CLSA

SunCon

RM6.09 - UNDERPERFORM

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22 August 2025

Malaysia
Infrastructure

Reuters	SCOG.KL
Bloomberg	SCGB MK

Priced on 22 August 2025
KLSE Comp @ 1,597.5

12M hi/lo	RM6.16/3.29
12M price target	RM5.21
±% potential	-14%
Shares in issue	1,297.9m
Free float (est.)	45.6%
Market cap	US$1.9bn
3M ADV	US$9.3m
Foreign s'holding	3.0%

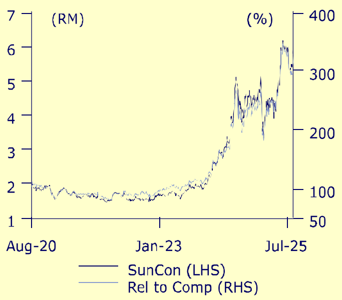
Major shareholders
Sunway Berhad 54.4%
Sungei Way Corp Sdn Bhd 10.1%

Blended ESG Score (%)*	
Overall	66.6
Country average	57.2
GEM sector average	61.0

*Click to visit company page on clsa.com for details

Stock performance (%)

	1M	3M	12M
Absolute	14.3	18.3	43.6
Relative	8.7	13.0	47.6
Abs (US$)	14.4	19.5	48.8



Source: Bloomberg

Strong showing in 2QFY25

Orderbook replenishment a key risk

Sunway Construction (SunCon) reported robust core net profit of RM176.3m for 1HFY25, accounting for 58.6%/58.2% of CLSA/consensus full-year estimates. With data centre (DC) related projects advancing to later stages, we anticipate increased contribution from this segment moving forward. To drive earnings growth, SunCon must secure substantially more construction work beyond its current quarterly burn rate of RM1.4bn. We lift our 2025/26/27 net profit estimates by 7.0%/7.0%/6.3% on higher margin expectations, raising our target price from RM4.90 to RM5.21 while maintaining our U-PF rating.

Change in target price

Outstanding orderbook of RM6.7bn as of 1HFY25

SunCon reported robust 1HFY25 results, with 173% YoY growth in net profit, primarily due to accelerated progress in DC projects. The construction pretax margin for 2Q stood at 8.5%, and management aims to either maintain or improve this margin. According to management, 2H revenue might be a little softer. The precast concrete segment faced delays from the major HDB contractors in Singapore, resulting in a YoY decline of 36% in revenue and 53% in net profit for the period. The company declared a second interim dividend of 7.25 sen, bringing YTD25 dividend per share to 12.25 sen, representing a payout ratio of 100%. It intends to maintain this payout ratio.

Active RM14.8bn tenderbook, with over 760MW worth of DC tender

Management aims to replenish RM4.5-6.0bn of its orderbook this year and is targeting to secure at least two new clients in the DC space. The Malaysia Anti-Corruption Commission (MACC) investigation is behind them (*link*).

DC outlook still strong, infra projects also set to open tender soon

Management believes that the DC story remains strong, with players expanding beyond Johor. Major infrastructure projects such as the Penang International Airport expansion and the Penang LRT second phase are expected to open tenders by the end of 2025. Additionally, the company is eyeing the MRT 3 project, which is expected to open tender sometime 2H26.

We raise our TP to RM5.21 but maintain our U-PF rating

We raise our TP from RM4.90 to RM5.21 after lifting our earnings estimates while maintaining our 21x 2025 PE fair value for the construction business. We maintain our U-PF rating; we expect little top-line growth over 26-27CL as the company will need RM1.4bn worth of orders per quarter just to maintain its earnings.

Financials

Year to 31 December	**23A**	**24A**	**25CL**	**26CL**	**27CL**
Revenue (RMm)	2,671	3,522	5,360	5,409	5,545
Rev forecast change (%)	-	-	0.0	0.0	0.0
Net profit (RMm)	145	187	322	325	331
NP forecast change (%)	-	-	7.0	7.0	6.3
EPS (sen)	11.2	14.5	24.8	25.1	25.5
CL/consensus (14) (EPS%)	-	-	108	96	94
EPS growth (% YoY)	7.3	29.1	71.4	0.9	1.8
PE (x)	54.2	42.0	24.5	24.3	23.9
Dividend yield (%)	1.0	1.4	4.1	4.1	4.2
ROE (%)	18.6	22.0	36.7	37.1	37.7
Net debt/equity (%)	60.8	(21.9)	65.6	69.9	73.8

Source: www.clsa.com

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Great
Solid
Meh

 For important disclosures please refer to page 13.

