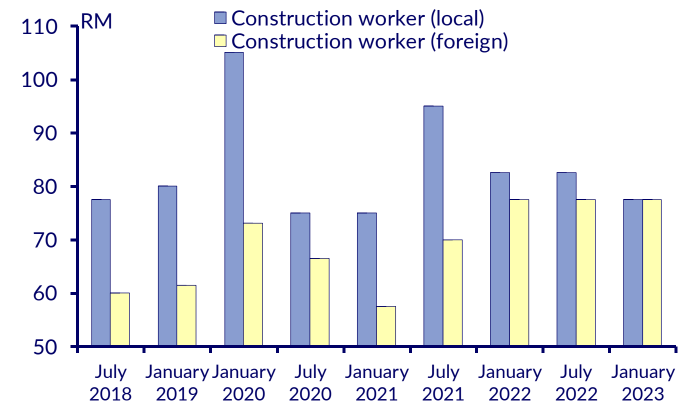
Buildings Cost Index



Source: CLSA, CIDB's National Construction Cost Center. We have presented data from the state of Melaka, Negri Sembilan, Selangor and Kuala Lumpur.

Figure 9

Survey of average daily wages for general civil construction worker (local and foreign)



Source: CLSA, CIDB's National Construction Cost Center. Note: survey information every 6-monthly, and based on 8-hour work day only. We have used the average rates, and used data from the state of Selangor.

Projects that were secured before mid-2021 could have been most affected on margins

From middle 2021, industry was negatively surprised by a sudden surge of materials price, particularly steel, causing revision in margins by many firms, especially those with structural work that cannot be avoided. The building cost index, which is representative of input cost changes, saw the steepest jump in 2021, up a respective 13% and 18% for residential as well as commercial and industrial construction (Figure 8). The index appears to have plateaued in 2022.

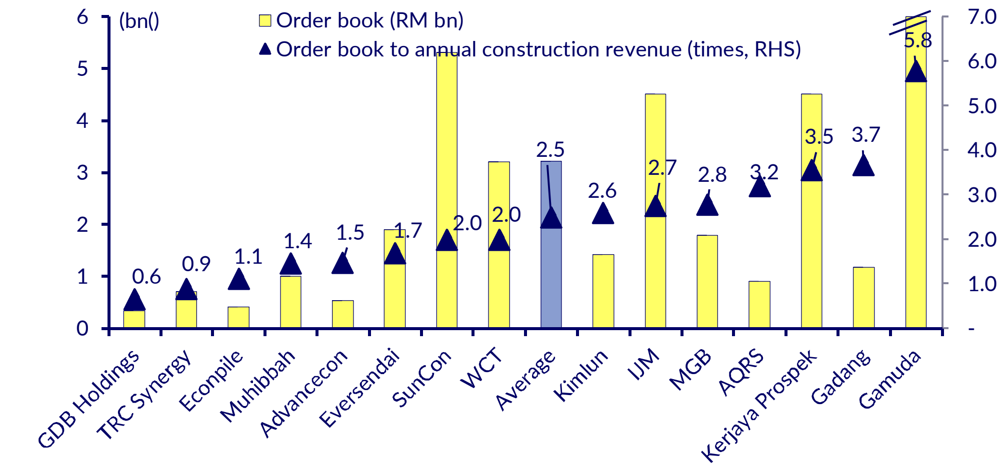
Given that on average order books take 2.5 years to clear, we think we are reaching the point where troubled orders are small

To some extent, contractors are not fully out of the woods on the margin pressures. In our 1H23 outlook piece, about half the listed companies canvassed had EBIT margins that were inferior to pre-pandemic. We think that the brunt of low margin contracts are mostly behind us, from an industry stand point. To substantiate this, we take cues from the ratio of construction order book to revenue ratio as a rough estimate of how long it takes for orders to cycle through into revenue. Given that the industry average for this ratio 2.5 years, it would be sensible to think that by 2H23 the bulk of the pressured contracts have been delivered given the material prices spiked initially in 2H2021.

