Future Mobility

Inflection Point of EVs Transition

NEUTRAL

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We recently visited KLIMS 2026 which offers on-the-ground perspective on the rapid transition towards EVs. This includes the push for PHEVs (over ICEs) for range-anxiety consumers, and as a phased transition from an import-reliant EV marketplace to a localized EV manufacturing ecosystem. By cutting off cheap imports, the government is deliberately creating a protected domestic sandbox to pressure global automakers into building local supply chains. Beneficiaries of ready EV local production would be Perodua from its own smart mobility plant, Proton and Zeeker under Proton's Tanjung Malim Plant, and Xpeng, GWM, BAIC & SAIC brands' under EPMB's Melaka plant. Globally, we saw an uneven regional EV adoption growth rate as rapid EVs adoption in China, Europe, and emerging economies is being countered by significant policy pullbacks in the United States which indicates that government policy support is crucial to boost EV adoption rate. From an ESG standpoint, EVs provide superior structural drivetrain efficiency and lifecycle decarbonization compared to legacy fossil fuel platforms. However, car companies must navigate acute mineral supply concentrations, and grid integration barriers to successfully achieve net-zero greenhouse gas (GHG) emissions by 2050.

PART 1 – On-the-Ground at Kuala Lumpur International Mobility Show 2026 (KLIMS 2026)

KLIMS 2026 – Beyond Mobility. KLIMS 2026 shifted more toward electrification and next-generation mobility versus KLIMS 2024 which was the comeback show after a six-year gap and had a broader mix of established brands (see Exhibit 1). It added brands that were absent in 2024, including Dongfeng, Jetour, Maxus, Hyundai (returning with a larger presence), and Zeekr. The show also featured higher-profile production-ready debuts and regional previews (see Exhibit 2).

Based on the excitement factor (see Exhibit 3), KLIMS 2026 scores significantly higher on the excitement scale because it breaks the traditional mold of a static vehicle showroom. By converting empty floor spaces into interactive driving obstacle zones, pop-culture gaming centers, and concert stages, the event maximizes the "Delight & Attractive" variables in consumer experience models (see Exhibit 4). However, personally, we do take note that KLIMS 2026 features less all-new car launches compared to KLIMS 2024 (the showcased cars mostly already launched earlier in 2026 seperately outside KLIMS event compared to previous KLIMS event where new models were launched during the event), which we attributed to the policy constraint largely related to the new entry of EVs CBU models.

On the other hand, Malaysian Autoshow 2025 traditionally emphasizes product launches more heavily than KLIMS. From our observation, the biggest change from KLIMS 2024 → MAS 2025 → KLIMS 2026 was not that PHEVs overtook EVs, the real shift was that ICE vehicles new launches shrank dramatically, while EVs expanded from roughly one-third of displayed vehicles at KLIMS 2024 to more than half at KLIMS 2026 (see exhibit 1). Most apparent sight is that the transition toward PHEVs is more visible in KLIMS 2026 versus 3-years ago (3-5% showcased market share vs KLIMS 2026 at 10-15%) as EV CBU incentives ended in December 2025, leaving PHEVs more competitively priced against new entry of EVs CBU (a pre-tax CIF floor price of RM200,000 for imported EVs).

Exhibit 1: Market Share of Showcased Vehicles

Show	EVs	PHEVs	HEV/e-POWER/MHEV	ICE
KLIMS 2024	25–35%	3–5%	15–20%	45–55%
MAS 2025	40–50%	8–12%	15–20%	25–35%
KLIMS 2026	50–60%	10–15%	10–15%	20–30%

