Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	52,224.6	0.7	(0.5)	1.3	8.7
S&P 500	7,509.2	0.9	(0.5)	0.1	9.7
FTSE 100	10,585.9	0.6	0.5	2.1	6.6
AS30	8,976.9	0.0	(0.3)	(0.8)	(0.5)
CSI 300	4,739.2	3.1	(1.2)	(4.1)	2.4
FSSTI	5,526.7	0.5	0.6	6.4	19.0
HSCEI	8,360.7	(0.3)	3.2	4.8	(6.2)
HSI	25,132.3	(0.0)	3.3	5.0	(1.9)
JCI	6,340.0	1.7	5.0	2.6	(26.7)
KLCI	1,720.4	(0.1)	0.0	0.5	2.4
KOSPI	6,748.0	3.6	(1.6)	(25.5)	60.1
Nikkei 225	66,232.2	3.3	(2.2)	(7.0)	31.6
SET	1,653.0	0.4	1.7	5.1	31.2
TWSE	44,232.9	4.2	(1.1)	(4.8)	52.7
BDI	2,670.0	(0.0)	(10.4)	(1.9)	42.2
CPO (RM/mt)	4,525.0	0.0	0.5	(0.3)	15.1
Brent Crude (US$/bbl)	91.0	2.0	7.4	13.0	49.6

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Hybrid Post-result Group Luncheon with Plover Bay Technologies Ltd (1523 HK)	Hong Kong	31 Jul	31 Jul

Corporate & Macro Calendar

Economic Indicator/Event	Country/Region	Date
Trade Figures	Malaysia	20 Jul
Foreign Reserves	Malaysia	22 Jul
PMI	Malaysia	8 Aug

Please click on the page number to move to the relevant page

Top Stories

Company Update | Gamuda (GAM MK/**BUY**/RM4.22/Target: RM5.25) Page 2

Gamuda's ytd share price consolidation potentially reflects declining foreign shareholding, profit-taking after its stellar outperformance in 2024-25, and broad market de-risking due to GE16. Nevertheless, the group is set to digest its record-high orderbook of >RM50b into an exponential earnings delivery in FY27-28. Ample Australia opportunities, DC and infrastructure pipelines in Malaysia, and a growing overseas property segment remain as key catalysts. The current discounted valuations and mid-long-term earnings visibility are also attractive. Maintain BUY and target price of RM5.25.

Market Spotlight

Page 6

- The FBMKLCI continued to drop 1.92pt (-0.11%) and closed at 1,720.37 yesterday as investors remain cautious over the uncertain global environment and lack of fresh local catalysts.
- US stocks were higher after the close on Tuesday, as gains in the technology, oil & gas and basic materials sectors led shares higher.

Technical Analysis

FBMKLCI, FCPO & FKLI Index Outlook Page 7

Traders' Corner Page 9

Eita Resources | EITA MK
Trading Buy Range: RM0.54-0.55

Genetec Technology | GENE MK
Trading Buy Range: RM0.355-0.36

Rapid Synergy | RSB MK
Trading Buy Range: RM0.77-0.78

Disclaimer: *In Traders' Corner, technical analysis is carried out purely based on charting patterns, price movements and trends, and is thus independent of the fundamental research views of our analysts. As a result, and from time to time, we may make a technical recommendation that is opposite to our fundamental BUY/HOLD/SELL rating.*

Gamuda (GAM MK)

Earnings Under Construction; Vulnerabilities Offer Opportunities

BUY (Maintained)

Share Price	RM4.22
Target Price	RM5.25
Upside	24.4%

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Highlights

- Gamuda is well positioned to deliver 25-30% earnings growth in FY27-28, backed by a compounding orderbook and deepening exposure in key markets.
- Its current record-high orderbook requires more time to be digested into exponential earnings delivery in FY27-28, as 90% of the outstanding orderbook has yet to reach peak execution (75% are in early stages).
- Valuations appear attractive with limited downside following reduced foreign shareholdings. Maintain BUY and target of RM5.25.