Click to rate this research

Great

Solid

Meh

Financials at a glance

Year to 31 December	2023A	2024A	2025CL	(% YoY)	2026CL	2027CL
Profit & Loss (RMm)						
Revenue	**2,671**	**3,522**	**5,360**	*52.2*	**5,409**	**5,545**
Cogs (ex-D&A)	(2,426)	(3,242)	(4,924)		(4,943)	(5,067)
Gross Profit (ex-D&A)	**245**	**279**	**436**	*55.9*	**466**	**478**
SG&A and other expenses	0	-	-		-	-
Op Ebitda	**245**	**279**	**436**	*55.9*	**466**	**478**
Depreciation/amortisation	(21)	(17)	(26)		(29)	(32)
Op Ebit	**224**	**262**	**409**	*56.2*	**437**	**446**
Net interest inc/(exp)	(21)	11	(7)		(30)	(32)
Other non-Op items	(14)	0	0	*5*	0	0
Profit before tax	**189**	**273**	**403**	*47.7*	**407**	**414**
Taxation	(43)	(76)	(81)		(81)	(83)
Profit after tax	**146**	**197**	**322**	*63.7*	**325**	**331**
Minority interest	(1)	(10)	0		0	0
Net profit	**145**	**187**	**322**	*72.5*	**325**	**331**
Adjusted profit	**145**	**187**	**322**	*72.5*	**325**	**331**
Cashflow (RMm)	**2023A**	**2024A**	**2025CL**	***(% YoY)***	**2026CL**	**2027CL**
Operating profit	**224**	**262**	**409**	*56.2*	**437**	**446**
Depreciation/amortisation	21	17	26	*51.6*	29	32
Working capital changes	(155)	535	(777)		(20)	(19)
Other items	(390)	(98)	(87)		(111)	(115)
Net operating cashflow	**(299)**	**717**	**(429)**		**335**	**345**
Capital expenditure	(19)	(9)	(70)		(50)	(50)
Free cashflow	**(318)**	**708**	**(499)**		**285**	**295**
M&A/Others	(44)	148	0		0	0
Net investing cashflow	**(63)**	**139**	**(70)**		**(50)**	**(50)**
Increase in loans	408	(188)	70		70	70
Dividends	(71)	(116)	(322)		(325)	(331)
Net equity raised/other	0	0	0		-	0
Net financing cashflow	**337**	**(303)**	**(252)**		**(255)**	**(261)**
Incr/(decr) in net cash	(25)	552	(751)		29	33
Exch rate movements	1	0	-		-	-
Balance sheet (RMm)	**2023A**	**2024A**	**2025CL**	***(% YoY)***	**2026CL**	**2027CL**
Cash & equivalents	384	936	185	*(80.2)*	214	248
Accounts receivable	1,410	1,843	3,230	*75.3*	3,260	3,342
Other current assets	445	143	143	*0*	143	143
Fixed assets	98	85	129	*51.3*	150	168
Investments	736	225	225	*0*	225	225
Intangible assets	1	0	0		0	0
Other non-current assets	9	364	364	*0*	364	364
Total assets	**3,083**	**3,596**	**4,276**	*18.9*	**4,356**	**4,489**
Short-term debt	438	731	731	*0*	731	731
Accounts payable	1,240	1,913	2,523	*31.9*	2,533	2,596
Other current liabs	24	13	13	*0*	13	13
Long-term debt/CBs	488	-	70		140	210
Provisions/other LT liabs	1	1	1	*0*	1	1
Shareholder funds	820	878	878	*0*	878	878
Minorities/other equity	72	61	61	*0*	61	61
Total liabs & equity	**3,083**	**3,596**	**4,276**	*18.9*	**4,356**	**4,489**
Ratio analysis	**2023A**	**2024A**	**2025CL**	***(% YoY)***	**2026CL**	**2027CL**
Revenue growth (% YoY)	23.9	31.8	52.2		0.9	2.5
Ebitda margin (%)	9.2	7.9	8.1		8.6	8.6
Ebit margin (%)	8.4	7.4	7.6		8.1	8.0
Net profit growth (%)	7.3	28.8	72.5		0.9	1.8
Op cashflow growth (% YoY)	nm	nm	(159.8)		nm	3.1
Capex/sales (%)	0.7	0.3	1.3		0.9	0.9
Net debt/equity (%)	60.8	(21.9)	65.6		69.9	73.8
Net debt/Ebitda (x)	2.2	-	1.4		1.4	1.4
ROE (%)	18.6	22.0	36.7		37.1	37.7
ROIC (%)	31.3	31.3	35.6		25.9	25.7

Source: www.clsa.com

Strong showing in 2Q25

Figure 1

SunCon: 2Q/1HFY25 results table

RMm (FYE Dec)	2Q25	2Q24	YoY	1Q25	QoQ	1H25	1H24	YoY
Revenue	1,476.9	651.2	127%	1,400.5	5%	2,877.4	1,256.0	129%
OPEX	(1,363.3)	(601.4)	127%	(1,295.9)	5%	(2,659.2)	(1,166.0)	128%
Other op income	4.0	1.6	149%	4.8	(18%)	8.8	16.1	(45%)
Net impairment losses on financial assets	(3.0)	1.2	(351%)	0.0	(8208%)	(3.0)	(0.4)	632%
Op profit	**114.6**	**52.7**	**118%**	**109.5**	**5%**	**224.1**	**105.7**	**112%**
Finance & Other income	18.0	15.3	17%	14.3	26%	32.2	20.1	61%
Finance costs	(12.8)	(17.8)	(28%)	(12.9)	(1%)	(25.7)	(34.0)	(24%)
Share of Associates	-	-	n.a.	-	n.a.	-	-	n.a.
Share of JV	2.9	-	n.a.	2.3	24%	5.2	-	n.a.
PBT	**122.6**	**50.2**	**144%**	**113.2**	**8%**	**235.8**	**91.9**	**157%**
Tax	(28.4)	(12.4)	128%	(27.5)	3%	(55.9)	(21.4)	161%
Net profit	**94.2**	**37.8**	**150%**	**85.7**	**10%**	**180.0**	**70.5**	**155%**
MI	(10.3)	1.1	(1039%)	(10.0)	3%	(20.4)	0.8	(2673%)
Net Profit after Minority Interests	**83.9**	**38.9**	**116%**	**75.7**	**11%**	**159.6**	**71.3**	**124%**
EI	10.2	(1.7)	(708%)	6.5	56%	16.7	(6.8)	(348%)
Core net profit	**94.1**	**37.2**	**153%**	**82.3**	**14%**	**176.3**	**64.5**	**173%**
Margins								
Op profit	7.8%	8.1%	(0.3%)	7.8%	(0.1%)	7.8%	8.4%	(0.6%)
PBT	8.3%	7.7%	0.6%	8.1%	0.2%	8.2%	7.3%	0.9%
Core Net Profit	6.4%	5.7%	0.7%	5.9%	0.5%	6.1%	5.1%	1.0%
Segmental Breakdown								
Revenue								
Construction	1,433.5	597.6	140%	1,369.9	5%	2,803.4	1,141.2	146%
Precast Concrete	43.4	53.6	(19%)	30.6	42%	74.0	114.9	(36%)
Total	**1,476.9**	**651.2**	**127%**	**1,400.5**	**5%**	**2,877.4**	**1,256.0**	**129%**
PBT								
Construction	121.4	46.9	159%	112.0	8%	233.4	84.7	175%
Precast Concrete	1.2	3.3	(64%)	1.2	(2%)	2.5	7.1	(65%)
Total	**122.6**	**50.2**	**144%**	**113.2**	**8%**	**235.8**	**91.9**	**157%**
Segmental PBT Margins								
Construction	8.5%	7.8%	0.6%	8.2%	0.3%	8.3%	7.4%	0.9%
Precast Concrete	2.8%	6.2%	(3.4%)	4.1%	(1.3%)	3.3%	6.2%	(2.9%)
Net Profit after Minority interests								
Construction	82.8	36.8	125%	74.7	11%	157.5	66.9	136%
Precast Concrete	1.1	2.1	(50%)	1.0	2%	2.1	4.4	(53%)
Total	**83.9**	**38.9**	**116%**	**75.7**	**11%**	**159.6**	**71.3**	**124%**
Segmental Net Profit Margins								
Construction	5.8%	6.2%	(0.4%)	5.5%	0.3%	5.6%	5.9%	(0.2%)
Precast Concrete	2.4%	3.9%	(1.5%)	3.4%	(0.9%)	2.8%	3.8%	(1.0%)