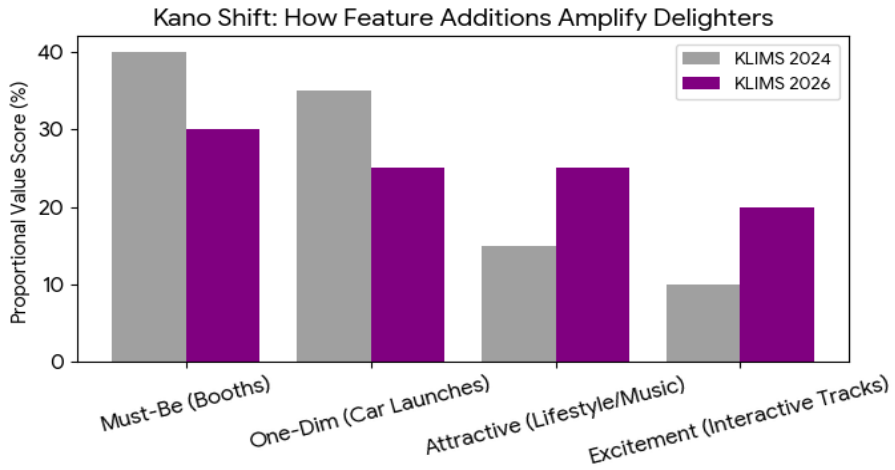
Source : Kenanga, various automotive website, https://klims.com.my/

Exhibit 2: Major launches at KLIMS 2026

Model	Status	Highlights
Proton e.MAS 7 Premium+	Official launch	Extended-range, larger battery, upgraded interior features.
Honda Prelude	Showcase	Production version of Honda's revived sports coupe
Nissan X-Trail e-POWER e-4ORCE	Regional preview	Electrified AWD SUV scheduled for Malaysian launch in Q4 2026.
Perodua Sedan Concept	Concept reveal	Preview of Perodua's upcoming sedan direction.
Mazda CX-5	Showcase	New-generation CX-5 expected to attract strong attention.
Kia EV5	Showcase	One of several new Kia EV models displayed at the show.
MG IM6	Showcase	Premium EV from MG's IM sub-brand.
Zeekr 9X	Public display	Large luxury SUV making one of its first appearances in Malaysia.
Jetour G700	Showcase	Rugged SUV aimed at adventure-focused buyers.
Hyundai Ioniq 5 N	N-brand return	Hyundai reintroduced its N performance division at KLIMS.

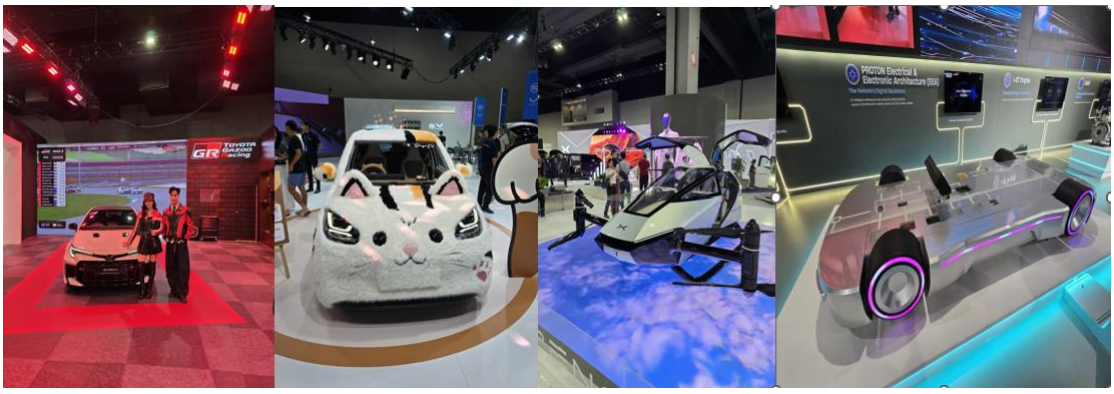
Source : Kenanga, various automotive website, https://klims.com.my/

Exhibit 3: Visualizing the Kano Shift - The Kano Shift describes how Consumer Expectations Evolve Over Time.