Analysis

- **Orderbook growth laying the foundation for FY27-29 growth.** Gamuda has secured RM25.1b in orders in FY26 thus far, lifting the outstanding orderbook to a record-high RM52.3b. Assuming a RM4b quarterly orderbook burn rate, Gamuda has to secure another RM8b-13b to meet management's orderbook guidance of RM50b-55b by end-26, which will likely be fulfilled by several tender outcomes that are pending finalisation.
- **Earnings to pick up in 4QFY26, likely to achieve consensus' RM1.05b forecasts for FY26.** We expect the construction segment to ramp up progress billings in 4QFY26. For the property segment, we also expect a lumpy sales recognition in 4QFY26 although FY26 sales target has been revised downwards to RM4b (from RM5.5b) due to a delay in the Hanoi project's approval. 9MFY26 property sales were only RM2.1b, indicating that roughly RM1.9b sales will be recognised in the upcoming 4Q results.
- **Share price vulnerability and valuations' discount propelled by steep foreign equity outflow; decent positioning opportunities**. Gamuda's share price has retraced 14% ytd, with foreign shareholdings having declined to 23.7% (from 26.2% at end-25 and 30.9% at end-24). This potentially reflects: a) profit taking after reporting impressive 2024-25 returns (115%); b) strengthening of MYR/USD to RM4.10 (+6% since Feb 26's low of RM3.88); and c) investors de-risking from the construction sector amidst the upcoming 16th General Election. Valuations have also rationalised to 18x 2027F PE (+0.5SD above mean) vs 22-23x PE in 2025, offering limited downside and decent positioning opportunities.

Key Financials

Year to 31 Jul (RMm)	2024	2025	2026F	2027F	2028F
Net turnover	13,346.7	15,970.2	17,300.8	21,411.5	27,096.6
EBITDA	1,107.8	1,536.0	1,723.9	2,147.1	2,631.1
Operating profit	945.2	1,337.2	1,530.8	1,954.7	2,433.7
Net profit (rep./act.)	912.1	1,003.2	1,047.0	1,363.5	1,704.4
Net profit (adj.)	884.1	981.4	1,047.0	1,363.5	1,704.4
EPS	31.9	17.7	18.9	23.0	28.7
PE (x)	13.3	24.0	22.5	18.5	14.8
P/B (x)	1.0	2.0	1.9	2.0	1.9
EV/EBITDA (x)	12.8	10.3	9.2	7.9	6.9
Dividend yield (%)	3.8	2.4	2.8	3.5	4.7
Net margin (%)	6.8	6.3	6.0	6.4	6.3
Net debt/(cash) to equity (%)	45.8	57.2	55.4	61.4	66.6
Interest cover (x)	6.4	8.6	7.0	10.0	10.9
ROE (%)	9.4	10.0	10.2	13.0	15.9
Consensus net profit	n.a	n.a	1,071.5	1,364.4	1,767.7
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Gamuda, Bloomberg, UOB Kay Hian

Stock Data

GICS sector	Industrials
Bloomberg ticker	GAM MK
Shares issued (m)	5,964.3
Market cap (RM$m)	25,348.3
Market cap (US$m)	6,156.2
3-mth avg daily t'over (US$m)	16.4

Price Performance (%)

52-week high/low: RM5.7/RM3.7

1mth	3mth	6mth	1yr	YTD
(4.3)	(3.9)	(7.3)	(19.6)	(14.7)

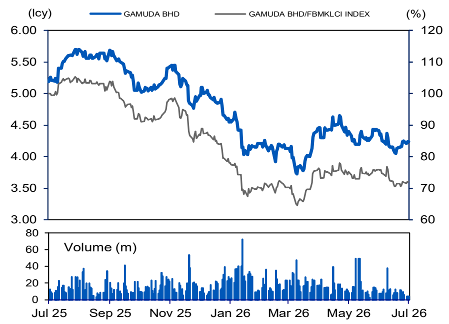
Major Shareholders

	%
Employees Provident Fund Board	20.86
Vanguard Group	3.96
Generasi Setia M Sdn Bhd	3.90

Balance Sheet Metrics

FY26 NAV/Share (RM)	2.2
FY26 Net Debt/Share (RM)	1.2

Price Chart



Source: Bloomberg

Company Description

Gamuda is a civil engineering construction company with exposure to property development and water concessions.