Source: CLSA, Company

Outstanding orderbook of RM6.7bn as of 1HFY25

Figure 2

SunCon: Outstanding orderbook as of June 2025

As at June 2025			
RMm	**Completion**	**Contract Sum**	**O/S Orderbook (1H25)**
Building			
Oxley Tower (MEP) + VO	3Q25	73	6
DAISO	2Q26	285	108
Data Centre			
JHB1X0 - Data Centre & TIW	1Q26	3,806	580
JHB1X0 - TIW - Add	1Q26	238	238
Early Contractor Involvement & Enabling Works - MNC*	3Q25	160	5
General Contractor Works - MNC	1Q27	1,155	1,150
Site Early Works - Shell 2 - MNC	1Q26	89	89
PSR - MNC	2Q27	778	548
K2 Building 4 + VO	1Q26	458	398
Infrastructure/Piling			
RTS Link Package 1B and Package 5	2Q25	558	48
India			
Thorapalli - Jittandahalli (TJ)	2Q25	508	182
Sustainable Energy			
CGPP - Green	4Q25	37	11
Singapore			
Precast	VARIOUS	758	582
New Order 2025 - External	VARIOUS	285	285
Internal - Sunway Group			
Sunway Square - Superstructure + (VO)	4Q25	1,067	274
Sunway Flora	1Q26	277	56
SunMed PH2 - Fit-Out	3Q25	70	22
Sunway Ipoh Mall	1Q27	721	608
SunMed PH3 -Fit-Out	2Q26	80	76
SunMed Damansara PH2 Fit-Out	2Q25	9	2
RTS Transit Oriented Development Project (RTS TOD)	4Q27	1,500	1,451
	Grand Total	**12,912**	**6,719**
	Secured in 2025	**3,806**	**3,615**

Source: Company | *included variation order secured in 2025

Figure 3

SunCon: New orderbook wins YTD 2025

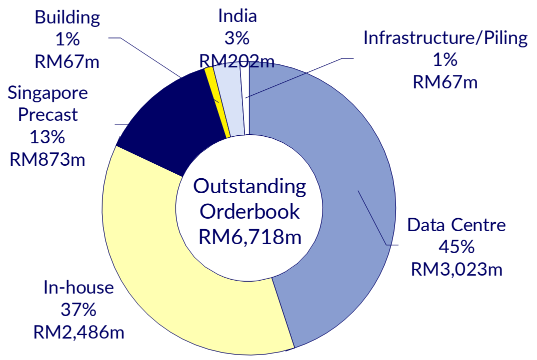
As at June 2025

Projects (2025 New Awards)	Client	Completion Date	Contract Sum (RMm)
JHB1X0 - Tenant Improvement Works	YellowWood Properties Sdn Bhd	Feb-26	167
Bedok N*C14	LS Construction Pte Ltd	Dec-26	73
K2 Building 4	K2 Strategic Infrastructure Malaysia Sdn Bhd	Mar-26	393
RTS TOD Project	Sunway Integrated Properties Sdn Bhd	Nov-27	1,500
ECI & Enabling Works - Package A	Multinational Technology Company	Apr-25	50
ECI & Enabling Works - Package B	Multinational Technology Company	Apr-25	31
Secured in 1Q 2025			**2,214**
JHB1X0 - Tenant Improvement Works	YellowWood Properties Sdn Bhd	Feb-26	71
General Contractor Works - Package A	Multinational Technology Company	Feb-27	579
General Contractor Works - Package B	Multinational Technology Company	Feb-27	576
K2 Building 4 - VO	K2 Strategic Infrastructure Malaysia Sdn Bhd	Mar-26	65
Jurong West N1C34	Lim Wen Heng Construction Pte Ltd	Jun-28	25
Kallang Whampoa C76	LS Construction Pte Ltd	Apr-28	39
LPS Term Contract Batch 16	Housing and Development Board	Jan 28	87
Site Early Works - Shell 2 - Package A	Multinational Technology Company	Jan-26	44
Site Early Works - Shell 2 - Package B	Multinational Technology Company	Jan-26	45
Project CJ	Lian Beng Construction (1988) Pte Ltd	Aug 27	61
Secured in 2Q 2025			**1,592**
Total as at August 2025			**3,806**