Source : Kenanga, various automotive website, https://klims.com.my/

Exhibit 4: KLIMS 2026 showcase



Source : Kenanga

PART 2 – Electric Vehicles and Sustainability — Insights from Temasek's Ecosperity Week 2026

The transition to electric mobility is often simplified as a shift away from tailpipe emissions. However, for car companies, the material ESG case for EVs is rooted in **structural energy efficiency**, **lifecycle decarbonization**, and the **management of upstream supply chain risks**. Electric mobility has emerged as a cornerstone of the **Low Carbon Mobility Blueprint (LCMB)** and is central to Malaysia's overarching commitment to achieving **net zero greenhouse gas (GHG) emissions by 2050**. The urgency of this transition is underscored by the fact that transportation currently serves as the nation's **second-largest contributor of GHG emissions**, accounting for over **25% of energy-sector emissions** and a substantial **40% of Malaysia's total energy consumption**. With an active vehicle population of nearly **24m units** as of late 2023, the move toward zero-tailpipe-emission platforms is no longer a peripheral environmental goal but a macroeconomic necessity. This structural shift is being accelerated by specific policy catalysts, including the on-going **fuel subsidy rationalizations** and expected **MITI CBU import restrictions on July 1st, 2026**, which establish a pre-tax **CIF floor price of RM200,000** for imported EVs to insulate the domestic completely knocked-down (CKD) assembly ecosystem. Our sustainability team recently attended Temasek's Ecosperity Week 2026 in Singapore, alongside 9,000 global participants focused on transition finance, innovation, and decarbonisation. Key insights on electric vehicles and the broader ecosystem includes: -

Thermodynamics and the Efficiency Thesis

From a financially material ESG perspective, the primary investment case for electrification is rooted in the superior **structural energy efficiency** of electric drivetrains compared to legacy fossil fuel platforms. Electric powertrains are fundamentally more efficient than their internal combustion counterparts, converting battery energy to motion at rates **2 to 4 times higher** than ICE vehicles, which lose the vast majority of their primary energy to waste heat during the combustion process. By transitioning to a mobility network backed by renewable energy, a nation can realize a **70% to 80% reduction in primary transport energy requirements**, drastically enhancing national energy security and resilience against global fossil fuel price shocks.

Lifecycle Analysis: Decoupling Carbon from the Odometer

While the absence of tailpipe emissions is the most visible benefit, a robust ESG evaluation must account for **lifecycle emissions** spread over a standard **200,000km vehicle lifespan**. The production of battery electric vehicles (BEVs) is initially more carbon-intensive due to battery assembly, which can account for up to **60% of manufacturing emissions**; however, this "carbon debt" is typically **offset within the first two years** of regular operation. Furthermore, global data confirms that BEVs deliver significantly lower lifecycle emissions even when operating on **coal-heavy electricity grids**, such as those in China, India, and South Africa, outperforming comparable gasoline vehicles in every major market.

Comparative Lifecycle GHG Emissions & Performance Metrics (2025 Projection) – IEA Global EV Outlook 2026

Vehicle Type	*Lifecycle GHG Emissions vs. ICEv*	*Financially Material Driver*
ICEV (Gasoline)	**Baseline (100%)**	High exposure to carbon taxes and fuel subsidy rationalization.
HEV (Hybrid)	**~10% – 20% Lower**	Efficiency gains via regenerative braking; remains fully fuel-dependent.
PHEV (Plug-in Hybrid)	**~30% Lower**	Savings assume an average **60% electric-driving share**.
BEV (Medium Car)	**>55% Lower**	Direct benefit from grid decarbonization and zero-tailpipe compliance.
BEV (Large/SUV)	**~67% Lower**	Higher relative efficiency gains in larger, typically less efficient segments.

Note: Normalized against an Internal Combustion Engine Vehicle (ICEV) baseline.