On average, contractors have orderbooks which form 2.5 times construction segment revenue

Figure 10

Multiple of outstanding orderbook against annual construction revenue



Source: CLSA, Listed companies. Note: For Gamuda, the total order book is RM20.5 bn, but we have shown as RM6.0 bn for better visual comparability across companies. Separately, where not separately indicated, we have assumed construction order book as encompassing both internal and external jobs.

Could also be weighed down by difficulty obtaining favourable negotiation outcomes during Covid 19

As the above mentioned contracts move towards completion and accounts are finalised, we are also slightly mindful of private sector contracts. This is given reversal of earnings risk on aggressive accounting, as pass-through of costs was not a given during pandemic. We earlier noted per our discussion with the Construction Industry Development Board, (*Malaysia Construction (Bird's eye view)*), automatic extensions are given for government contracts, and where contractors benefit from more frequent payments by government to better tide over cashflow.

Upgrade to overweight

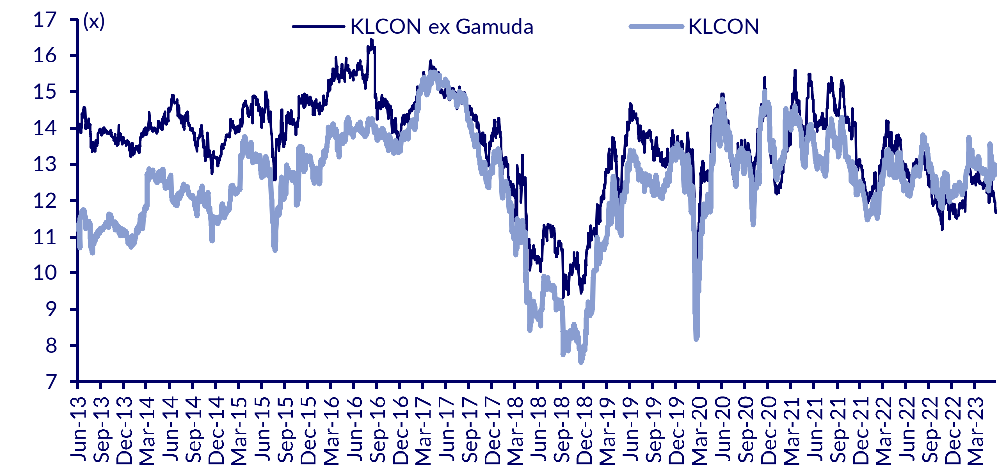
So far improvement has not been broad based

The KLCON sector has chalked a 4% increase YTD, but has not been reflective of the breadth of counters. This is flattered by a smaller breadth of stocks that done well, with only 17 out of the 49 counters up YTD. Most notably, Gamuda, which is 37% of the weighting, has risen 12% YTD (without which we assume that the index would have been flattish). Thus, we think that as margins risk taper off and job visibility returns, this will help the sector to re-rate.

We estimate the PE for KLCON increased from 12.1x to 12.7x YTD, though this was only with the help of Gamuda, without which it would have been flat

Figure 11

PE trends for KLCON and KLCON-ex Gamuda



Source: CLSA, Bloomberg

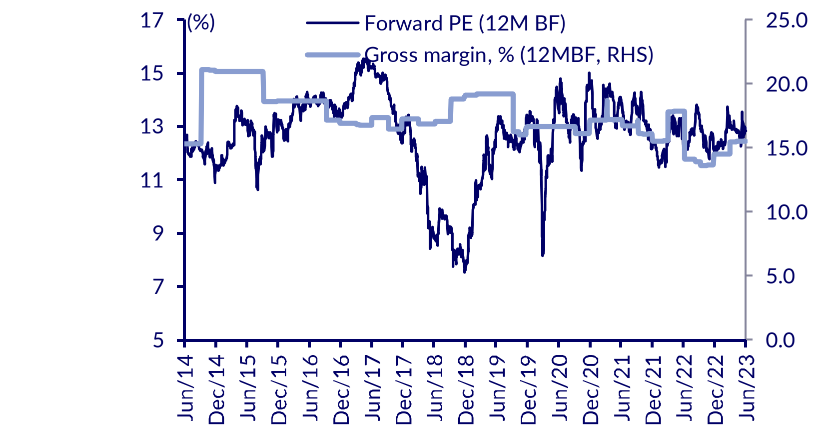
Recovery in PE multiple of sector is supportable by recovering margins

As in our earlier 1H23 outlook in *Malaysia Infrastructure (Making every sen count)*, we had highlighted then that margin recovery was uneven, as part of our neutral view. From here, as operating conditions improve, we believe so too would margins to support PE expansion. Sector PE (blended,12-month) is at 12.7x, rising from 12.1x in YTD2023 (fig 11). But if we were just to exclude Gamuda, we estimate KLCON would have been just marginally lower YTD, which in our view is largely explainable by the lukewarm job environment locally.

