

5 April 2024

Inta Bina (INTA MK)

Building Trust, Building Quality

Construction & Engineering | Construction

Not Rated

Fair Value (Return):	MYR0.54 (+61%)
Price:	MYR0.34
Market Cap:	USD37.9m
Avg Daily Turnover (MYR/USD)	0.94m/0.07m

- **MYR0.54 FV based on 9x FY25F P/E.** Inta Bina is a G7 building construction contractor with more than 30 years of operating history. Its long-term relationship with reputable developers and strategic focus in the Klang Valley may continue supporting its orderbook replenishment and profit growth. Growth is further supported by its recent foray into property development and the escalator business.
- **Robust outstanding orderbook.** INTA has secured new jobs worth MYR453m in FY23, including jobs from Eco World Development Group (ECW MK, NR), Sime Darby Property (SDPR MK, BUY, TP: MYR0.93) and Mah Sing (MSGB MK, BUY, TP: MYR1.55). This brings its outstanding orderbook to MYR1bn (cover ratio of 1.5x). We pencil in a target orderbook replenishment of MYR600m for FY24F, bolstered by its tenderbook of MYR6.1bn. This target is reasonable, considering that a few projects have been pushed back to this year according to management. Additionally, we learnt that INTA has tendered several design and build contracts, which may yield better margins.
- **Key focus: Klang Valley.** >90% of INTA's revenue is derived from projects in the Klang Valley, allowing the group to capitalise on Selangor's GDP growth as the Selangor Government has projected a [GDP growth rate of 6.5-7% pa](#) from 2021-2025 under the Rancangan Selangor 1 (RS-1). The increasing value of residential property transactions in Selangor and Kuala Lumpur may serve as a growth factor for its orderbook, especially with interest rates peaking.
- **Foray into new endeavours.** INTA's property division, Angkasa Senuri, launched its first project, Senuri Residence, on 7 Oct 2023 (GDV: MYR204m). The project has proven successful with an impressive 80% take-up rate since its soft launch. The venture presents synergistic benefits as the group is involved in every stage of the development process, ensuring better margins. Additionally, INTA has entered the lift and escalator market under the brand Canny Lift. This move not only capitalises on increased construction demand but also provides recurring income through maintenance services, complementing its project-based construction earnings.
- **Earnings projection.** We are projecting a 3-year earnings CAGR of 16% for INTA, underpinned by a robust outstanding orderbook and strong job win targets of MYR600m for FY24F-25F. Also, the expansion into two new businesses is providing synergistic benefits, contributing to INTA's topline and bottomline with better margins. A rerating catalyst: The possibility of securing more jobs in Johor, as some of its long-term clients, eg ECW and UEM Sunrise (UEMS MK, BUY, TP: MYR1.60) are undertaking development in the region.
- **Valuation.** The 9x P/E is within the 8-10x P/E range ascribed to most small-cap peers under our coverage. In light of the healthy outstanding orderbook, we view its valuation as undemanding – trading at 5.6x FY25F P/E (>2SD below the Bursa Malaysia Construction Index's 5-year mean). Key risks: weaker-than-expected orderbook replenishment, escalation in material costs, and project delays.

Analysts

Cindy Lee
+603 2302 8105
cindy.chin.hui@rhbgroup.com

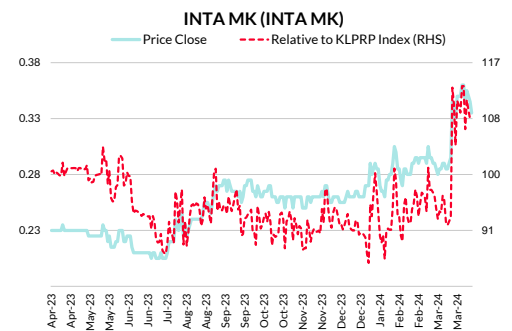


Adam Bin Mohamed Rahim
+603 2302 8101
adam.mohamed.rahim@rhbgroup.com



Share Performance (%)

	YTD	1m	3m	6m	12m
Absolute	28.8	15.5	24.1	28.8	39.6
Relative	13.2	6.5	15.2	12.6	(2.5)
52-wk Price low/high (MYR)	0.21 – 0.36				



Source: Bloomberg

Forecasts and Valuation	Dec-22	Dec-23	Dec-24F	Dec-25F	Dec-26F
Total turnover (MYRm)	466	650	704	711	751
Recurring net profit (MYRm)	10	23	29	32	36
Recurring net profit growth (%)	(10.9)	122.5	28.0	9.9	10.9
Recurring P/E (x)	17.38	7.81	6.10	5.55	5.00
P/B (x)	1.2	1.1	0.9	0.8	0.7
P/CF (x)	na	2.53	10.93	4.21	3.91
Dividend Yield (%)	2.2	4.5	4.1	4.5	5.0
EV/EBITDA (x)	6.88	3.12	2.56	1.90	1.26
Return on average equity (%)	6.4	14.2	16.3	15.9	15.7
Net debt to equity (%)	8.3	net cash	net cash	net cash	net cash

Source: Company data, RHB

Note:

Small cap stocks are defined as companies with a market capitalisation of less than USD0.5bn.