- **Secured deal for NPWSS project, a water concession with sustainable recurring revenue, ...** Gamuda officially signed the Letter of Appointment for the Northern Perak Water Supply Scheme (NPWSS) project last week. Gamuda is forming a 50:50 JV with Perbadanan Kemajuan Negeri Perak (PKNPk) to undertake the project, which has a 40-year term and targeted to start by 2032. NPWSS is designed to transfer 1,500m litres/day (MLD) of raw water with 300-500 MLD raw water sold to Penang. Based on the bulk supply charges of RM1.1507-1.9178 per cubic metre, the charges are around RM210m per year, while Gamuda's recurring revenue is about RM105m annually (50% JV share).
- **…with potential EPCC works to be awarded later.** We understand that there will also be an engineering, procurement, construction, and commissioning (EPCC) contract for NPWSS which will be formally awarded later. We preliminary estimate that Gamuda is well positioned to secure this EPCC contract with a value of RM4b-5b (given group's track record and expertise in water treatment plants, reticulation and tunnels - Skim Bekalan Air Fasa 3 Sungai Selangor and Stormwater Management and Road Tunnel).
- **Crystallisation of strong earnings growth in FY27, aligning with S-curve methodology for Gamuda Engineering...** Assessing Gamuda Engineering's existing project pipelines, over 75% of the current record-high construction orderbook of RM52.3b is in early-stage execution (>90% yet to reach peak execution). We expect these projects to begin charting accelerated progress billings only in FY27-28, which are already well mirrored in our earnings growth forecast of 25-30%. Our FY26 orderbook replenishment assumptions of RM20b-25b (~RM12b ytd) are likely achievable, as we anticipate key projects including: a) Penang-Perak Water Infrastructure (~RM4b); b) Negeri Sembilan DCs (RM2b-3b each; potentially one more); c) Northland Corridor highway in New Zealand (~A$4b tender); d) Sunshine Coast Railway in Brisbane (A$1.0b-1.5b); and e) drawdown from Taiwan's Xizhi-Donghu MRT (~NT$60b/RM8b). Locally, Gamuda may also secure the tunnelling packages for MRT3 (lowest bidder for CMC 303 tunnelling before a re-tender) following the completion of landbank acquisition by 4Q26.
- **…and strong Gamuda Land sales target.** Moreover, management also guided an enhanced sales target of RM7b for Gamuda Land in FY27 (FY26: RM4b), largely augmented by better contributions from Vietnam's QTPs (Springville, Eaton Park, Artisan Park, Elysian, Gamuda City Hai Phon) and Singapore's Chencharu project. Overall, Vietnam and Singapore projects are expected to contribute about 75% of FY27's property sales.

Valuation/Recommendation

- **Maintain BUY with an unchanged SOTP-based target price of RM5.25**, implying 22x FY27F PE (+1.5SD above mean).

Earnings Revision/Risk

- **None.**

Orderbook (3QFY26)

Projects	Value (RMb)	Progress (%)
Malaysia		
Penang Mutiara Line (60% share)	5.6	10
Silicon Island Phase 1	4.1	21
Rasau WTP Phase 1	1.0	53
Data Center Projects	3.9	33
Ulu Padas Hydro Dam (75% share)	1.9	24
Ulu Padas Water Supply (75% share)	4.0	4
Others	1.3	27
Australia		
GEA SMW Stations (100% share)	6.9	6
GEA Various Projects	0.9	93
DTI Signaling (46%)	2.0	8
DTI Marinus Link (50%)	1.3	4
DTI Renewable Energy (100%)	5.6	24
DTI Various Projects	1.0	92
Taiwan		
Tao Yuan Underground (60% share)	0.9	22
Kaoshiung MRT YC01 (88% share)	2.7	5
Kaohsiung MRT RLC02 (70% share)	2.2	0
Xizhi Donghu MRT (75% share)	2.6	17
Marine Structure (70% share)	2.2	11
Others	0.4	69
Singapore		
Defu Station (60% share)	0.4	64
West Coast Station (100% share)	1.4	20
Total Orderbook	**52.3**	

Source: Gamuda, UOB Kay Hian

Segmental Forecasts

	FY26F	FY27F	FY28F
Total Revenue (RMb)	**17.30**	**21.41**	**27.10**
Engineering & Construction	13.0	15.6	18.9
Property Development & Club	4.2	5.7	8.1
Water Concession	0.1	0.1	0.1
Total EBIT (RMb)	**1.53**	**1.95**	**2.43**
Engineering & Construction	0.93	1.20	1.47
Property Development & Club	0.52	0.67	0.88
Water Concession	0.08	0.08	0.08