Source: Company, CLSA

Figure 4

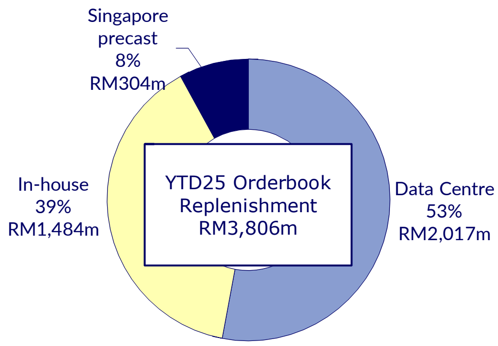
SunCon: Outstanding orderbook



Source: CLSA, Company

Figure 5

SunCon: YTD 2025 orderbook wins

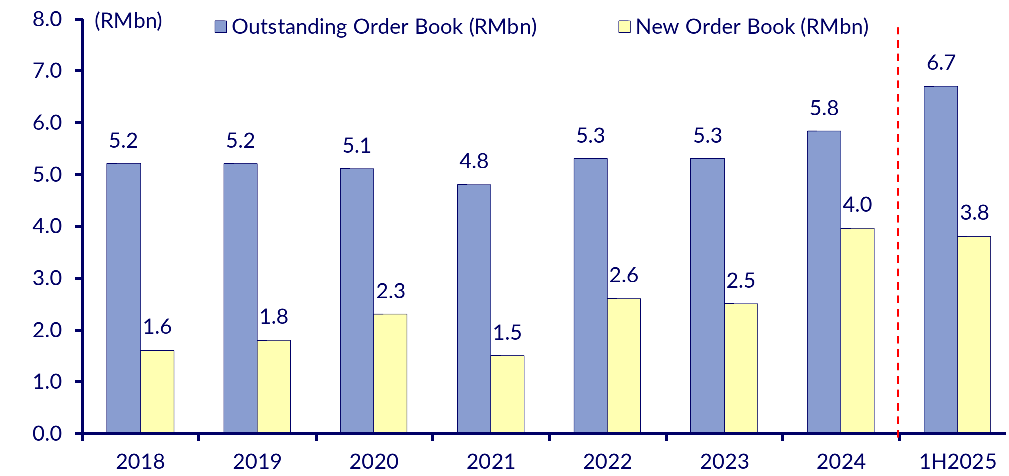


Source: CLSA, Company

FY2025 is set to surpass previous years in terms of both outstanding orderbook and new order book

Figure 6

SunCon: Historical outstanding and new orderbook



Source: CLSA, Company

We raise our TP to RM5.21, but maintain our U-PF rating

Figure 7

Summary earnings changes

		2023	2024	25CL	26CL	27CL
Revenue (RMm)	**Revised**	**2,671**	**3,522**	**5,360**	**5,409**	**5,545**
	Previous	2,671	3,522	5,360	5,409	5,545
	Change	*n.a.*	*n.a.*	*0.0%*	*0.0%*	*0.0%*
Net profit (RMm)	**Revised**	**145**	**187**	**322**	**325**	**331**
	Previous	145	187	301	304	312
	Change	*n.a.*	*n.a.*	*7.0%*	*7.0%*	*6.3%*

Source: CLSA

We raise our target price on revision of 25CL earnings and adjusting SunCon's share base

Figure 8

SunCon: Valuation table

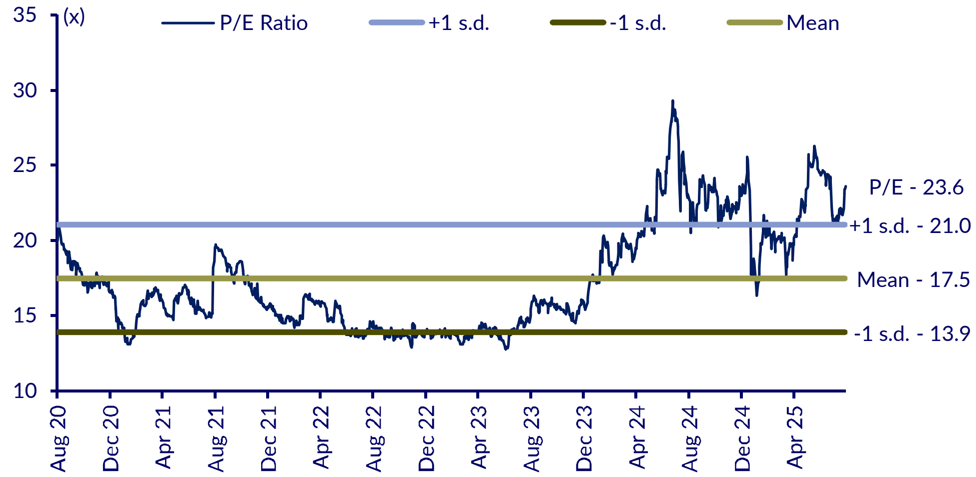
PE valuation	**NEW**	**OLD**
Earnings (25CL) RMm	322	301
Multiple applied (x)	21	21
Total for construction + precast (RMm)	6,762	6,330
Number of shares (unit million)	1,298	1,289
Value per share/TP (RM)	**5.21**	**4.90**

Source: CLSA

SunCon is currently trading at a FY25 forward PE of 23.6x

Figure 9

SunCon: Five-year forward PE band



Source: CLSA, Bloomberg

Figure 10

Peer comp table (as of 22 August 2025)

Name	Sh. Pr. (RM)	Mkt Cap (US$m)	3M ADTO (US$m)	PE (x)		PB (x)		EV/EBITDA (x)		Div. Yld. (%)		EPS Growth (%)		ROE (%)	
				2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026
SunCon	6.09	1,817	9.3	24.5	24.3	9.0	9.0	19.2	18.0	4.1	4.1	71.4	0.9	36.7	37.1
Gamuda*	5.70	7,825	24.7	32.2	24.1	2.3	2.2	24.5	18.6	2.5	2.5	5.1	33.8	8.2	10.5
IJM**	2.90	2,416	4.3	23.9	21.7	1.0	1.0	7.9	12.4	2.8	2.8	(29.2)	10.2	4.1	4.5

Source: CLSA | *Gamuda FYE 31 July, ** IJM FYE 31 March

Investment thesis

SunCon has done well to grow its orderbook to RM7bn despite the lack of government infrastructure jobs. However, at around 20x 2025 PE we think the stock is not compelling at this point in time.

Catalysts

We expect construction orderbook wins to be in line with our forecasts, at a replenishment rate of RM4.5bn per annum in 2025-26.

Valuation details

Our target price is derived from 21.0x 25CL earnings, which is 1SD over its long-term mean. The 61% EPS growth we are forecasting in 2025 justifies this. We expect the bulk of revenue recognition to come from data centres in FY25, with earnings relatively flat for 26CL and 27CL.

Investment risks

The key upside risk is higher than expected construction orderbook wins. Management is guiding between RM4.5-6.0bn in annual orderbook replenishment, and we believe that the company is on track to meet this in FY25. The bulk of construction orderbook wins will mainly come from data centre contracts, while internal projects such as the Bukit Chagar RTS mixed-development project will continue to support the remainder of construction orderbook.