Financial Exhibits

Asia	Financial summary (MYR)	Dec-22	Dec-23	Dec-24F	Dec-25F	Dec-26F
Malaysia	Recurring EPS	0.02	0.04	0.05	0.06	0.07
Construction & Engineering	DPS	0.01	0.02	0.01	0.02	0.02
Inta Bina	BVPS	0.28	0.32	0.36	0.40	0.45
INTA MK	Return on average equity (%)	6.4	14.2	16.3	15.9	15.7
Buy						
	Valuation metrics	Dec-22	Dec-23	Dec-24F	Dec-25F	Dec-26F
Valuation basis	Recurring P/E (x)	17.38	7.81	6.10	5.55	5.00
9x FY25F P/E	P/B (x)	1.2	1.1	0.9	0.8	0.7
	FCF Yield (%)	(8.9)	31.6	6.4	21.0	22.8
Key drivers	Dividend Yield (%)	2.2	4.5	4.1	4.5	5.0
INTA's earnings are supported by expanding orderbook, and improving outlook of the property sector.	EV/EBITDA (x)	6.88	3.12	2.56	1.90	1.26
	EV/EBIT (x)	11.96	4.14	3.38	2.47	1.62
	Income statement (MYRm)	Dec-22	Dec-23	Dec-24F	Dec-25F	Dec-26F
Key risks	Total turnover	466	650	704	711	751
Weaker-than-expected orderbook replenishment, higher-than-expected material costs and project delays.	Gross profit	32	53	62	66	72
The inverse would constitute upside risks.	EBITDA	28	46	55	59	64
	Depreciation and amortisation	(12)	(11)	(13)	(14)	(14)
	Operating profit	16	35	42	45	50
	Net interest	(3)	(4)	(1)	(1)	(0)
	Pre-tax profit	14	32	42	46	51
	Taxation	(4)	(9)	(13)	(14)	(15)
	Reported net profit	10	23	29	32	36
	Recurring net profit	10	23	29	32	36
	Cash flow (MYRm)	Dec-22	Dec-23	Dec-24F	Dec-25F	Dec-26F
	Change in working capital	(30.5)	32.6	(27.3)	(4.3)	(4.5)
	Cash flow from operations	(5.5)	70.8	16.4	42.6	45.8
	Capex	(10.6)	(14.0)	(5.0)	(5.0)	(5.0)
	Cash flow from investing activities	(11.0)	(10.7)	(5.0)	(5.0)	(5.0)
	Dividends paid	(5.4)	(6.7)	(7.3)	(8.1)	(9.0)
	Cash flow from financing activities	23.4	(36.5)	(13.4)	(10.8)	(15.2)
	Cash at beginning of period	64.2	74.2	101.3	99.3	126.0
	Net change in cash	7.0	23.6	(2.0)	26.8	25.7
	Ending balance cash	74.1	101.3	99.3	126.0	151.7
	Balance sheet (MYRm)	Dec-22	Dec-23	Dec-24F	Dec-25F	Dec-26F
	Total cash and equivalents	74	101	99	126	152
	Tangible fixed assets	62	63	54	46	36
	Total assets	426	510	506	531	566
	Short-term debt	79	52	42	37	32
	Total long-term debt	8	14	19	22	21
	Total liabilities	273	340	315	315	324
	Total equity	152	170	192	216	243
	Total liabilities & equity	426	510	506	531	566
	Key metrics	Dec-22	Dec-23	Dec-24F	Dec-25F	Dec-26F
	Revenue growth (%)	38.8	39.4	8.3	1.1	5.7
	Recurrent EPS growth (%)	(10.9)	122.5	28.0	9.9	10.9
	Gross margin (%)	6.8	8.1	8.8	9.3	9.5
	Operating EBITDA margin (%)	6.0	7.1	7.8	8.3	8.5
	Net profit margin (%)	2.0	3.5	4.2	4.5	4.8
	Dividend payout ratio (%)	42.1	35.1	25.0	25.0	25.0
	Capex/sales (%)	2.3	2.2	0.7	0.7	0.7
	Interest cover (x)	5.11	6.23	16.59	19.13	22.41

Source: Company data, RHB

Investment Thesis

High quality of workmanship. INTA's commitment to excellence in workmanship and construction is underscored by its evaluation through the Quality Assessment System in Construction (QLASSIC), a rigorous standard introduced by the Construction Industry Development Board (CIDB). QLASSIC serves as a definitive benchmark for evaluating the quality of building construction, employing a meticulous scoring system aligned with industry standards. It is worth noting that INTA achieved an exceptional 90% QLASSIC score for its Sunway Lenang Heights project, marking a historic milestone as one of the highest score recorded in Malaysia.

Consequently, INTA has successfully forged enduring partnerships with its clientele. Among its clients, include major property developers such as ECW, Gamuda (GAM MK, BUY, TP: 6.30) and MSGB. The diverse clientele indicates low concentration client risk, as INTA consistently secures awarded jobs from a broad spectrum of industry leaders.

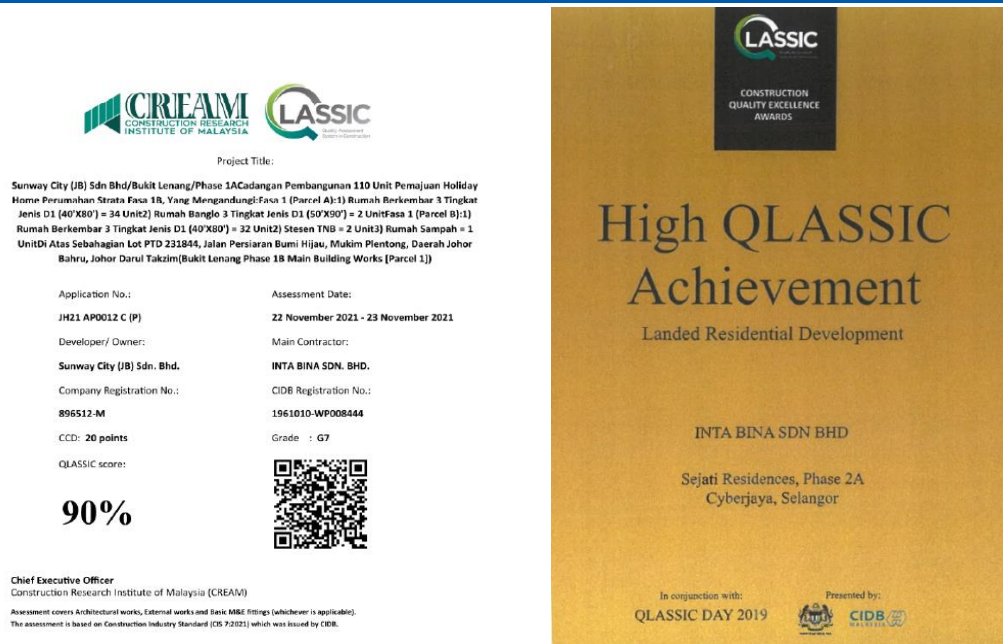
This outstanding achievement on QLASSIC, coupled with INTA's long-lasting affiliations, stands as a testament to the unwavering trust and confidence these esteemed developers place in the group's capabilities, reaffirming its position as the preferred choice among developers seeking excellence in construction.