Source: Gamuda, UOB Kay Hian

SOTP Valuations

	RMm	Remarks
Construction	25,578	25x FY27 PE
Property	10,645	10% discount to RNAV
Water Concession	1,750	
Less Net Debt	(6,870)	
Total SOTP Value	**31,103**	
Diluted No. of Shares (m)	5,930	
Target Price (RM)	**5.25**	

Source: Gamuda, UOB Kay Hian

Environmental, Social, Governance (ESG) Updates

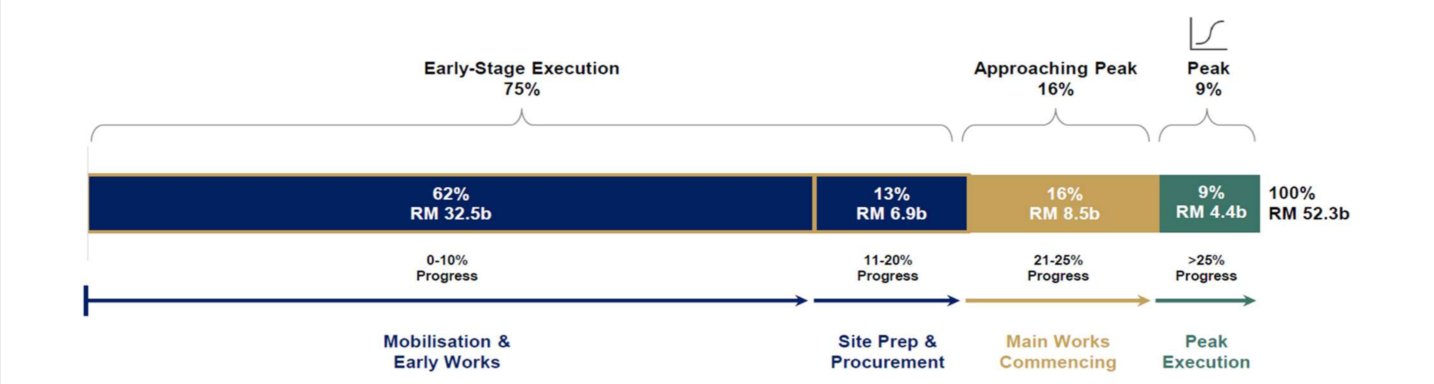
Environmental
- Commits to reducing greenhouse gas emission intensity by 30%/45% in 2025/30.

Social
- Well-diversified workforce in terms of gender: female (43%) and male (57%).

Governance
- Independent directors make up 57% of its board.

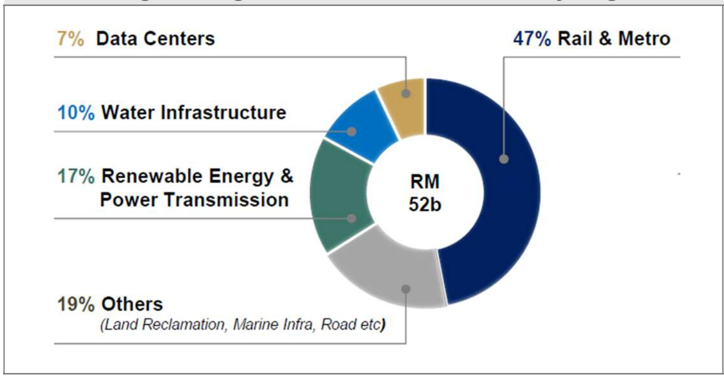
Source: Gamuda, UOB Kay Hian

90% Of Outstanding Orderbook Has Yet To Reach Peak Execution, Underpinning Future Earnings Growth