Displacement of oil consumption. Electric vehicles and plug-in hybrids displaced 2.3m barrels of oil consumption per day in 2025, according to research from BloombergNEF. That number should more than double by the end of the decade as sales of battery-powered cars continue to climb globally, the company projects. Despite the slowdown in the U.S, EV sales continue to grow robustly in the rest of the world, including in major economies like China, Europe, and India. According to Benchmark Mineral Intelligence, automakers sold 20.7m plug-in vehicles worldwide in 2025, representing 20% year-over-year growth. Surprisingly, electric two- and three-wheelers are currently cutting oil use more than cars, particularly in developing economies across Asia. Those smaller vehicles displaced some 1.1m barrels of oil per day last year, as compared with around 741,000 from passenger vehicles. By 2030, BNEF projects that cars will drive an outsized share of oil displacement in the coming years, with plug-in vehicles collectively erasing up to 5.3m barrels of daily oil use.

The Critical Mineral and Governance Squeeze

The transition from fuel-intensive to material-intensive transportation introduces new systemic risks, as a typical electric car requires **six times the mineral inputs** of a conventional vehicle. This supply chain is highly geographically concentrated, with the **top three producing nations controlling over 75%** of the global supply of lithium, cobalt, and rare earth elements. This concentration exposes manufacturers to geopolitical volatility and trade restrictions, while environmental risks are mounting; currently, over **50% of global lithium and copper production** is situated in areas categorized as having **high water stress**. Car companies must also track social liabilities, such as human rights concerns in the Democratic Republic of Congo, where child labor has been identified at approximately **30% of artisanal cobalt mining sites**.

Social Capital: Navigating the Labor Asymmetry

A critical and often overlooked "Just Transition" risk exists for the Malaysian automotive sector: a standard EV assembly line requires **30% to 40% fewer labor hours** than a legacy ICE system. For a sector contributing roughly **4% to Malaysia's GDP**, this represents a material upskilling liability that must be managed to avoid structural unemployment. Automakers that fail to proactively budget for the retraining of technicians—shifting from mechanical systems to **high-voltage diagnostics and software engineering**—face severe risks of operational friction and severe labor talent deficits.

Our key takeaways: The sustainability profile of an automotive stock is no longer defined solely by fleet emission averages; it is a function of supply chain resilience and technological governance. **Top-tier ESG performers** will be those demonstrating high localization rates for CKD assembly, establishing closed-loop recycling architectures for critical minerals, and proactively manage **semiconductor supply chain vulnerabilities**

Source: Ecosperity Week 2026, BloombergNEF, IEA, TheEdge, Kenanga

PART 3 – Malaysian Electric Vehicles (EV) Industry

Where we are now. (see chart 1) EV (pure electric) adoption in Malaysia is seeing a significant rise, particularly in the last four years i.e. 2022 (2,631 units registered), 2023 (+286% to 10,159 units), 2024 (+114% to 21,789 units), and 2025 (+42% to 30,848 units). The strong momentum of EVs continues in 2026, chalking up 8,789 units (2,550 hybrid, 6,239 EV~largely from initial delivery of Proton eMas5) in January, 6,475 units (2,840 hybrid, 3,635 EVs) in February due to shorter working month, 7,783 units (3,066 hybrid, 4,717 EVs) in March, 10,830 units (4,936 hybrid, 5,894 EVs) in April, and 10,141 units (5,103 hybrid, 5,038 EVs) in May as hybrids (specifically PHEV) in a close competion with EVs as EVs CBU sales are limited to existing inventory due to limitation on floor price policy while waiting for CKDs for few models such as Proton eMas 7 & 5 and Xpeng G6 to roll-out of the their respective CKD plant.

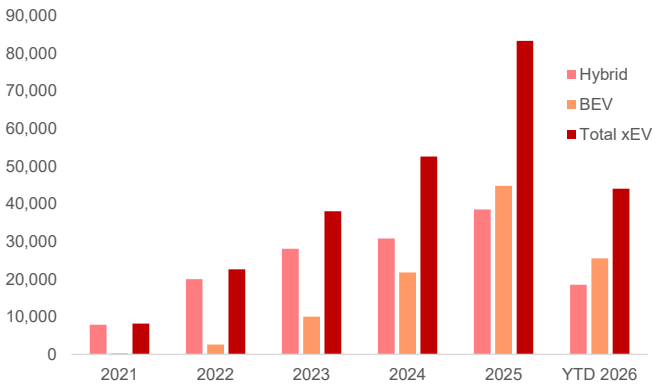
Despite recording sharp year-on-year growth, the sales of EVs are small compared to the total TIV. As an example, 2025 saw a TIV of 820,752 units but **EVs represented just 8.4% of the total TIV** at 69,363 units, comprising 30,848 BEVs and 38,515 hybrid vehicles. To meet the government's National Energy Transition Roadmap (NETR) target of achieving a 20% EV market share by 2030, domestic volumes will need to scale to over 180,000 units annually, according to MyZEVA.