Figure 1: Major customers and length of relationship

Customers	Length of relationship
	24 years
	24 years
	16 years
	12 years
	10 years
	10 years

Source: Company data

Figure 2: Example of Qlassic's award and recognition



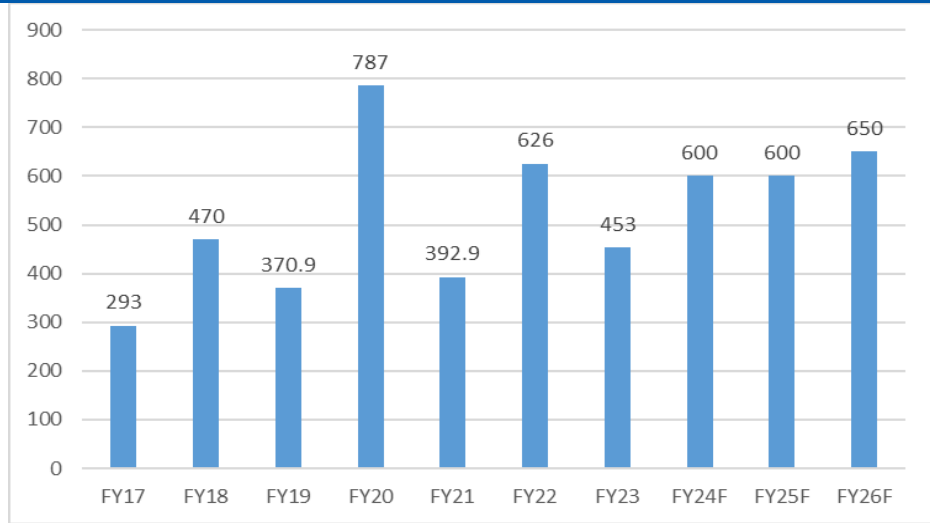
Source: Company data

Steady orderbook replenishment trend. Currently, INTA has secured MYR453m worth of new jobs in FY23, secured from its long-time customers – ECW (MYR124m), SDPR (MYR22m) and Southville City (wholly-owned subsidiary of MSGB) (MYR206m). This brings the group's orderbook to MYR1bn – providing earnings visibility of 12-18 months. Meanwhile, its tenderbook currently stands at MYR6.1bn – 86% in the Klang Valley and 14% in other states including Johor, with 84% in residential and 16% in commercial projects. We learnt that the group has tendered affordable housing projects and design and build projects which may fetch better margins by leveraging on its expertise in making not only most cost-efficient designs, but also of high quality. Its ability to optimise design solutions and construction processes allows INTA to deliver projects that meet both budgetary constraints and quality standards, thus enhancing its competitiveness in the market.

Furthermore, INTA's focus on highly reputable property developers provides the group with good job opportunities. Clients such as GAM has set a FY24F sales target of MYR2.3bn, supported by a MYR37.9bn GDV launch plan in Malaysia, with approximately 51% coming from the Gamuda Cove project. This is advantageous for the group as INTA has secured projects for building landed residential properties within Gamuda Cove (worth MYR67.7m). Similarly, ECW has acquired 411 acres of land with MYR2.1bn GDV in FY23 and 240 acres with MYR3.9bn GDV in FY24 (as at 29 Feb), as well as a sales target of MYR3.5bn. The active landbanking activities indicate the developer's optimism in the property market, which will likely see a spillover benefit to INTA as the capability of its clients to initiate new projects will create opportunities for the group to competitively bid for contracts from these developers.

Additionally, we note that many developers are focusing on township development which enables INTA to continue bidding for contracts for various parcels across different phases within the same township development, as well as the same group of customers. As a result, revenue continues to be generated from the said customers. The main factor for this comes from the aforementioned relationship it has with long-time customers. As the nature of the group's business is project-based, and typically each project is for a duration of 18-24 months on average, the long established business relationships with customers demonstrate a continuity of the business relationship with repeat customers. Such replenishment trends also imply that the group has commendable project management skills, as it is able to begin new projects in a short period of time.

Figure 3: INTA's annual job replenishment trend (MYRm)



Source: Company data

Key focus: Klang Valley. The bulk of INTA's operations are concentrated in the Klang Valley, with projects in this region contributing over 90% of its total revenue. The group stands to benefit from the region's economic growth. The Selangor State Government has projected an [average annual GDP growth rate of 6.5-7%](#) for the period 2021-2025 under the RS-1, surpassing forecasts outlined in the 12th Malaysia Plan Mid-Term Review (12MP-MTR), which predicted growth rates of 4.7% for 2023-2025 and 6.2% for 2021-2025.

Furthermore, according to data compiled by the [National Property Information Centre \(NAPIC\)](#), property transactions in Selangor during FY23 amounted to MYR57.1bn (2022: MYR56.1bn), while Kuala Lumpur recorded transactions worth MYR21.4bn (2022: MYR22bn). Both regions accounted for c.40% of Malaysia's total property transactions, ranking as the highest and third-highest contributors. On further scrutiny, more than 50% of transactions in both areas were attributed to residential projects, which aligns with INTA's core expertise. The value of residential property transactions in Selangor and Kuala Lumpur has been increasing at a 3 year CAGR of 11.4% and 11.7%. We anticipate further improvement in transaction values, with the hike of overnight policy rate or OPR rate approaching the tail end.

The strategic leverage of property development ventures. INTA's property division, Angkasa Senuri, unveiled its first property development, Senuri Residence, on 7 Oct 2023, boasting a GDV of MYR204m. This project comprises a 24-story residential apartment complex, including a multipurpose hall and an array of amenities, such as swimming pools and a fitness area. Its remarkable success is demonstrated in its 80% take-up rate since its soft launch.

Management guided that the project would yield a mid-double-digit GPM, underscoring its commitment to establishing a sterling reputation in the property sector through meticulous project development. We foresee manifold synergies arising from this endeavour, as the group is deeply involved in every stage of the development process, from design to construction, ensuring operational efficiency, top-notch quality, and prudent cost management.