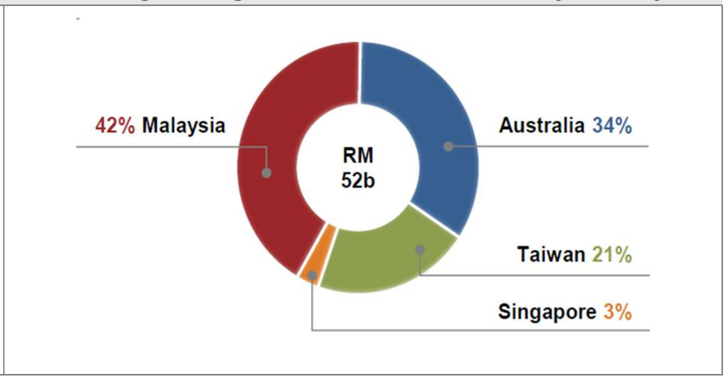
Source: Gamuda

Gamuda Engineering's Orderbook Breakdown By Segment



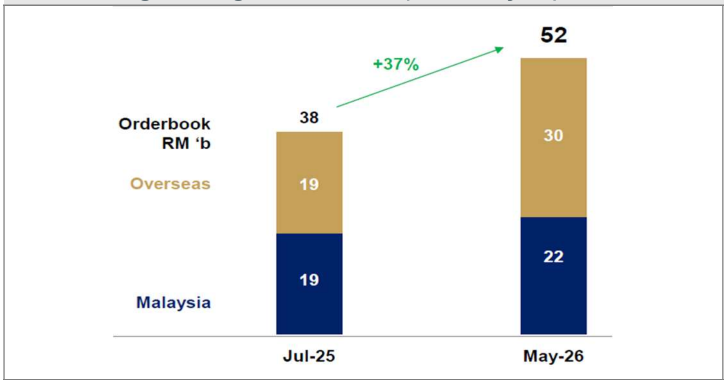
Source: Gamuda

Gamuda Engineering's Orderbook Breakdown By Country



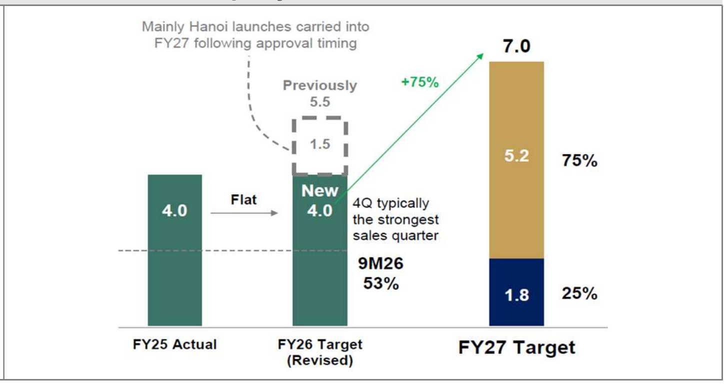
Source: Gamuda

Gamuda Engineering's Orderbook (as of May 26)



Source: Gamuda

Gamuda Land's Property Sales



Source: UOB Kay Hian

Gamuda Land's Vietnam Projects' Projected New Sales

PROJECTS	Area unsold (acres)	Remaining GDV (RM'm)	PROJECTED NEW SALES (RM'm)				
			FY22A	FY23A	FY24A	FY25A	FY26F
1) Gamuda City (Hanoi)	232	11,790	145	580	670	0	970
2) Celadon City (HCMC)	0	134	635	170	90	80	40
3) Artisan Park, Binh Duong (UG5.6)	0	270	0	320	20	60	270
4) Elysian, HCMC (HN2.8)	0	270	0	440	440	10	270
5) Eaton Park, HCMC (MCT3.7)	2	1,994	0	0	970	2,200	1,090
6) Springville, Dong Nai (DX18.2)	45	1,774	0	0	0	270	180
7) The Meadow, HCMC (GP5.0)	8	188	0	0	140	80	30
8) Hai Phong, Hanoi	3	986	0	0	0	0	280
TOTAL (VIETNAM)	**289**	**17,406**	**780**	**1,510**	**2,320**	**2,700**	**3,130**
y-o-y change			***-31%***	***+95%***	***+53%***	***+16%***	***+16%***

Source: Gamuda

Profit & Loss

Year to 31 Jul (RMm)	2025	2026F	2027F	2028F
Net turnover	**15,970**	**17,301**	**21,411**	**27,097**
EBITDA	1,536	1,724	2,147	2,631
Deprec. & amort.	199	193	192	197
EBIT	1,337	1,531	1,955	2,434
Associate contributions	145	83	86	89
Net interest income/(expense)	(179)	(247)	(216)	(242)
Pre-tax profit	**1,304**	**1,366**	**1,825**	**2,281**
Tax	(257)	(273)	(401)	(502)
Minorities	(44)	(46)	(60)	(75)
Net profit	**1,003**	**1,047**	**1,364**	**1,704**
Net profit (adj.)	981	1,047	1,364	1,704