Detailed financials

Profit & Loss (RMm)

Year to 31 December	2021A	2022A	2023A	2024A	2025CL	2026CL	2027CL
Revenue	**1,729**	**2,155**	**2,671**	**3,522**	**5,360**	**5,409**	**5,545**
Cogs (ex-D&A)	(1,562)	(1,945)	(2,426)	(3,242)	(4,924)	(4,943)	(5,067)
Gross Profit (ex-D&A)	**167**	**210**	**245**	**279**	**436**	**466**	**478**
Research & development costs	-	-	-	-	-	-	-
Selling & marketing expenses	-	-	-	-	-	-	-
Other SG&A	-	-	-	-	-	-	-
Other Op Expenses ex-D&A	-	-	-	-	-	-	-
Op Ebitda	**167**	**210**	**245**	**279**	**436**	**466**	**478**
Depreciation/amortisation	(27)	(24)	(21)	(17)	(26)	(29)	(32)
Op Ebit	**139**	**187**	**224**	**262**	**409**	**437**	**446**
Interest income	13	14	26	76	25	5	5
Interest expense	(5)	(18)	(48)	(65)	(32)	(35)	(38)
Net interest inc/(exp)	8	(4)	(21)	11	(7)	(30)	(32)
Associates/investments	5	2	(14)	0	0	0	0
Forex/other income	-	-	-	-	-	-	-
Asset sales/other cash items	-	-	-	-	-	-	-
Provisions/other non-cash items	-	-	-	-	-	-	-
Asset revaluation/Exceptional items	-	-	-	-	-	-	-
Profit before tax	**152**	**184**	**189**	**273**	**403**	**407**	**414**
Taxation	(41)	(45)	(43)	(76)	(81)	(81)	(83)
Profit after tax	**111**	**139**	**146**	**197**	**322**	**325**	**331**
Preference dividends	-	-	-	-	-	-	-
Profit for period	**111**	**139**	**146**	**197**	**322**	**325**	**331**
Minority interest	2	(4)	(1)	(10)	0	0	0
Net profit	**113**	**135**	**145**	**187**	**322**	**325**	**331**
Extraordinaries/others	0	0	0	0	0	0	0
Profit avail to ordinary shares	113	135	145	187	322	325	331
Dividends	(68)	(71)	(78)	(110)	(322)	(325)	(331)
Retained profit	45	64	68	77	0	0	0
Adjusted profit	**113**	**135**	**145**	**187**	**322**	**325**	**331**
EPS (sen)	8.7	10.5	11.2	14.5	24.8	25.1	25.5
Adj EPS [pre excep] (sen)	8.7	10.5	11.2	14.5	24.8	25.1	25.5
Core EPS (sen)	8.7	10.5	11.2	14.5	24.8	25.1	25.5
DPS (sen)	5.3	5.5	6.0	8.5	24.8	25.1	25.5

Profit & loss ratios

Year to 31 December	2021A	2022A	2023A	2024A	2025CL	2026CL	2027CL
Growth (%)							
Revenue growth (% YoY)	11.4	24.6	23.9	31.8	52.2	0.9	2.5
Ebitda growth (% YoY)	34.6	26.0	16.7	13.9	55.9	6.9	2.7
Ebit growth (% YoY)	54.0	33.8	20.2	16.9	56.2	6.6	2.2
Net profit growth (%)	54.7	20.1	7.3	28.8	72.5	0.9	1.8
EPS growth (% YoY)	54.7	20.1	7.3	29.1	71.4	0.9	1.8
Adj EPS growth (% YoY)	54.7	20.1	7.3	29.1	71.4	0.9	1.8
DPS growth (% YoY)	31.3	4.8	9.1	41.7	192.3	0.9	1.8
Core EPS growth (% YoY)	54.7	20.1	7.3	29.1	71.4	0.9	1.8
Margins (%)							
Gross margin (%)	9.6	9.8	9.2	7.9	8.1	8.6	8.6
Ebitda margin (%)	9.6	9.8	9.2	7.9	8.1	8.6	8.6
Ebit margin (%)	8.1	8.7	8.4	7.4	7.6	8.1	8.0
Net profit margin (%)	6.5	6.3	5.4	5.3	6.0	6.0	6.0
Core profit margin	6.5	6.3	5.4	5.3	6.0	6.0	6.0
Op cashflow margin	13.8	(10.0)	(11.2)	20.4	(8.0)	6.2	6.2
Returns (%)							
ROE (%)	16.9	18.8	18.6	22.0	36.7	37.1	37.7
ROA (%)	5.4	6.9	6.5	5.7	8.3	8.1	8.1
ROIC (%)	39.1	47.7	31.3	31.3	35.6	25.9	25.7
ROCE (%)	16.3	20.9	19.3	24.2	35.8	27.7	27.7
Other key ratios (%)							
Effective tax rate (%)	27.3	24.6	22.7	27.8	20.0	20.0	20.0
Ebitda/net int exp (x)	-	50.7	11.4	-	65.7	15.4	14.8
Exceptional or extraord. inc/PBT (%)	-	-	-	-	-	-	-
Dividend payout (%)	60.3	52.6	53.4	58.6	100.0	100.0	100.0

Source: www.clsa.com

Balance sheet (RMm)