Looking ahead, INTA remains dedicated to seeking out new land opportunities, steadfast in its mission to make positive contributions to overall revenue growth trajectory.

Figure 4: Senuri Residence and location



Source: Company data

Figure 5: Facilities of Senuri Residence



Source: Company data

Foray into lift and escalator business. In 2023, the group's 55% owned subsidiary IBEE started to engage in the supply, installation and maintenance of lifts and escalators under the Canny Lift brand – a global top 10 elevator manufacturer.

Leveraging the construction upturn, INTA capitalised on the demand for its escalators in various property developments, amassing an orderbook currently valued at MYR5.3m, stretching for two years. Notably, one of the ongoing projects from ECW undertaken by INTA marked the latter's first project to supply and install Canny Lift escalators.

Moreover, we view its foray into lift and escalator maintenance services positively as it represents a significant avenue for recurring income generation for INTA. Beyond the initial installation, ongoing maintenance and servicing of lifts and escalators are essential to ensure the continued functionality and safety compliance. This aspect of the business provides a steady stream of revenue, as property owners and managers typically sign a longer term (1-3 years) maintenance contracts to ensure the optimal performance of their vertical transportation systems.

INTA's ability to offer comprehensive maintenance services stems from its construction expertise and in-depth understanding of building infrastructure. Leveraging its knowledge of building structures, mechanical systems, and safety standards, INTA is well-equipped to deliver reliable and efficient lift and escalator maintenance solutions. By establishing itself as a trusted provider of maintenance services, the group not only secures recurring revenue streams but also cultivates long-term relationships with clients, further enhancing its competitive advantage in the market.

We believe the recurring income stream adds stability to its revenue profile, complementing project-based construction earnings and contributing to overall financial resilience.

Figure 6: Examples of Canny Lifts



Source: Company data

Financial Overview And Valuation

Results highlight. INTA reported core earnings of MYR6.9m (+10.9% QoQ, +>100% YoY) in 4Q23, bringing full year core earnings to MYR23m (>100% YoY). This is supported by the record-high revenue of MYR650.1m (39.4% YoY) achieved in FY23, with a steady recognition of construction progress from ongoing projects on hand. Margin wise, GPM has rebounded to 8.1% from 6.8% in FY22, benefiting from the stabilisation of material and labour costs, along with the reduction in work delays caused by unforeseen interruptions, such as movement restrictions.

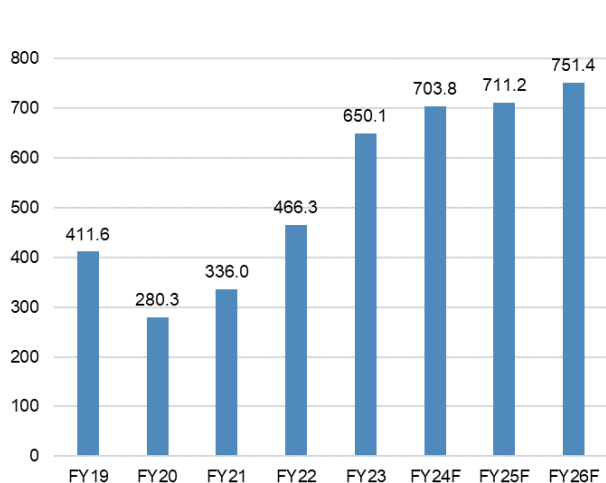
Earnings forecasts. We forecast a recurring net profit growth of 10-28% from FY24F-26F. This is supported by its robust outstanding orderbook of MYR1bn (1.5x cover ratio), positive job momentum in the Klang Valley, development of its property arm and venture into the lift and escalator business. The recent contract wins totaling MYR626m and MYR453m in FY22-23 may serve as an earnings driver for FY24F-25F. The drop in FY23 is primarily due to delays in project launches by certain property developers, which were pushed back and is now slated for FY24F. Consequently, we pencil in a job replenishment target of MYR600m for FY24F-25F, and MYR650m for FY26F, supported by upcoming launches from major clients such as ECW and GAM.

Additionally, the group's property arm has successfully launched its first property, Senuri Residence, with an impressive 80% take-up rate. Our property assumption only includes one project: Senuri Residence, but we do think that the group will develop more once its first project is done and establish a good property name. As for now, we estimate the property segment to contribute roughly 10% to the group's revenue for FY24F. We are optimistic about this expansion and anticipate the creation of more synergies.

Balance sheet. Inta Bina has a very healthy balance sheet, having a net cash position since FY17 except FY22 due to increase in overall group borrowings for the funding of Angkasa Senuri and higher funding requirement on a few projects with clients that are under stage payment arrangement. Nonetheless, the group has seen its cash and cash equivalent position lifted from MYR49.5m in FY20 to MYR101.3m in FY23.

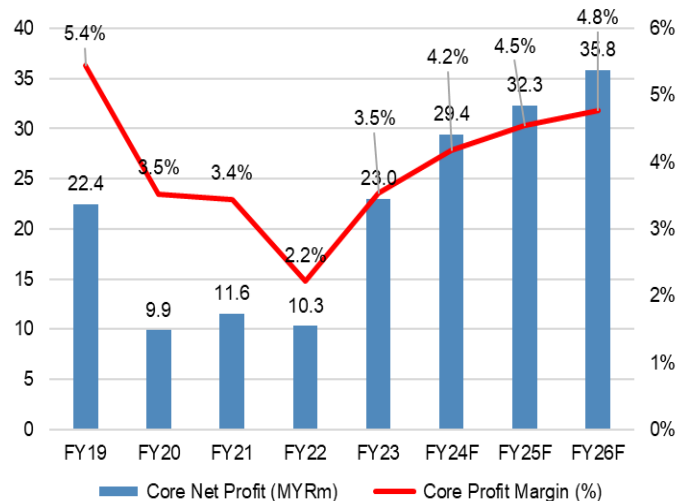
Dividend policy. INTA does not have an official dividend policy, however, it has been distributing 19-56% of PAT, ranging from MYR0.0075-MYR0.015 per share. That said, we pencil in a conservative 25% payout ratio for FY24F-26F – which translates to MYR7-9m of dividend payment, with a prospective yield of 4-5% based on the share price MYR0.34. The most recent dividend declared was in 4Q23, with MYR0.005 per ordinary share, bringing the full year dividend to MYR0.015 per share and amounting to MYR8m. Given its healthy balance sheet and stable net cash level – we do not discount the possibility of a higher payout ratio.