As for charging points, as at December 2025 (no latest update as official reporting from MEVnet has ceased), **only 5,719 chargers have been deployed** (2,004 DC, 3,715 AC giving a ratio of 1:15, reaching just **57% of the targeted 10,000 chargers** (no latest update has been provided by MITI). More than half the chargers are concentrated in Selangor, Kuala Lumpur, Penang and Johor.

We can expect to see more hybrids (PHEV) entering the market i.e. vehicles that can travel from 900km to over 1,000km, powered by both gasoline and battery packs (smaller compared to pure EVs), following Jaecoo J7 PHEV's launch in February 2025 and Proton eMas 7 PHEV in February 2026, both leading the pack in 2026. Apart from PHEVs' much longer range, these vehicles are priced only about 5%-15% more than the highest variant of the ICE model while addressing worries over range, affordability and familiarity. As PHEVs do not receive any tax exemptions, their prices have not been impacted after the tax incentives for EVs ended on 31 December 2025. In fact, PHEVs benefit from the higher prices for CBU EVs with the return of import and excise duties, as well as higher floor price for new entry of CBU EVs.

Chart 1: Breakdown of EV Sales 2021–2026 (Hybrid & EV)

Year	Hybrid		BEV		Total EV
	Vol	%	Vol	%	
2021	7,875		270		8,145
2022	19,988	154%	2,600	863%	22,588
2023	28,055	40%	10,000	285%	38,055
2024	30,796	10%	21,789	118%	52,585
2025	38,515	25%	44,813	106%	83,328
YTD 2026	18,495		25,523		44,018



** YTD 2026 up to May 2026*

Source: MAA, Paultan.org, Kenanga Research

EV Policy and Infrastructure Ecosystem in Malaysia

The Policy Architecture. Malaysia's Electric Vehicle (EV) policy is governed by the Ministry of Investment, Trade and Industry (MITI), which recently implemented a major regulatory overhaul designed to shift the country from an import-driven market to a localized manufacturing hub. The core of the current policy forces a sharp division between fully imported vehicles and locally assembled ones to safeguard the domestic automotive ecosystem. The temporary full tax holiday for Completely Built-Up (CBU) imported vehicles officially ended on December 31, 2025.

Under the newest framework, effective July 1, 2026, all new CBU EV imports must meet two strict minimum requirements to obtain Franchise Approved Permits (APs) : - (i) Minimum CIF Value: A minimum Cost, Insurance, and Freight (CIF) value of RM200,000 per unit and (ii) Minimum Motor Output: A minimum power output of 180 kW (245 PS / 241 hp).

The price impact: The RM200,000 threshold applies to the pre-tax landed cost, the sequential addition of standard import duties, excise duties, 10% Sales and Service Tax (SST), and dealer margins which will push the actual showroom price of any imported EV to at least RM300,000. This effectively eliminates the market for affordable imported mass-market EVs (such as entry-level BYD, GWM, and MG models) while the existing vehicle stocks already in the country or in transit before the deadline are exempt until sold out.

MITI is utilizing these import restrictions to compel global automakers to invest in local Completely Knocked-Down (CKD) assembly lines. **CKD Tax Incentives:** Tax exemptions for locally assembled EV components remain active until December 31, 2027. **New Plant Requirements:** For new EV manufacturing plants established after September 2025, strict mandates require that local production cannot be priced below RM100,000, must include a costly dedicated paint shop facility, and 80% of the production volume must be exported. **Market Winners:** This policy gives a substantial commercial advantage to local brands and early CKD adopters (please see the next paragraph on the beneficiaries).