Forward-looking gross margins for the sector seem to be on a recovery trajectory

Figure 12

KLCON forward PE (Bloomberg) and gross margins



Source: CLSA, Listed companies

Gamuda is our top pick

Given our view that LRT in Penang is likely one of the beneficiaries emerging from state elections, and with more clarity on funding from federal government, we are now comfortable to introduce the earnings for the Penang LRT. We earlier calculated in *Malaysia infrastructure (Off the backburner) to be* c3% increase to PATMI. Beyond local shores, near term catalyst for Gamuda could also include the Suburban Rail Loop in Australia, where Gamuda is in a three-horse race, the results of its submitted bid which should be known by 3Q23. So far its execution in Australia has been on track, though we think the litmus test will be when the tunnelling work commences.

Link to recent research: *Gamuda - O-PF (Volume game)*

Also upgrade IJM to BUY


CLSA Gamuda
RM4.14 - OUTPERFORM
Volume game

We also upgrade IJM to BUY, mainly on share price decline (-5% YTD), and is viewed to be a laggard. Under new CEO, we believe IJM has laid down plans to further improve synergistic businesses, such as venturing into logistics play which could also better optimise unused land. Catalysts would include stronger Kuantan port throughput, which could hinge on overall export volumes at Alliance Steel mill. Separately, improving competitive dynamics, especially in buildings awards may lead to better margins and could also help lift the stock.

Key risks to our call

Government will also have the opportunity to review the 5-year 12th Malaysia plan which will be scheduled for tabling in the parliament in October, in case of any projects requiring modification. We watch out for the high speed rail project. At this juncture, we haven't given any benefit to the high speed rail. The government is willing to accept private sector proposals, and it has yet to make any decision. However, the caveat that the government will not be funding the project may throw a spanner in the works for parties that may have to consider a concession business model or use significant balance sheet.

Summary of changes

IJM – upgrade to BUY

We have not made any changes to earnings. Our target price revision from RM1.83 to RM1.90 reflects a change in multiples for construction and industry segment that are closely related, where we increase to a 15x multiple for both.

Figure 13

IJM

Segment	Stake	Valuation method	Valuation (revised)	Valuation (previous)
RM mn				
	(%)			
Construction	100	PE (15x)	1,322	1,322
Concrete products	100	PE (15x)	900	720
Malaysia expressway concessions	Various	DCF	1,742	1,742
- Kuantan Port concession	60	DCF @ 8.4% WACC	1,058	1,058
Indian concession assets	20-100%	DCF @ 14% WACC	690	690
Property segment	100	IJM Land @ RNAV , 8.8% WACC; 10% haircut	3,343	3,343
Grupo Concesionario del Oeste	15	Market value	39	39
Revised gross asset value (RGAV)			9,094	8,914
Company level net cash/(debt)			(830)	(830)
Revised net asset value (RNAV)			8,264	8,084
No. of shares (m)			3,531	3,531
RNAV/share (RM)			2.34	2.29
Target price (RM) at 20% discount to RNAV			**1.90 (rounded)**	**1.83**

Source: CLSA

Gamuda – upgrade to BUY

For Gamuda, we have mainly factored in that its earnings would increase by 2%-3% from incorporating the Penang LRT, following positive news that the funding could be directly from the government for the c.RM9bn project. In addition, to the earnings increase, we also revert our construction segment PE to 15x which is commensurable with a more bullish cycle multiple, from 13.5x PE. The above results in the increase of our target price from RM4.35 to RM4.95.