Figure 7: Revenue trend (MYRm)



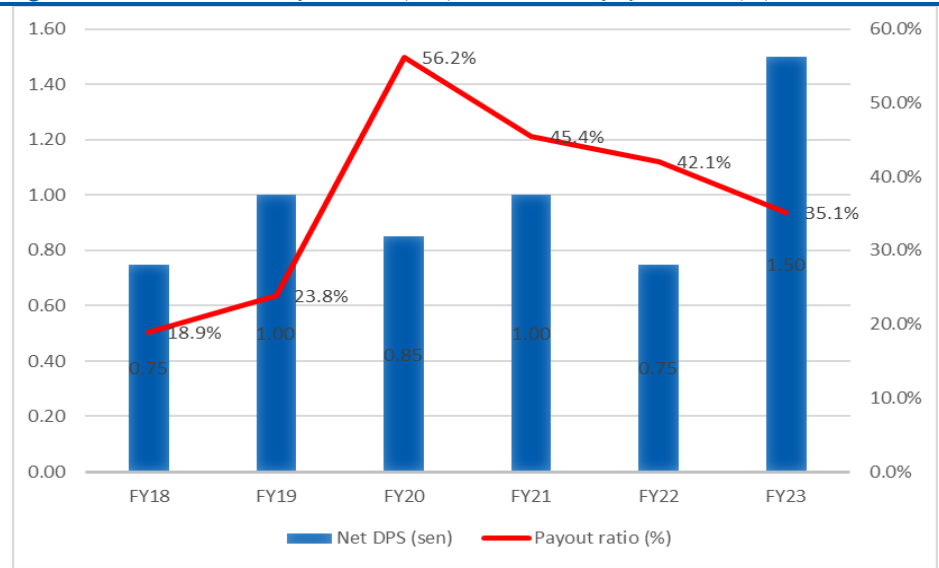
Source: Company data, RHB

Figure 8: Core net profit (MYRm) and margin trends (%)



Source: Company data, RHB

Figure 9: INTA's dividends per share (sen) and dividend payout ratio (%)



Source: Company data, RHB

Valuation. We ascribe a FV of MYR0.54 based on a target P/E of 9x pegged to its FY25F earnings. For peer comparison purposes, we chose some local peers mainly involved in construction of residential properties including Kerjaya Prospek (KPG MK, BUY, TP: MYR2.15), MGB (MLG MK, BUY, TP: MYR1.13), Kumpulan Kitacon (KITACON MK, NR), Vestland (VLB MK, NR). Our target P/E of 9x is a c.22% discount to the blended FY25F P/E of these aforementioned selected companies of 11.5x, and c.31% discount to Bursa Malaysia Construction Index's 5-year mean P/E of 13x due to its relatively small market capitalisation of MYR186m. The target P/E is also within the 8-10x range ascribed to most small-cap contractors under our coverage. We believe the target P/E is justified, with the strong balance sheet, robust outstanding orderbook and successful expansion into the property and lift businesses.

Figure 10: Peer comparison

Company	Country	FYE	Mkt Cap (USDm)	Price		PER (x)		Div. Yld (%)	ROE (%)	EV/ EBITDA	NP Growth (%)	
				1-Apr-24 (Local Currency)	Actual	1 Yr Fwd	2 Yr Fwd				1 Yr Fwd	1 Yr Fwd
Inta Bina	MA	Dec	40.47	0.36	8.3	6.5	5.9	3.9	16.3	2.8	28.0	9.9
Local Peers												
Kerjaya Prospek	MA	Dec	479.89	1.80	16.5	13.3	12.4	4.6	14.7	8.3	23.9	7.4
MGB	MA	Dec	100.69	0.81	9.4	7.8	6.9	2.6	11.0	4.5	21.1	13.0
Kumpulan Kitacon	MA	Dec	68.71	0.65	8.6	NA	NA	NA	NA	NA	NA	NA
Vestland	MA	Dec	75.68	0.36	12.4	NA	NA	NA	NA	NA	NA	NA
Mkt. Cap Weighted Avg.			346.1		14.4	12.4	11.5	4.2	14.1	7.6	23.4	8.4
Simple Avg.			181.2		11.7	10.6	9.6	3.6	12.9	6.4	22.5	10.2

Source: Bloomberg, RHB

Company Overview

Established in 1987, INTA is a G7 building construction contractor with more than 30 years of operating history. The group has completed more than 136 building construction projects with a total contract value of more than RM3.06bn, mainly in the Klang Valley and Johor. Its main focus lies in constructing various types of buildings, encompassing high-rise residential and commercial properties, industrial as well as leisure properties. INTA typically acts as the main contractor for construction projects. In 2023, INTA has launched its first property project via its wholly owned subsidiary – Angkasa Senuri as well as ventured into the supply, installation & maintenance of lifts & escalators under the Canny Lift brand.

As for the latest quarterly report, INTA recognises all revenue under the construction segment as contribution from the property and escalator segments are still minimal. However, it has reported its business segments according to building type in AR2022 as the following:

- i. **Residential buildings (85.0% of FY22 revenue)** include the construction of terraced, semi-detached and cluster houses, bungalows, town villas, and high-rise apartments.

Figure 11: Examples of residential buildings - bungalow, terrace, and semi-detached houses



Source: Company data

- ii. **Non-residential buildings (15.0% of FY22 revenue)** include the construction of commercial shops, SOHO units and mix-development projects.

Figure 12: Examples of non-residential buildings - SOHO buildings and clubhouse



Source: Company data

INTA is led by an experienced management team. Managing Director Lim Ooi Joo and Deputy Managing Director Teo Hock Choon are responsible for the overall day-to-day management and formulation of the group's business plans and strategies as well as overseeing overall operations. General Manager, Ong Tiau Siang oversees all site and management operations for all projects. Financial Controller, Chin Shiau Yin has over 10 years in accounting experience. They are supported by the rest of the senior management team, who all have outstanding professional qualifications and experiences in their respective fields.