Direct approach to stimulate individual EVs demand: Individual tax relief: taxpayers can claim an individual income tax relief of up to RM2,500 for expenses related to EV charging facility subscriptions, installations, or equipment purchase, valid through the 2027 assessment and insurance advantages: **EV owners can tap into specialized green policies**. For instance, low-mileage drivers can leverage packages like the Allianz EV EcoMiles rebate program to secure up to 15% cashback on top of their standard No Claim Discount (NCD).

Overall, Malaysia's revised EV policy forces a rapid shift from an import-reliant marketplace to a localized manufacturing ecosystem. By cutting off cheap imports, the government is deliberately creating a protected domestic sandbox to pressure global automakers into building local supply chains. The final implications would be (i) motivating factory investment: brands can no longer rely on cheap imports to test the market; they must invest in local completely knocked-down (CKD) assembly plants to stay price-competitive, (ii) creates a two-tier market: the premium segment (above RM300,000) will remain dominated by high-end imports, while the mass-market segment (below RM200,000) will belong exclusively to locally assembled vehicles, and (iii) benefits early adopters: brands like Proton, Perodua, and early-moving Chinese automakers with active Malaysian manufacturing plans gain an immediate multi-year competitive advantage.

Beneficiaries of ready EV local production would be Perodua from its own smart mobility plant, Proton and Zeeker under Proton's Tanjung Malim Plant (under DBRHICOM (UP: TP:RM0.77), and Xpeng, GWM, BAIC & SAIC brands' under EPMB (not rated)'s Melaka plant. Existing third-party contract car manufacturer such as Inokom Corporation Sdn. Bhd under **SIME (OP:TP:RM2.75)** will also benefit from the MITI policy as it has ready infrastructure to CKD any car models.

Opportunities in technology

The rapid advancement in battery technology and autonomous driving are pushing the EV industry ahead in the race to decarbonize road transportation. Recent developments in the areas of charging, materials used and higher degree of autonomous driving indicate that innovation and improvement are happening faster than expected, and this could make low-carbon mobility a reality in the near future.

BYD's unveiling of its "Super E-Platform" ultra-fast charging system in 2025 intensified the competition among EV players racing to stay ahead. The new charging platform is capable of charging BYD's latest models in just five minutes, giving a range of 2km per second and delivering 400km, matching the average time it takes to fuel up an ICE vehicle. BYD will roll-out massive global infrastructure plan dubbed 1,500 kW zero-gravity "Flash Charging" stations soon. The ultra-fast charging roadmap includes 6,000 global stations outside of China.

Another innovation is battery swapping which enables EVs to replace its depleted battery with a fully charged one, all under a brief five minutes. China companies like NIO (EV maker) and CATL (battery manufacturer) are at the forefront of deploying the facilities. NIO has over 3,850 stations (about 60 in Norway, Sweden, Denmark, Germany, and the Netherlands with the rest in China) while CATL has successfully achieved its goal of deploying 1,000 battery swap stations by end-2025.

On the battery front, promising progress is being made in the mass production of solid-state batteries (higher energy density, faster charging, enhanced safety), improvement in lithium-ion phosphate batteries (already used in some BYD and Tesla models) that is cobalt-free (cobalt mining is damaging to the environment and human labour), and sodium-ion batteries (sodium is abundant and cheap, more sustainable compared to lithium). The rapid progress in battery technology means batteries, the main cost component of an EV, can be made cheaper, safer and more sustainably.

For Malaysia, rapid charging and battery swapping may have good potential, particularly in dense high-rise urban areas where owners do not have their own chargers and the high land cost is a barrier to building charging stations. Blueshark, the Malaysian subsidiary of China-based Sharkgulf Technologies Group, is a pioneer in battery swapping in this country. The most visible proof point is the Blueshark and Petronas Dagangan joint venture, formalised in May 2025 with Blueshark Ecosystem holding a 51% stake. The partnership has set a target of more than 50 BlueStation locations nationwide by mid-2026.