Figure 14

Gamuda valuation

Segment	Basis	RM mn	SOTP Revised (RM mn)	SOTP Previous (RM mn)	Remarks
Construction	15x PE		8,227	6,858	15x PE (on average profit in FY24/FY25), from previously 13.5x
Property	12x PE		2,660	2,660	Discount of 40% applied (on average profit in forecast horizon)
Water supply O&M	DCF		686	686	Sungai Selangor 1and 3 O&M contract (80% stake)
Company level cash/(debt)+ investments			1,087	1,087	
SOTP			**12,660**	**11,291**	
Fully-diluted no. of shares (m)			2,579	2,579	
Target Price (RM)			**4.95** (rounded)	**4.35**	

Source: CLSA

Figure 15

Earnings changes

		31Jul21	31Jul22	31Jul23	31Jul24	31Jul25
Revenue (RM mn)	Revised	3,517	5,163	6,820	11,340	12,540
	Previous	3,517	5,163	6,820	11,012	11,994
	Change	0%	0%	0%	3%	5%
PATMI (RM mn)	Revised	588	779	686	1,015	1,089
	Previous	588	779	686	997	1,053
	Change	0%	0%	0%	2%	3%

Source: CLSA

Valuation details - Gamuda Bhd GAM MK

We value Gamuda's construction division based on 13.5x sustainable earnings and apply 12x sustainable earnings for its local property project, with a 40% discount. We use DCF to value expressway and water supply operations and maintenance concessions. Our target price for Gamuda is based on an estimated fully diluted RNAV/share.

Investment risks - Gamuda Bhd GAM MK

Execution risk on construction projects could lead to cost overruns while a slowdown of the Vietnam economy could dampen demand for property launches in Hanoi and Ho Chi Minh City. We are concerned about EPS dilution from a potential increase in the employee share option scheme and warrants; we include these concerns in our valuation. Given its job concentration in large projects, Gamuda is exposed to policy risk. The ability to replenish jobs before the MRT2 civil works are complete is also a concern. A prolonged Covid-19 outbreak could reduce work efficiency.

Valuation details - IJM Corp Bhd IJM MK

Our valuation reflects PE-based valuations for IJM's construction and industrial divisions and an RNAV-based valuation for its property segment, with an 8.8% WACC and DCF for its concessionaire stakes as well as a discount of 20%.

Investment risks - IJM Corp Bhd IJM MK

With a near-record-high order book, the key risk is execution of projects to ensure profitability and completion according to schedule. Slower property demand due to weaker consumer sentiment has affected IJM's property sales, and the risks are a sustained slowdown or further margin pressure. Rising labour costs could put pressure on construction profit margins. Regulatory risks related to toll-road and port concessions are not uncommon. Prolonged Covid-19 could also hinder operating efficiency.

Companies mentioned

Advancecon (N-R)
AQRS (AQRS MK - RM0.28 - O-PF)
Bina Puri (N-R)
Econpile (N-R)
Eversendai (N-R)
Gadang (N-R)
Gamuda (GAM MK - RM4.22 - BUY)
GDB Holdings (N-R)
George Kent (N-R)
Grupo Concesionario del Oeste (N-R)
Hock Seng Lee (N-R)
IJM (IJM MK - RM1.50 - BUY)
Kerjaya Prospeck (N-R)
Kimlun (N-R)
MGB (N-R)
Muhibbah (N-R)
SunCon (SCGB MK - RM1.60 - O-PF)
TRC Synergy (N-R)
WCT (N-R)

