STRATEGY

22 September 2025

Strategy – 22 September 2025

Sector Report

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Rationale for report: Market Update

Top Picks
Sorted by market cap

Hong Leong Bank
TP: RM23.75
Rec: BUY
Upside: +21.7%

Maxis
TP: RM4.20
Rec: BUY
Upside: +18.8%

99 Speed Mart
TP: RM2.90
Rec: BUY
Upside: +11.8%

Greatech
TP: RM2.55
Rec: BUY
Upside: +22.5%

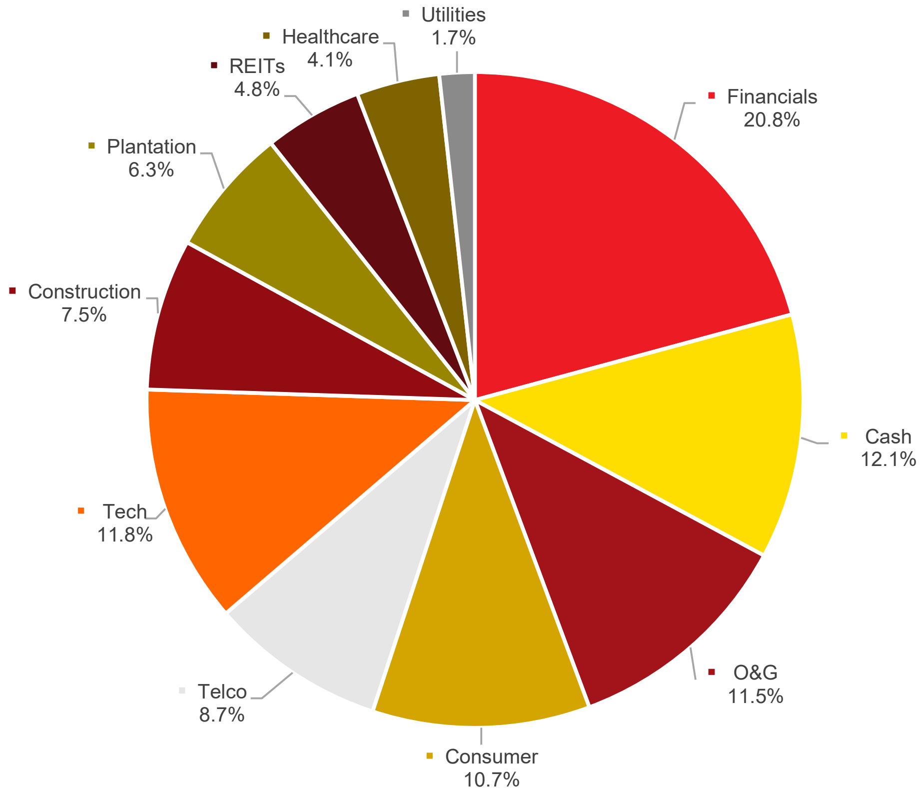
Kelington
TP: RM6.00
Rec: BUY
Upside: +14.2%

Johor Plantations
TP: RM1.72
Rec: BUY
Upside: +24.5%

Investment Highlights

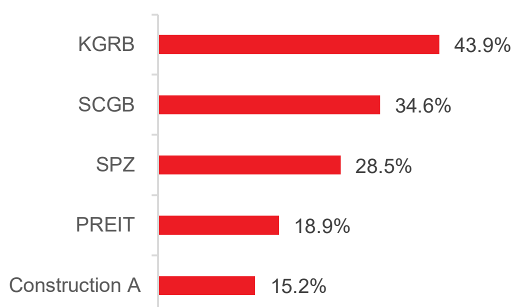
- **AmResearch's model portfolio is down 6.1% YTD**, broadly in line with the FBM100 (YTD: -5%) and local fund performance.
- **Since our last update, the portfolio has gained 2pp, lifted by a broad-based rally.** Risk-on sentiment remains intact ahead of the Fed's 25bps rate cut to 4.00%–4.25% last week, with the dot plot suggesting two more cuts by year-end.
- **Local funds continue to claw back losses, with some already turning positive.** However, as highlighted in our recent Portfolio Pulse, we expect the rally to fade on thinning cash levels, potential profit-taking by ROI funds, and the absence of strong catalysts.
- **We maintain a selective stance and have raised our exposure in V.S. Industry (VSI) from 1.5% to 4% of the model portfolio.** VSI has fallen 22% over the past 3M, largely due to heavy disposals by major shareholders Datuk Beh Kim Ling and Beh Chern Wei, who sold 183m and 31m shares respectively between 25 Aug and 19 Sep 2025. Both have pledged securities, based on the latest annual report. While US tariff headwinds persist, we believe fundamentals are intact. Current valuations mirror 2018 levels, when VSI faced a far more severe order loss from a major customer. On normalised earnings, VSI now trades at 9.4x PE versus its historical average of 12.7x, which is an attractive re-entry point, in our view.
- **Portfolio composition.** Following our increased exposure in VSI, our cash levels now stand at 12%. The remainder of our portfolio consists of 35% growth, 28% value and 25% dividends.