The proposed carbon tax, on-going fuel subsidy rationalization and better incentives for residential solar installation could act as catalysts for mass EV adoption in Malaysia with careful and effective policy implementation, taking into consideration the cost of ownership, grid emission, charging infrastructure, and consumer mindset.

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PART 4 – Global Electric Vehicles (EV) Industry

Reaching 23m units by end-2026. The global EV industry continues to expand significantly, with sales projected to reach approximately 23m units in 2026 and capture a 27% share of global new car registrations. While long-term trajectories remain robust, the market is experiencing an increasingly uneven regional split. Rapid adoption in China, Europe, and emerging economies is being countered by significant policy pullbacks in the United States. Specifically, by region: -

- **China (The Global Leader):** China continues to dominate both production and adoption, accounting for over 70% of global EV manufacturing. Electric models captured more than 50% of domestic car sales for the first time in 2025. Driven by massive economies of scale and ultra-affordable domestic options, EVs are projected to exceed 90% of total car sales in China by 2035 (by BloombergNEF). China utilizes a structured mix of tax incentives, trade-in subsidies, and rural expansion campaigns to systematically boost domestic consumer demand for New Energy Vehicles (NEVs).

  China's consumer electric vehicle (EV) incentive landscape has entered a transition phase, shifting away from full waivers to structured, reduced tax breaks and localized cash subsidies. Following the expiration of the full 10% vehicle purchase tax exemption, China implemented a 50% purchase tax exemption capped at a maximum deduction of 15,000 yuan (around USD2,100) per vehicle. This policy is designed to cool over-reliance on state funding while pushing automakers toward intense market discipline

- **Europe:** Backed by strict CO2 emission standards, EV momentum remains strong. Over 20% of new car registrations in the EU are fully electric. Growth is further accelerated by high oil prices and a massive wave of new models such as from Volkswagen and Stellantis priced around €25,000. The European electric vehicle (EV) incentive framework has pivoted toward socially targeted cash grants, stricter local price limits, and strategic protections for EU-manufactured batteries. Following a broad sales dip caused by the sudden removal of past subsidies, major economies have introduced structured, income-based programs alongside robust tax write-offs for corporate fleets.

- **United States (The Policy Drag):** The US outlook has scaled back drastically following political decisions to withdraw federal policy support and proposed rollbacks of the Clean Vehicle Tax Credit. BloombergNEF downgraded its 2030 US passenger EV sales share forecast to just 17% (down from a previous 48% expectation). This softer demand is trickling down to lower global long-term sales projections.

  The United States federal electric vehicle (EV) incentive landscape has dramatically shifted, following the expiration of the USD7,500 new EV and USD4,000 used EV purchase tax credits on September 30, 2025. Enacted via the budget reconciliation bill known as the One Big Beautiful Bill Act (OBBBA), federal purchase incentives are largely gone for new vehicle buyers, forcing a reliance on alternative loan deductions and localized state programs

- **Emerging Economies (The New Growth Engine):** Countries across Southeast Asia, South Asia, and parts of Europe are witnessing explosive EV growth. Notable market shares include Vietnam (40%), Thailand (28%), and Türkiye (22%). This boom is fuelled by beneficial local fiscal policies and cost-competitive imports.

  Emerging economies have officially become the primary growth engine for global electric vehicle (EV) adoption, driven by unique supply-side manufacturing requirements and high-volume electrification of two- and three-wheelers. Unlike the consumer cash grants seen in Western nations, emerging markets utilize structured localization incentives, high protective import tariffs, and aggressive manufacturing tax credits to attract foreign automakers and lower the Total Cost of Ownership (TCO) for mass-market buyers