Analyst certification

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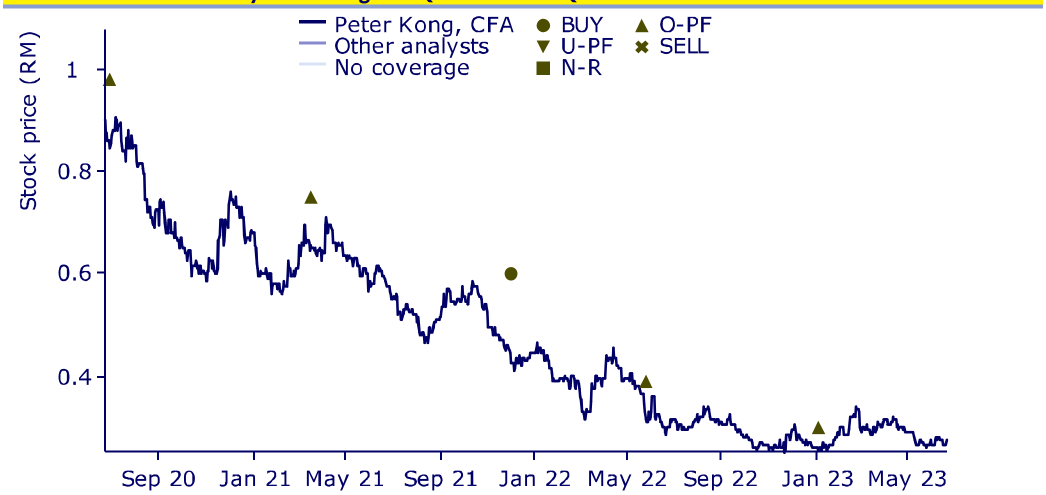
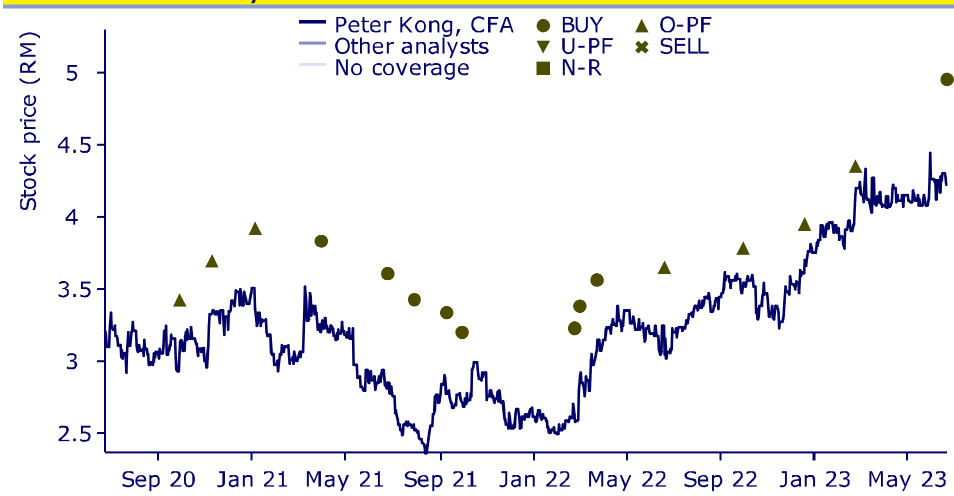
Recommendation history of Gabungan AQRS Berhad AQRS MK



Date	Rec	Target	Date	Rec	Target
05 Jan 2023	O-PF	0.30	17 Mar 2021	O-PF	0.75
26 May 2022	O-PF	0.39	29 Jun 2020	O-PF	0.98
02 Dec 2021	BUY	0.60			

Source: CLSA

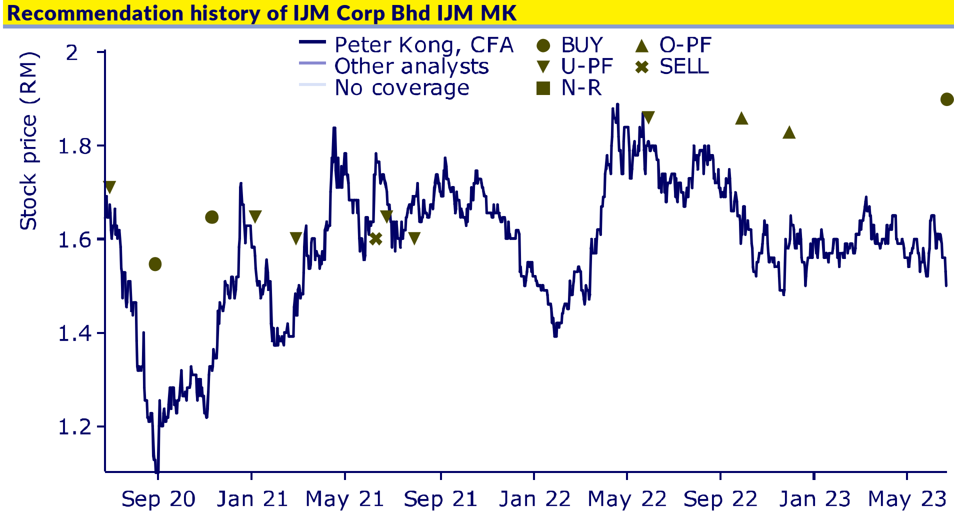
Recommendation history of Gamuda Bhd GAM MK