Year to 31 December	2021A	2022A	2023A	2024A	2025CL	2026CL	2027CL
Cash & equivalents	61	408	384	936	185	214	248
Accounts receivable	661	813	1,410	1,843	3,230	3,260	3,342
Inventories	46	53	46	43	43	43	43
Other current assets	247	363	399	100	100	100	100
Current assets	**1,015**	**1,637**	**2,239**	**2,922**	**3,559**	**3,618**	**3,733**
Fixed assets	125	108	98	85	129	150	168
Investments	724	488	736	225	225	225	225
Goodwill	0	0	0	0	0	0	0
Other intangible assets	0	0	1	0	0	0	0
Other non-current assets	1	3	9	364	364	364	364
Total assets	**1,864**	**2,236**	**3,083**	**3,596**	**4,276**	**4,356**	**4,489**
Short term loans/OD	93	172	438	731	731	731	731
Accounts payable	886	911	1,240	1,913	2,523	2,533	2,596
Accrued expenses	-	-	-	-	-	-	-
Taxes payable	7	7	19	13	13	13	13
Other current liabs	6	14	5	0	0	0	0
Current liabilities	**992**	**1,103**	**1,702**	**2,657**	**3,267**	**3,276**	**3,340**
Long-term debt/leases/other	145	309	488	-	70	140	210
Convertible bonds	-	-	-	-	-	-	-
Provisions/other LT liabs	10	3	1	1	1	1	1
Total liabilities	**1,147**	**1,415**	**2,191**	**2,658**	**3,338**	**3,418**	**3,551**
Share capital	259	259	259	259	259	259	259
Retained earnings	471	516	590	661	661	661	661
Reserves/others	(30)	(37)	(28)	(42)	(42)	(42)	(42)
Shareholder funds	**699**	**737**	**820**	**878**	**878**	**878**	**878**
Minorities/other equity	18	84	72	61	61	61	61
Total equity	**717**	**821**	**892**	**939**	**939**	**939**	**939**
Total liabs & equity	**1,864**	**2,236**	**3,083**	**3,596**	**4,276**	**4,356**	**4,489**
Total debt	238	481	926	731	801	871	941
Net debt	177	73	542	(206)	616	656	693
Adjusted EV	7,343	7,541	7,730	7,482	8,356	8,396	8,433
BVPS (sen)	54.1	57.0	63.6	68.1	67.6	67.6	67.6

Balance sheet ratios

Year to 31 December	2021A	2022A	2023A	2024A	2025CL	2026CL	2027CL
Key ratios							
Current ratio (x)	1.0	1.5	1.3	1.1	1.1	1.1	1.1
Growth in total assets (% YoY)	(2.2)	19.9	37.9	16.7	18.9	1.9	3.1
Growth in capital employed (% YoY)	8.8	0.0	60.4	(48.9)	112.1	2.6	2.3
Net debt to operating cashflow (x)	0.7	(0.3)	(1.8)	-	(1.4)	2.0	2.0
Gross debt to operating cashflow (x)	1.0	(2.2)	(3.1)	1.0	(1.9)	2.6	2.7
Gross debt to Ebitda (x)	1.4	2.3	3.8	2.6	1.8	1.9	2.0
Net debt/Ebitda (x)	1.1	0.3	2.2	-	1.4	1.4	1.4
Gearing							
Net debt/equity (%)	24.7	8.9	60.8	(21.9)	65.6	69.9	73.8
Gross debt/equity (%)	33.2	58.6	103.8	77.8	85.3	92.8	100.2
Interest cover (x)	33.2	11.1	5.2	5.2	13.6	12.7	12.0
Debt cover (x)	1.0	(0.4)	(0.3)	1.0	(0.5)	0.4	0.4
Net cash per share (sen)	(13.7)	(5.7)	(41.9)	16.0	(47.4)	(50.6)	(53.4)
Working capital analysis							
Inventory days	9.4	9.3	7.5	5.0	3.2	3.2	3.1
Debtor days	165.2	124.8	151.9	168.6	172.8	219.0	217.3
Creditor days	214.9	168.6	161.8	177.4	164.4	186.6	184.7
Working capital/Sales (%)	3.2	13.9	22.1	1.7	15.6	15.9	15.8
Capital employed analysis							
Sales/Capital employed (%)	193.4	241.1	186.3	480.5	344.9	339.2	339.9
EV/Capital employed (%)	821.3	843.7	539.0	1,021.0	537.7	526.5	516.9
Working capital/Capital employed (%)	6.1	33.4	41.3	8.2	53.9	53.8	53.7
Fixed capital/Capital employed (%)	13.9	12.0	6.8	11.7	8.3	9.4	10.3
Other ratios (%)							
PB (x)	11.3	10.7	9.6	8.9	9.0	9.0	9.0
EV/Ebitda (x)	44.0	35.9	31.5	26.8	19.2	18.0	17.6
EV/OCF (x)	30.8	(35.1)	(25.8)	10.4	(19.5)	25.1	24.5
EV/FCF (x)	36.0	(31.1)	(24.3)	10.6	(16.8)	29.5	28.6
EV/Sales (x)	4.2	3.5	2.9	2.1	1.6	1.6	1.5
Capex/depreciation (%)	127.0	114.1	89.9	53.3	267.3	171.3	155.3

Source: www.clsa.com

evalu@tor The Global Equities Database

Cashflow (RMm)

Year to 31 December	2021A	2022A	2023A	2024A	2025CL	2026CL	2027CL
Operating profit	139	187	224	262	409	437	446
Operating adjustments	0	0	0	0	0	0	0
Depreciation/amortisation	27	24	21	17	26	29	32
Working capital changes	(67)	(107)	(155)	535	(777)	(20)	(19)
Interest paid / other financial expenses	0	(4)	(21)	11	(7)	(30)	(32)
Tax paid	(29)	(51)	(32)	(89)	(81)	(81)	(83)
Other non-cash operating items	167	(264)	(337)	(20)	0	0	0
Net operating cashflow	239	(215)	(299)	717	(429)	335	345
Capital expenditure	(35)	(27)	(19)	(9)	(70)	(50)	(50)
Free cashflow	204	(242)	(318)	708	(499)	285	295
Acq/inv/disposals	(201)	(84)	(15)	29	-	-	-
Int, invt & associate div	62	719	(29)	119	-	-	-
Net investing cashflow	(174)	608	(63)	139	(70)	(50)	(50)
Increase in loans	(71)	49	408	(188)	70	70	70
Dividends	(52)	(90)	(71)	(116)	(322)	(325)	(331)
Net equity raised/others	-	0	0	0	0	-	0
Net financing cashflow	(122)	(42)	337	(303)	(252)	(255)	(261)
Incr/(decr) in net cash	(58)	351	(25)	552	(751)	29	33
Exch rate movements	0	(4)	1	0	-	-	-
Opening cash	118	61	408	384	936	185	214
Closing cash	61	408	384	936	185	214	248
OCF PS (sen)	18.5	(16.6)	(23.2)	55.6	(33.0)	25.8	26.6
FCF PS (sen)	15.8	(18.7)	(24.6)	54.9	(38.4)	21.9	22.7