Major shareholders of the group include Lim Ooi Joo, Teo Hock Choon and Ahmad Bin Awi – the group's Executive Director. Ahmad, with more than 20 years of experience in the field of safety practices in the construction industry, was promoted to Safety Officer in 2000 and current role in 2010. The public spread as at end-2023 is c.29%.

Figure 13: INTA's group structure

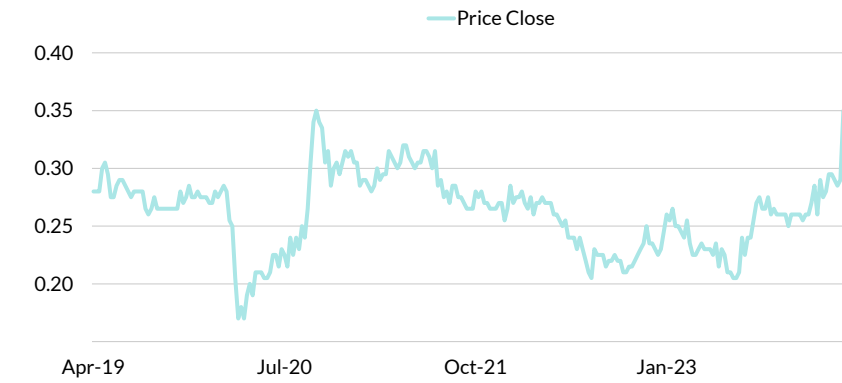


Source: Company data

Key Risks

- i. Subject to regulatory requirements;
- ii. Dependent on Executive Directors and key senior management;
- iii. Dependent on ability to replenish orderbook;
- iv. Escalation of construction costs and material prices;
- v. Unexpected delays or interruptions.

Recommendation Chart



Source: RHB, Bloomberg

Date	Recommendation	Target Price	Price
2024-04-04			

Source: RHB, Bloomberg

RHB Guide to Investment Ratings

Buy:	Share price may exceed 10% over the next 12 months
Trading Buy:	Share price may exceed 15% over the next 3 months, however longer-term outlook remains uncertain
Neutral:	Share price may fall within the range of +/- 10% over the next 12 months
Take Profit:	Target price has been attained. Look to accumulate at lower levels
Sell:	Share price may fall by more than 10% over the next 12 months
Not Rated:	Stock is not within regular research coverage

Investment Research Disclaimers

RHB has issued this report for information purposes only. This report is intended for circulation amongst RHB and its affiliates' clients generally or such persons as may be deemed eligible by RHB to receive this report and does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. This report is not intended, and should not under any circumstances be construed as, an offer or a solicitation of an offer to buy or sell the securities referred to herein or any related financial instruments.

This report may further consist of, whether in whole or in part, summaries, research, compilations, extracts or analysis that has been prepared by RHB's strategic, joint venture and/or business partners. No representation or warranty (express or implied) is given as to the accuracy or completeness of such information and accordingly investors should make their own informed decisions before relying on the same.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to the applicable laws or regulations. By accepting this report, the recipient hereof (i) represents and warrants that it is lawfully able to receive this document under the laws and regulations of the jurisdiction in which it is located or other applicable laws and (ii) acknowledges and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of applicable laws.

All the information contained herein is based upon publicly available information and has been obtained from sources that RHB believes to be reliable and correct at the time of issue of this report. However, such sources have not been independently verified by RHB and/or its affiliates and this report does not purport to contain all information that a prospective investor may require. The opinions expressed herein are RHB's present opinions only and are subject to change without prior notice. RHB is not under any obligation to update or keep current the information and opinions expressed herein or to provide the recipient with access to any additional information. Consequently, RHB does not guarantee, represent or warrant, expressly or impliedly, as to the adequacy, accuracy, reliability, fairness or completeness of the information and opinion contained in this report. Neither RHB (including its officers, directors, associates, connected parties, and/or employees) nor does any of its agents accept any liability for any direct, indirect or consequential losses, loss of profits and/or damages that may arise from the use or reliance of this research report and/or further communications given in relation to this report. Any such responsibility or liability is hereby expressly disclaimed.

Whilst every effort is made to ensure that statement of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable and must not be construed as a representation that the matters referred to therein will occur. Different assumptions by RHB or any other source may yield substantially different results and recommendations contained on one type of research product may differ from recommendations contained in other types of research. The performance of currencies may affect the value of, or income from, the securities or any other financial instruments referenced in this report. Holders of depositary receipts backed by the securities discussed in this report assume currency risk. Past performance is not a guide to future performance. Income from investments may fluctuate. The price or value of the investments to which this report relates, either directly or indirectly, may fall or rise against the interest of investors.

This report may contain comments, estimates, projections, forecasts and expressions of opinion relating to macroeconomic research published by RHB economists of which should not be considered as investment ratings/advice and/or a recommendation by such economists on any securities discussed in this report.

This report does not purport to be comprehensive or to contain all the information that a prospective investor may need in order to make an investment decision. The recipient of this report is making its own independent assessment and decisions regarding any securities or financial instruments referenced herein. Any investment discussed or recommended in this report may be unsuitable for an investor depending on the investor's specific investment objectives and financial position. The material in this report is general information intended for recipients who understand the risks of investing in financial instruments. This report does not take into account whether an investment or course of action and any associated risks are suitable for the recipient. Any recommendations contained in this report must therefore not be relied upon as investment advice based on the recipient's personal circumstances. Investors should make their own independent evaluation of the information contained herein, consider their own investment objective, financial situation and particular needs and seek their own financial, business, legal, tax and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as "believe", "estimate", "intend" and "expect" and statements that an event or result "may", "will" or "might" occur or be achieved and other

similar expressions. Such forward-looking statements are based on assumptions made and information currently available to RHB and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. RHB expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

The use of any website to access this report electronically is done at the recipient's own risk, and it is the recipient's sole responsibility to take precautions to ensure that it is free from viruses or other items of a destructive nature. This report may also provide the addresses of, or contain hyperlinks to, websites. RHB takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to RHB own website material) are provided solely for the recipient's convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or RHB website shall be at the recipient's own risk.