Date	Rec	Target	Date	Rec	Target
LATEST	BUY	4.95	30 Sep 2021	BUY	3.20*
23 Feb 2023	O-PF	4.35	10 Sep 2021	BUY	3.33*
19 Dec 2022	O-PF	3.95	30 Jul 2021	BUY	3.42*
30 Sep 2022	O-PF	3.79*	25 Jun 2021	BUY	3.61*
20 Jun 2022	O-PF	3.65*	31 Mar 2021	BUY	3.83*
24 Mar 2022	BUY	3.56*	04 Jan 2021	O-PF	3.92*
02 Mar 2022	BUY	3.38*	09 Nov 2020	O-PF	3.70*
23 Feb 2022	BUY	3.23*	28 Sep 2020	O-PF	3.42*

Source: CLSA; * Adjusted for corporate action

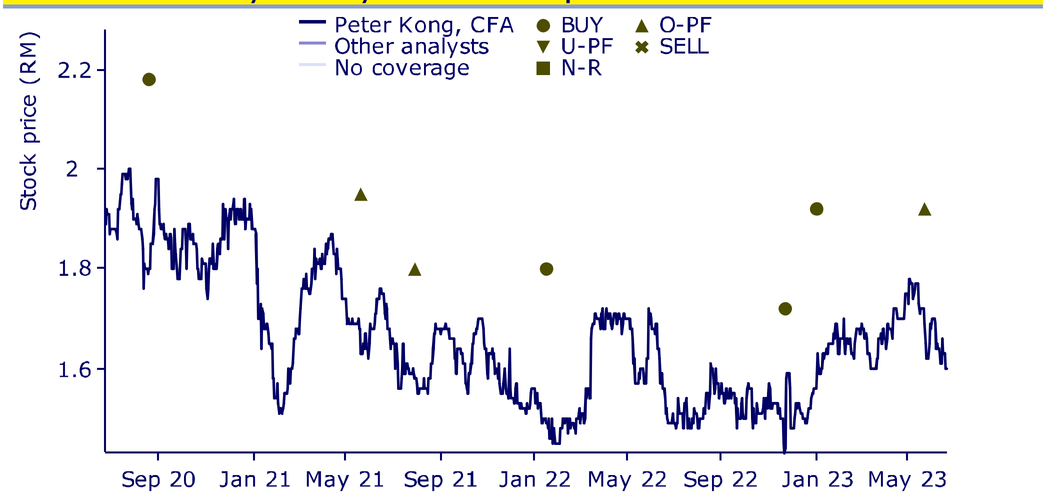
Recommendation history of IJM Corp Bhd IJM MK



Date	Rec	Target	Date	Rec	Target
LATEST	BUY	1.90	10 Jun 2021	SELL	1.60*
29 Nov 2022	O-PF	1.83	26 Feb 2021	U-PF	1.60*
28 Sep 2022	O-PF	1.86	04 Jan 2021	U-PF	1.65*
30 May 2022	U-PF	1.86	09 Nov 2020	BUY	1.65*
30 Jul 2021	U-PF	1.60*	27 Aug 2020	BUY	1.55*
24 Jun 2021	U-PF	1.65*	29 Jun 2020	U-PF	1.71*

Source: CLSA; * Adjusted for corporate action

Recommendation history of Sunway Construction Group Bhd SCGB MK



Date	Rec	Target	Date	Rec	Target
23 May 2023	O-PF	1.92	30 Jul 2021	O-PF	1.80
03 Jan 2023	BUY	1.92	21 May 2021	O-PF	1.95
23 Nov 2022	BUY	1.72	19 Aug 2020	BUY	2.18
17 Jan 2022	BUY	1.80			

Source: CLSA

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