Balance Sheet

Year to 31 Jul (RMm)	2025	2026F	2027F	2028F
Fixed assets	6,441	7,990	9,038	10,085
Other LT assets	4,873	4,943	5,012	5,081
Cash/ST investment	3,260	4,037	3,956	3,957
Other current assets	16,549	16,241	18,747	22,137
Total assets	**31,123**	**33,212**	**36,752**	**41,259**
ST debt	2,493	2,178	2,369	2,573
Other current liabilities	8,212	9,056	11,058	13,883
LT debt	7,637	8,714	9,476	10,290
Other LT liabilities	628	681	733	805
Shareholders' equity	12,000	12,383	12,857	13,375
Minority interest	153	199	259	333
Total liabilities & equity	**31,123**	**33,212**	**36,752**	**41,259**

Cash Flow

Year to 31 Jul (RMm)	2025	2026F	2027F	2028F
Operating	**(81)**	**2,410**	**1,078**	**1,394**
Pre-tax profit	1,304	1,366	1,825	2,281
Tax	(257)	(273)	(401)	(502)
Deprec. & amort.	159	193	192	197
Associates	(145)	(83)	(86)	(89)
Working capital changes	(1,141)	1,206	(452)	(494)
Other operating cashflows	0	0	0	0
Investing	**(1,255)**	**(1,721)**	**(1,223)**	**(1,225)**
Capex (growth)	(1,291)	(221)	(223)	(225)
Proceeds from sale of assets	20	0	0	0
Others	16	(1,500)	(1,000)	(1,000)
Financing	**1,838**	**88**	**64**	**(168)**
Dividend payments	(154)	(664)	(890)	(1,186)
Issue of shares	195	0	0	0
Proceeds from borrowings	2,337	752	953	1,018
Others/interest paid	(540)	0	0	0
Net cash inflow (outflow)	**502**	**777**	**(81)**	**1**
Beginning cash & cash equivalent	**2,596**	**3,260**	**4,037**	**3,956**
Changes due to forex impact	(85)	0	0	0
Ending cash & cash equivalent	**3,013**	**4,037**	**3,956**	**3,957**

Key Metrics

Year to 31 Jul (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	9.6	10.0	10.0	9.7
Pre-tax margin	8.2	7.9	8.5	8.4
Net margin	6.3	6.0	6.4	6.3
ROA	4.2	4.2	5.1	5.8
ROE	10.0	10.2	13.0	15.9
Growth				
Turnover	19.7	8.3	23.8	26.6
EBITDA	38.6	12.2	24.5	22.5
Pre-tax profit	18.8	4.8	33.6	24.9
Net profit	10.0	4.4	30.3	24.9
Net profit (adj.)	11.0	6.7	30.2	25.0
EPS	(44.5)	6.8	21.7	24.8
Leverage				
Debt to total capital	83.4	86.6	90.3	93.8
Debt to equity	84.4	88.0	92.1	96.2
Net debt/(cash) to equity	57.2	55.4	61.4	66.6
Interest cover	8.6	7.0	10.0	10.9

Market Spotlight

Market News

The FBMKLCI continued to drop 1.92pt (-0.11%) and closed at 1,720.37 yesterday as investors remain cautious over the uncertain global environment and lack of fresh local catalysts. Meanwhile, Asian stocks climbed on Tuesday as mediation efforts in the Middle East cooled a rally in oil prices, while investors turned their attention to a busy week of corporate earnings to gauge the momentum of an artificial intelligence-driven rally. The FBMKLCI's top gainers were Tenaga Nasional (+1.8%), RHB Bank (+1.4%) and YTL Power International (+1.4%), while the top losers were Mr D.I.Y. Group (M) (-2.4%), Petronas Chemicals Group (-2.1%) and Kuala Lumpur Kepong (-2.0%). In the broader market, gainers outpaced losers 597 to 528 with 560 counters unchanged. Turnover was 3.54b shares valued at RM2.80b.