This report may contain information obtained from third parties. Third party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs) in connection with any use of their content.

The research analysts responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously. The research analysts that authored this report are precluded by RHB in all circumstances from trading in the securities or other financial instruments referenced in the report, or from having an interest in the company(ies) that they cover.

The contents of this report is strictly confidential and may not be copied, reproduced, published, distributed, transmitted or passed, in whole or in part, to any other person without the prior express written consent of RHB and/or its affiliates. This report has been delivered to RHB and its affiliates' clients for information purposes only and upon the express understanding that such parties will use it only for the purposes set forth above. By electing to view or accepting a copy of this report, the recipients have agreed that they will not print, copy, videotape, record, hyperlink, download, or otherwise attempt to reproduce or re-transmit (in any form including hard copy or electronic distribution format) the contents of this report. RHB and/or its affiliates accepts no liability whatsoever for the actions of third parties in this respect.

The contents of this report are subject to copyright. Please refer to Restrictions on Distribution below for information regarding the distributors of this report. Recipients must not reproduce or disseminate any content or findings of this report without the express permission of RHB and the distributors.

The securities mentioned in this publication may not be eligible for sale in some states or countries or certain categories of investors. The recipient of this report should have regard to the laws of the recipient's place of domicile when contemplating transactions in the securities or other financial instruments referred to herein. The securities discussed in this report may not have been registered in such jurisdiction. Without prejudice to the foregoing, the recipient is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

The term "RHB" shall denote, where appropriate, the relevant entity distributing or disseminating the report in the particular jurisdiction referenced below, or, in every other case, RHB Investment Bank Berhad and its affiliates, subsidiaries and related companies.

RESTRICTIONS ON DISTRIBUTION

Malaysia

This report is issued and distributed in Malaysia by RHB Investment Bank Berhad ("RHBIB"). The views and opinions in this report are our own as of the date hereof and is subject to change. If the Financial Services and Markets Act of the United Kingdom or the rules of the Financial Conduct Authority apply to a recipient, our obligations owed to such recipient therein are unaffected. RHBIB has no obligation to update its opinion or the information in this report.

Thailand

This report is issued and distributed in the Kingdom of Thailand by RHB Securities (Thailand) PCL, a licensed securities company that is authorised by the Ministry of Finance, regulated by the Securities and Exchange Commission of Thailand and is a member of the Stock Exchange of Thailand. The Thai Institute of Directors Association has disclosed the Corporate Governance Report of Thai Listed Companies made pursuant to the policy of the Securities and Exchange Commission of Thailand. RHB Securities (Thailand) PCL does not endorse, confirm nor certify the result of the Corporate Governance Report of Thai Listed Companies.

Indonesia

This report is issued and distributed in Indonesia by PT RHB Sekuritas Indonesia. This research does not constitute an offering document and it should not be construed as an offer of securities in Indonesia. Any securities offered or sold, directly or indirectly, in Indonesia or to any Indonesian citizen or corporation (wherever located) or to any Indonesian resident in a manner which constitutes a public offering under Indonesian laws and regulations must comply with the prevailing Indonesian laws and regulations.

Singapore

This report is issued and distributed in Singapore by RHB Bank Berhad (through its Singapore branch) which is an exempt capital markets services entity and an exempt financial adviser regulated by the Monetary Authority of Singapore. RHB Bank Berhad (through its Singapore branch) may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, RHB Bank Berhad (through its Singapore branch) accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact RHB Bank Berhad (through its Singapore branch) in respect of any matter arising from or in connection with the report.

United States

This report was prepared by RHB is meant for distribution solely and directly to "major" U.S. institutional investors as defined under, and pursuant to, the requirements of Rule 15a-6 under the U.S. Securities and Exchange Act of 1934, as amended (the "Exchange Act") via a registered U.S. broker-dealer as appointed by RHB from time to time. Accordingly, any access to this report via Bursa Marketplace or any other Electronic Services Provider is not intended for any party other than "major" US institutional investors (via a registered U.S broker-dealer), nor shall be deemed as solicitation by RHB in any manner. RHB is not registered as a broker-dealer in the United States and currently has not appointed a U.S. broker-dealer. Additionally, RHB does not offer brokerage services to U.S. persons. Any order for the purchase or sale of all securities discussed herein must be placed with and through a registered U.S. broker-dealer as appointed by RHB from time to time as required by the Exchange Act Rule 15a-6. For avoidance of doubt, RHB reiterates that it has not appointed any U.S. broker-dealer during the issuance of this report. This report is confidential and not intended for distribution to, or use by, persons other than the recipient and its employees, agents and advisors, as applicable. Additionally, where research is distributed via Electronic Service Provider, the analysts whose names appear in this report are not registered or qualified as research analysts in the United States and are not associated persons of any registered U.S. broker-dealer as appointed by RHB from time to time and therefore may not be subject to any applicable restrictions under Financial Industry Regulatory Authority ("FINRA") rules on communications with a subject company, public appearances and personal trading. Investing in any non-U.S. securities or related financial instruments discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in the United States. The financial instruments discussed in this report may not be suitable for all investors. Transactions in foreign markets may be subject to regulations that differ from or offer less protection than those in the United States.

DISCLOSURE OF CONFLICTS OF INTEREST

RHB Investment Bank Berhad, its subsidiaries (including its regional offices) and associated companies, ("RHBIB Group") form a diversified financial group, undertaking various investment banking activities which include, amongst others, underwriting, securities trading, market making and corporate finance advisory.

As a result of the same, in the ordinary course of its business, any member of the RHBIB Group, may, from time to time, have business relationships with, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants, and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or perform and/or solicit investment, advisory or other services from any of the subject company(ies) covered in this research report.

While the RHBIB Group will ensure that there are sufficient information barriers and internal controls in place where necessary, to prevent/manage any conflicts of interest to ensure the independence of this report, investors should also be aware that such conflict of interest may exist in view of the investment banking activities undertaken by the RHBIB Group as mentioned above and should exercise their own judgement before making any investment decisions.