Cashflow ratio analysis

Year to 31 December	2021A	2022A	2023A	2024A	2025CL	2026CL	2027CL
Growth (%)							
Op cashflow growth (% YoY)	171.9	(190.1)	nm	nm	(159.8)	nm	3.1
FCF growth (% YoY)	141.6	(218.8)	-	-	(170.5)	-	3.6
Capex growth (%)	926.2	(22.1)	(30.3)	(51.2)	659.7	(28.6)	0.0
Other key ratios (%)							
Capex/sales (%)	2.0	1.3	0.7	0.3	1.3	0.9	0.9
Capex/op cashflow (%)	14.6	(12.6)	(6.3)	1.3	(16.3)	14.9	14.5
Operating cashflow payout ratio (%)	28.4	-	-	15.3	-	97.2	96.1
Cashflow payout ratio (%)	28.4	-	-	15.3	-	97.2	96.1
Free cashflow payout ratio (%)	33.3	-	-	15.5	-	114.3	112.4

DuPont analysis

Year to 31 December	2021A	2022A	2023A	2024A	2025CL	2026CL	2027CL
Ebit margin (%)	8.1	8.7	8.4	7.4	7.6	8.1	8.0
Asset turnover (x)	0.9	1.1	1.0	1.1	1.4	1.3	1.3
Interest burden (x)	1.1	1.0	0.8	1.0	1.0	0.9	0.9
Tax burden (x)	0.7	0.8	0.8	0.7	0.8	0.8	0.8
Return on assets (%)	5.4	6.9	6.5	5.7	8.3	8.1	8.1
Leverage (x)	2.8	2.7	3.1	3.6	4.2	4.6	4.7
ROE (%)	16.9	18.8	18.6	22.0	36.7	37.1	37.7

EVA® analysis

Year to 31 December	2021A	2022A	2023A	2024A	2025CL	2026CL	2027CL
Ebit adj for tax	101	141	173	189	328	349	357
Average invested capital	260	295	554	604	920	1,351	1,390
ROIC (%)	39.1	47.7	31.3	31.3	35.6	25.9	25.7
Cost of equity (%)	10.9	10.9	10.9	10.9	10.9	10.9	10.9
Cost of debt (adj for tax)	3.6	3.8	3.9	3.6	4.0	4.0	4.0
Weighted average cost of capital (%)	10.9	10.9	10.9	10.9	10.9	10.9	10.9
EVA/IC (%)	28.2	36.8	20.4	20.4	24.7	15.0	14.8
EVA (RMm)	73	108	113	123	227	202	205

Source: www.clsa.com

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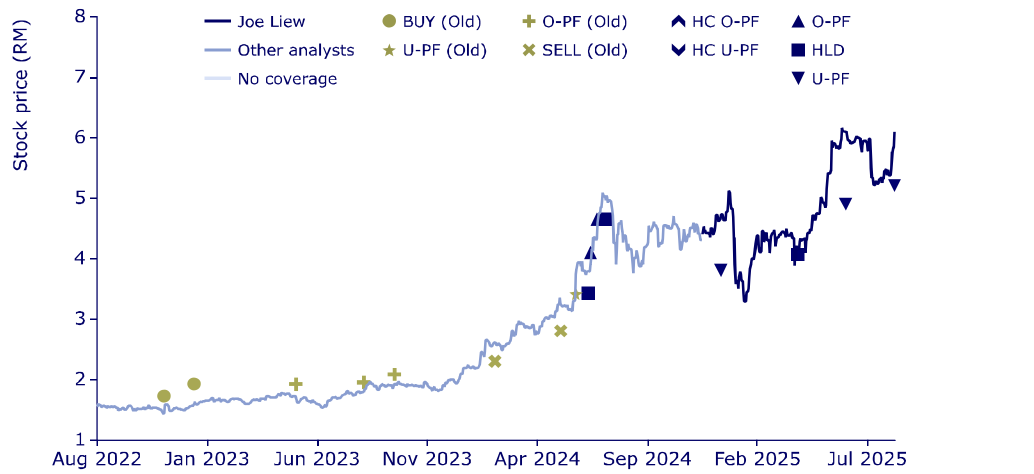
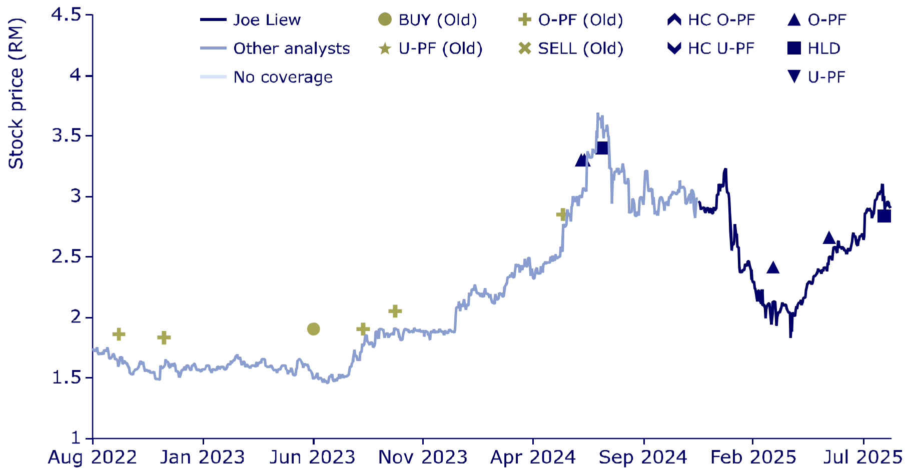
Recommendation history of Sunway Construction Group Bhd SCGB MK