Conclusion

From our on-the-ground perspective at KLIMS 2026, we saw that EV all-new launches have lessen dramatically compared to previous event (the showcased cars mostly were already launched earlier in 2026 seperately outside KLIMS event compared to previous KLIMS event where they were launched during the event) which we believe was due to stricter all-new EV CBU models entry policy imposed by MITI. However, we saw that car manufacturers has started to push for PHEVs (over ICEs) for range-anxiety consumers, as well as a phased transition from an import-reliant EV marketplace to a localized EV manufacturing ecosystem. By cutting off cheap imports, the government is deliberately creating a protected domestic sandbox to pressure global automakers into building local supply chains. Beneficiaries of ready EV local production would be Perodua from its own smart mobility plant, Proton and Zeeker under Proton's Tanjung Malim Plant, and Xpeng, GWM, BAIC & SAIC brands' under EPMB's Melaka plant. Globally, we saw an uneven EV adoption growth rate as rapid EVs adoption in China, Europe, and emerging economies is being countered by significant policy pullbacks in the United States which indicates that government policy support is crucial to boost EV adoption rate. From an ESG standpoint, EVs provide superior structural drivetrain efficiency and lifecycle decarbonization compared to legacy fossil fuel platforms. However, car companies must navigate acute mineral supply concentrations, and grid integration barriers to successfully achieve net-zero greenhouse gas (GHG) emissions by 2050.

Peer Table Comparison

Name	Rating	Last Price (RM)	Target Price (RM)	Upside	Market Cap (RM m)	Shariah Compliant	Current FYE	Core EPS (sen)		Core EPS Growth		PER (x) - Core Earnings		PBV (x)	ROE	Net. Div. (sen)	Net Div Yld
								1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.
Stocks Under Coverage																	
BERMAZ AUTO BHD	OP	1.03	1.22	18.4%	1,195.8	Y	04/2026	11.5	14.5	27.7%	25.9%	8.9	7.1	1.7	18.4%	9.2	8.9%
DRB-HICOM BHD	UP	1.06	0.770	-27.4%	2,049.0	Y	12/2026	7.2	7.7	119.9%	6.0%	14.7	13.8	0.2	1.3%	3.0	2.8%
HIL INDUSTRIES BHD	OP	0.690	0.850	23.2%	229.0	Y	12/2026	11.2	11.4	2.8%	2.3%	6.2	6.0	0.4	7.2%	2.0	2.9%
HONG LEONG INDUSTRIES BHD	OP	19.10	21.00	9.9%	6,262.9	Y	06/2026	171.0	174.4	11.6%	2.0%	11.2	11.0	2.5	23.3%	100.0	5.2%
MBM RESOURCES BHD	MP	4.92	4.90	-0.4%	1,923.2	Y	12/2026	81.6	82.2	-5.9%	0.7%	6.0	6.0	0.7	11.5%	45.0	9.1%
SIME DARBY BHD	OP	2.18	2.75	26.1%	14,826.2	Y	06/2026	19.8	21.5	15.6%	8.1%	11.0	10.2	0.8	7.0%	14.0	6.4%
TAN CHONG MOTOR HOLDINGS BHD	UP	0.490	0.360	-26.5%	329.3	Y	12/2026	(19.7)	(17.2)	-164.4%	-187.7%	N.A.	N.A.	0.1	-5.2%	1.0	2.0%
SECTOR AGGREGATE					**26,815.4**					**19.9%**	**7.6%**	**11.1**	**10.4**	**0.7**	**6.1%**		**5.4%**

Source: Kenanga Research

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Stock Ratings are defined as follows:

Stock Recommendations

OUTPERFORM	: A particular stock's Expected Total Return is MORE than 10%
MARKET PERFORM	: A particular stock's Expected Total Return is WITHIN the range of -5% to 10%
UNDERPERFORM	: A particular stock's Expected Total Return is LESS than -5%

Sector Recommendations***

OVERWEIGHT	: A particular sector's Expected Total Return is MORE than 10%
NEUTRAL	: A particular sector's Expected Total Return is WITHIN the range of -5% to 10%
UNDERWEIGHT	: A particular sector's Expected Total Return is LESS than -5%

******Sector recommendations are defined based on market capitalisation weighted average expected total return for stocks under our coverage.***

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