In Singapore, investment research activities are conducted under RHB Bank Berhad (through its Singapore branch), and the disclaimers above similarly apply.

Malaysia

Save as disclosed in the following link [RHB Research Conflict Disclosures – Mar 2024](#) and to the best of our knowledge, RHBIB hereby declares that:

1. RHBIB does not have a financial interest in the securities or other capital market products of the subject company(ies) covered in this report.
2. RHBIB is not a market maker in the securities or capital market products of the subject company(ies) covered in this report.
3. None of RHBIB's staff or associated person serve as a director or board member* of the subject company(ies) covered in this report

**For the avoidance of doubt, the confirmation is only limited to the staff of research department*

4. RHBIB did not receive compensation for investment banking or corporate finance services from the subject company in the past 12 months.
5. RHBIB did not receive compensation or benefit (including gift and special cost arrangement e.g. company/issuer-sponsored and paid trip) in relation to the production of this report.

Thailand

Save as disclosed in the following link [RHB Research Conflict Disclosures – Mar 2024](#) and to the best of our knowledge, RHB Securities (Thailand) PCL hereby declares that:

1. RHB Securities (Thailand) PCL does not have a financial interest in the securities or other capital market products of the subject company(ies) covered in this report.
2. RHB Securities (Thailand) PCL is not a market maker in the securities or capital market products of the subject company(ies) covered in this report.
3. None of RHB Securities (Thailand) PCL's staff or associated person serve as a director or board member* of the subject company(ies) covered in this report
4. *For the avoidance of doubt, the confirmation is only limited to the staff of research department
5. RHB Securities (Thailand) PCL did not receive compensation for investment banking or corporate finance services from the subject company in the past 12 months.
6. RHB Securities (Thailand) PCL did not receive compensation or benefit (including gift and special cost arrangement e.g. company/issuer-sponsored and paid trip) in relation to the production of this report.

Indonesia

Save as disclosed in the following link [RHB Research Conflict Disclosures – Mar 2024](#) and to the best of our knowledge, PT RHB Sekuritas Indonesia hereby declares that:

1. PT RHB Sekuritas Indonesia and its investment analysts, does not have any interest in the securities of the subject company(ies) covered in this report.
For the avoidance of doubt, interest in securities include the following:
 - a) Holding directly or indirectly, individually or jointly own/hold securities or entitled for dividends, interest or proceeds from the sale or exercise of the subject company's securities covered in this report*;
 - b) Being bound by an agreement to purchase securities or has the right to transfer the securities or has the right to pre subscribe the securities*.
 - c) Being bound or required to buy the remaining securities that are not subscribed/placed out pursuant to an Initial Public Offering*.
 - d) Managing or jointly with other parties managing such parties as referred to in (a), (b) or (c) above.
2. PT RHB Sekuritas Indonesia is not a market maker in the securities or capital market products of the subject company(ies) covered in this report.
3. None of PT RHB Sekuritas Indonesia's staff** or associated person serve as a director or board member* of the subject company(ies) covered in this report.
4. PT RHB Sekuritas Indonesia did not receive compensation for investment banking or corporate finance services from the subject company in the past 12 months.
5. PT RHB Sekuritas Indonesia** did not receive compensation or benefit (including gift and special cost arrangement e.g. company/issuer-sponsored and paid trip) in relation to the production of this report:

Notes:

**The overall disclosure is limited to information pertaining to PT RHB Sekuritas Indonesia only.*

***The disclosure is limited to Research staff of PT RHB Sekuritas Indonesia only.*

Singapore

Save as disclosed in the following link [RHB Research Conflict Disclosures – Mar 2024](#) and to the best of our knowledge, the Singapore Research department of RHB Bank Berhad (through its Singapore branch) hereby declares that:

1. RHB Bank Berhad, its subsidiaries and/or associated companies do not make a market in any issuer covered by the Singapore research analysts in this report.
2. RHB Bank Berhad, its subsidiaries and/or its associated companies and its analysts do not have a financial interest (including a shareholding of 1% or more) in the issuer covered by the Singapore research analysts in this report.
3. RHB Bank Berhad's Singapore research staff or connected persons do not serve on the board or trustee positions of the issuer covered by the Singapore research analysts in this report.
4. RHB Bank Berhad, its subsidiaries and/or its associated companies do not have and have not within the last 12 months had any corporate finance advisory relationship with the issuer covered by the Singapore research analysts in this report or any other relationship that may create a potential conflict of interest.
5. RHB Bank Berhad's Singapore research analysts, or person associated or connected to it do not have any interest in the acquisition or disposal of, the securities, specified securities based derivatives contracts or units in a collective investment scheme covered by the Singapore research analysts in this report.
6. RHB Bank Berhad's Singapore research analysts do not receive any compensation or benefit in connection with the production of this research report or recommendation on the issuer covered by the Singapore research analysts.

Analyst Certification

The analyst(s) who prepared this report, and their associates hereby, certify that:

(1) they do not have any financial interest in the securities or other capital market products of the subject companies mentioned in this report, except for:

Analyst	Company
-	-

(2) no part of his or her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.



KUALA LUMPUR

RHB Investment Bank Bhd
Level 3A, Tower One, RHB Centre
Jalan Tun Razak
Kuala Lumpur 50400
Malaysia
Tel : +603 2302 8100
Fax : +603 2302 8134

JAKARTA

PT RHB Sekuritas Indonesia
Revenue Tower, 11th Floor, District 8 - SCBD
Jl. Jendral Sudirman Kav 52-53
Jakarta 12190
Indonesia
Tel : +6221 509 39 888
Fax : +6221 509 39 777

BANGKOK

RHB Securities (Thailand) PCL
10th Floor, Sathorn Square Office Tower
98, North Sathorn Road, Silom
Bangrak, Bangkok 10500
Thailand
Tel: +66 2088 9999
Fax :+66 2088 9799

SINGAPORE

RHB Bank Berhad (Singapore branch)
90 Cecil Street
#04-00 RHB Bank Building
Singapore 069531
Fax: +65 6509 0470