Date	Rec	Target	Date	Rec	Target
LATEST	U-PF	5.21	11 Jun 2024	U-PF	3.42
16 Jun 2025	U-PF	4.90	21 May 2024	SELL	2.80
11 Apr 2025	HLD	4.06	21 Feb 2024	SELL	2.30
27 Dec 2024	U-PF	3.80	06 Oct 2023	O-PF	2.08
22 Jul 2024	HLD	4.65	24 Aug 2023	O-PF	1.95
10 Jul 2024	O-PF	4.65	23 May 2023	O-PF	1.92
01 Jul 2024	O-PF	4.10	03 Jan 2023	BUY	1.92
28 Jun 2024	HLD	3.42	23 Nov 2022	BUY	1.72

Note: At 6pm (HKT) on 28 June 2024, we changed our ratings to Outperform (O-PF), Hold (HLD) and Underperform (U-PF); and on 16 December 2024, we added the ratings: High-Conviction Outperform (HC O-PF) and High-Conviction Underperform (HC U-PF). Please see Key to CLSA/CLST investment rankings below for details. Source: CLSA

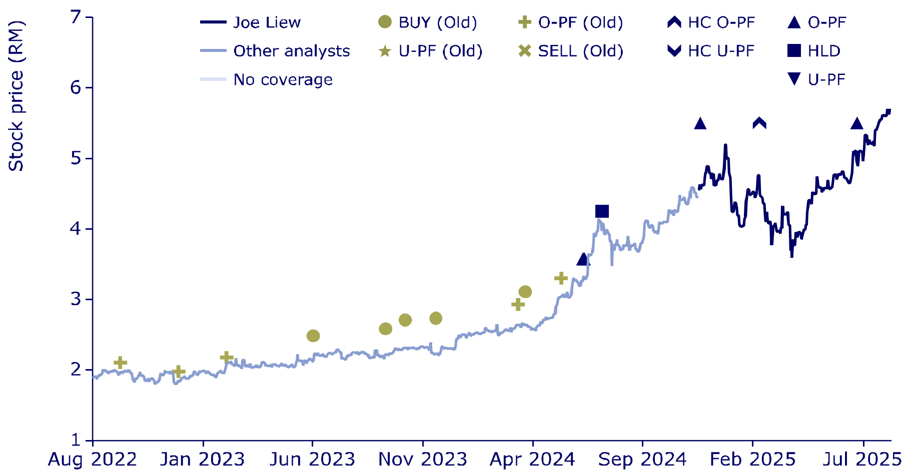
Recommendation history of IJM Corp Bhd IJM MK



Date	Rec	Target	Date	Rec	Target
14 Aug 2025	HLD	2.84	30 May 2024	O-PF	2.85
30 May 2025	O-PF	2.66	13 Oct 2023	O-PF	2.05
14 Mar 2025	O-PF	2.41	29 Aug 2023	O-PF	1.90
22 Jul 2024	HLD	3.40	22 Jun 2023	BUY	1.90
28 Jun 2024	O-PF	3.30	29 Nov 2022	O-PF	1.83
24 Jun 2024	O-PF	3.30	28 Sep 2022	O-PF	1.86

Note: At 6pm (HKT) on 28 June 2024, we changed our ratings to Outperform (O-PF), Hold (HLD) and Underperform (U-PF); and on 16 December 2024, we added the ratings: High-Conviction Outperform (HC O-PF) and High-Conviction Underperform (HC U-PF). Please see Key to CLSA/CLST investment rankings below for details. Source: CLSA

Recommendation history of Gamuda Bhd GAM MK



Date	Rec	Target	Date	Rec	Target
07 Jul 2025	O-PF	5.50	29 Mar 2024	O-PF	2.93*
23 Feb 2025	HC O-PF	5.50	07 Dec 2023	BUY	2.73*
04 Dec 2024	O-PF	5.50*	26 Oct 2023	BUY	2.70*
22 Jul 2024	HLD	4.25*	29 Sep 2023	BUY	2.58*
28 Jun 2024	O-PF	3.58*	22 Jun 2023	BUY	2.48*
26 Jun 2024	O-PF	3.58*	23 Feb 2023	O-PF	2.18*
27 May 2024	O-PF	3.30*	19 Dec 2022	O-PF	1.98*
08 Apr 2024	BUY	3.10*	30 Sep 2022	O-PF	2.10*

Note: At 6pm (HKT) on 28 June 2024, we changed our ratings to Outperform (O-PF), Hold (HLD) and Underperform (U-PF); and on 16 December 2024, we added the ratings: High-Conviction Outperform (HC O-PF) and High-Conviction Underperform (HC U-PF). Please see Key to CLSA/CLST investment rankings below for details. Source: CLSA; * Adjusted for corporate action

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According to the key to CLSA/CLST investment rankings effective from 16 December 2024: Overall rating distribution for CLSA (exclude CLST) only Universe: High-Conviction Outperform - CLSA: 7.38%, Outperform - CLSA: 61.60%, Hold - CLSA: 23.56%, Underperform - CLSA: 6.49%, High-Conviction Underperform - CLSA: 0.37%, Restricted - CLSA: 0.60%; Data as of 1 Jul 2025. Investment banking clients as a % of rating category: High-Conviction Outperform - CLSA: 1.42%, Outperform - CLSA: 13.27%, Hold - CLSA: 1.64%, Underperform - CLSA: 0.89%, High-Conviction Underperform - CLSA: 0.00%, Restricted - CLSA: 0.60%. Data for 12-month period ending 1 Jul 2025. Overall rating distribution for CLST only Universe: High-Conviction Outperform - CLST: 11.94%, Outperform - CLST: 58.21%, Hold - CLST: 26.87%, Underperform - CLST: 2.99%, High-Conviction Underperform - CLST: 0.00%, Restricted - CLST: 0.00%. Data as of 1 Jul 2025. Investment banking clients as a % of rating category: High-Conviction Outperform - CLST: 0.00%, Outperform - CLST: 0.00%, Hold - CLST: 0.00%, Underperform - CLST: 0.00%, High-Conviction Underperform - CLST: 0.00%, Restricted - CLST: 0.00%. Data for 12-month period ending 1 Jul 2025. For purposes of regulatory disclosure only, our High-Conviction Outperform and Outperform ratings fall into a buy rating category; our Hold rating falls into a hold rating category; and our High-Conviction Underperform and Underperform ratings fall into a sell rating category.

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