US stocks were higher after the close on Tuesday, as gains in the technology, oil & gas and basic materials sectors led shares higher. At the close in NYSE, the Dow Jones Industrial Average rose 0.74%, while the S&P 500 Index climbed 0.89%, and the NASDAQ Composite Index climbed 1.29%. Rising stocks outnumbered declining ones on the New York Stock Exchange by 1,560 to 1,169 and 97 ended unchanged; on the Nasdaq Stock Exchange, 2,091 rose and 1,317 declined, while 188 ended unchanged. *(Sources: Investing.com)*

FBMKLCI, FCPO & FKLI Index Outlook

FBMKLCI

Source: UOBKH ChartGenie

FTSE Bursa Malaysia KLCI

Last close: 1,720.37

Expected moving range: 1,710– 1,750

Technical view:

The FBMKLCI continued to slide lower yesterday given the lack of domestic catalysts to bring the index back to its prior trend. Nevertheless, the weekly chart analysis shows the selling pressure has not yet been fully absorbed, thus paving the way for a possible downward move ahead. We believe the index would slide lower in the near term and looks set to retest the psychological support level of 1,700. The support and resistance levels are still maintained as follows:

Support: 1,677, 1,65

Resistance: 1,750, 1,770

FCPO

Source: Tradingview

Futures Crude Palm Oil (FCPO) Active Contract, 1 Hour Chart

Technical SELL with -1.2% potential downside

Trading SELL range: RM4,500-4,600

Last price: RM4,599

Target price: RM4,568, RM4,542

Resistance: RM4,710

Stop-loss: RM4,711

SELL with a target price of RM4,542 and stop-loss at RM4,711. Based on the chart, FCPO continued the bearish movement and closed lower at RM4,599 yesterday. This bearish movement is supported by a downtick in the RSI and a bearish crossover in both the MACD and DMI indicators. We maintained our targets at RM4,568 and RM4,542 in the near term.

Expected timeframe: One day to three days

FKLI

Source: Tradingview

FTSE Bursa Malaysia KLCI Futures (FKLI), 1 Hour Chart

Technical BUY with +1.3% potential return

Trading buy range: 1,700-1,720

Last price: 1,722

Target price: 1,733, 1,744

Support: 1,708

Stop-loss: 1,707

BUY with a target price of 1,744 and stop-loss at 1,707. Based on the chart, FKLI continued the bullish movement and closed at 1,722 on yesterday's movement. This bullish movement is supported by an uptick in the RSI and bullish crossovers in both MACD and DMI indicators. We peg our targets at 1,733 and 1,744 in the near term.

Expected timeframe: One day to three days

Traders' Corner

Eita Resources (EITA MK)

Technical BUY with +12.8% potential return

Trading buy range: RM0.54-0.55

Last price: RM0.54

Target price: RM0.595, RM0.615

Support: RM0.51

Stop-loss: RM0.505

BUY with a target price of RM0.615 and stop-loss at RM0.505. Based on the daily chart, EITA formed a higher high and higher low to close higher at RM0.545 on yesterday's movement. The rising momentum as shown by a bullish crossover in the EMA-7 and 21 along with an uptick in both the +DI and ADX lines suggest an upward continuation. This is supported by a bullish crossover on the MACD. We peg our targets at RM0.595 and RM0.615 in the near term.

Expected timeframe: Two weeks to two months

Note: Not available for CFD Trading

Source: UOBKH ChartGenie

Genetec Technology (GENE MK)

Technical BUY on breakout with +36.6% potential return

Trading buy range: RM0.355-0.36

Last price: RM0.335

Target price: RM0.445, RM0.485

Support: RM0.275

Stop-loss: RM0.27

BUY on breakout with a target price of RM0.395 and stop-loss at RM0.27. Currently, GENE's share price consolidated within the immediate support of RM0.28 and yesterday's positive closing above the BBI sets a new tone for the short-term outlook. We expect GENE to continue to make a higher high and higher low towards our target once the share price manages to penetrate the RM0.355 level. The bullish bias has been established following an uptick in the RSI and a bullish crossover in the MACD.

Expected timeframe: Two weeks to two months

Note: Not available for CFD Trading

Source: UOBKH ChartGenie

Source: UOBKH ChartGenie

Rapid Synergy (RSB MK)

Technical BUY with +28.4% potential return

Trading buy range: RM0.77-0.78

Last price: RM0.76

Target price: RM0.875, RM0.995

Support: RM0.695

Stop-loss: RM0.69

BUY with a target price of RM0.995 and stop-loss at RM0.69. Based on the daily chart, RSB has seen its share price recover gradually and move above the 7- and 21-day EMA following yesterday's spike to close higher at RM0.76. This is supported by an uptick in RSI and bullish crossover in MACD, indicating that positive momentum would strengthen in the near term. Moving forward, we expect RSB will continue the bullish movement toward the psychological resistance RM1.00 in the near term.

Expected timeframe: Two weeks to two months

Note: Not available for CFD Trading

Analyst

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