EXHIBIT 1: AMRESEARCH MODEL PORT SECTOR ALLOCATION



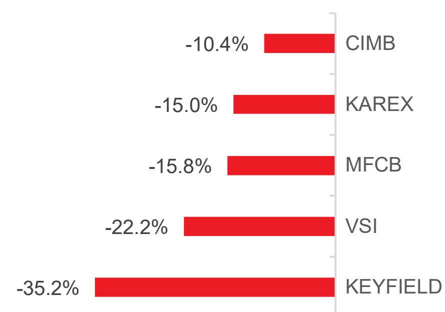
Source: AmInvestment Bank

EXHIBIT 2: TOP 5 BEST PERFORMING HOLDINGS



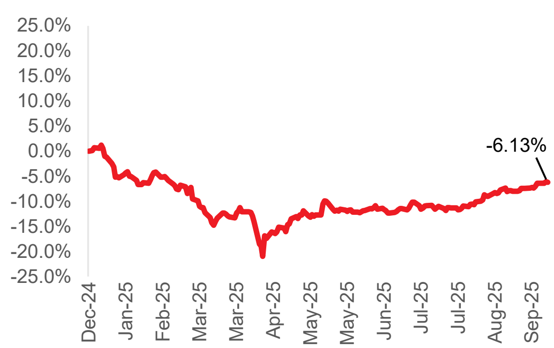
Source: AmInvestment Bank

EXHIBIT 3: TOP 5 WORST PERFORMING HOLDINGS



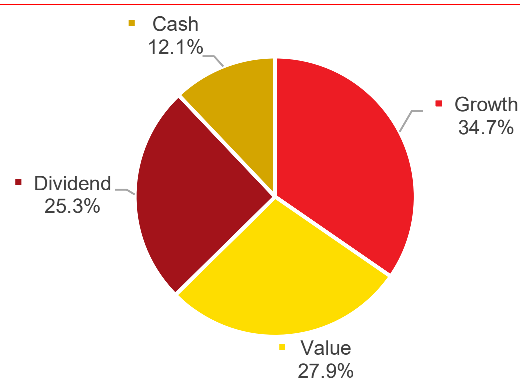
Source: AmInvestment Bank

EXHIBIT 4: FUND PERFORMANCE (SINCE INCEPTION)



Source: AmInvestment Bank

EXHIBIT 5: PORTFOLIO ALLOCATION BY TYPE



Source: AmInvestment Bank

EXHIBIT 6: AMRESEARCH MODEL PORTFOLIO

Companies	No. of shares (mil)	Investment cost (RMmil)	Base Price (RM)	Last Price as of 19 Sep 2025	Actual Value (RMmil)	%	Sector	Type
Cash					34.0	12.1%	Cash	Cash
CIMB Group Holdings Bhd	3.3	27.0	8.11	7.29	24.2	8.6%	Financials	Dividend
Kellington Group Berhad	2.9	10.6	3.69	5.33	15.3	5.4%	Tech	Growth
Hong Leong Bank Bhd	0.7	15.0	20.36	20.18	14.8	5.3%	Financials	Value
Petronas Gas Bhd	0.7	11.9	17.49	18.44	12.5	4.4%	O&G	Dividend
Maxis Bhd	3.3	11.8	3.54	3.66	12.2	4.3%	Telco	Value
MISC Bhd	1.6	11.7	7.41	7.58	12.0	4.2%	O&G	Dividend
Sunway Construction Group Bhd	1.9	8.8	4.56	6.16	11.8	4.2%	Construction	Growth
VS Industry Bhd	20.2	14.8	0.73	0.57	11.5	4.1%	Tech	Growth
Public Bank Berhad	2.5	10.7	4.33	4.27	10.5	3.7%	Financials	Value
99 Speed Mart Retail Holdings	3.8	8.6	2.27	2.60	9.8	3.5%	Consumer	Growth
Johor Plantations Group Bhd	6.7	9.0	1.33	1.45	9.7	3.5%	Plantation	Value
Construction A	1.7	8.0	4.77	5.51	9.3	3.3%	Construction	Growth
RHB Bank Bhd	1.4	9.1	6.51	6.49	9.0	3.2%	Financials	Dividend
Karex Berhad	10.9	10.4	0.95	0.82	8.9	3.2%	Consumer	Growth
MR DIY Group M Bhd	4.9	8.6	1.77	1.60	7.8	2.8%	Consumer	Growth
Pavilion Real Estate Investmen	3.9	5.8	1.49	1.78	6.9	2.5%	REITs	Dividend
Sunway Real Estate Investment	3.2	6.0	1.83	2.07	6.7	2.4%	REITs	Dividend
Greatech Technology Bhd	3.1	6.5	2.09	2.09	6.4	2.3%	Tech	Growth
Telekom Malaysia Bhd	0.9	5.9	6.61	7.06	6.2	2.2%	Telco	Value
IHH Healthcare Bhd	0.8	6.1	7.19	7.32	6.1	2.2%	Healthcare	Value
CELCOMDIGI BHD	1.6	5.9	3.60	3.71	6.0	2.1%	Telco	Value
Keyfield International Bhd	4.0	8.3	2.08	1.35	5.4	1.9%	O&G	Growth
Healthcare A	17.9	6.0	0.33	0.30	5.4	1.9%	Healthcare	Growth
Mega First Corp BHD	1.3	5.8	4.41	3.72	4.9	1.7%	Utilities	Value
IOI Corp Bhd	1.1	4.2	3.86	3.90	4.2	1.5%	Plantation	Value
Kuala Lumpur Kepong Bhd	0.2	4.1	21.47	20.02	3.8	1.4%	Plantation	Value
Spritzer BHD	2.0	2.9	1.47	1.90	3.7	1.3%	Consumer	Growth
Deleum Bhd	1.7	2.3	1.36	1.41	2.4	0.9%	O&G	Growth
Total Portfolio Value					281.6			
				YTD return	-6.13%			

Source: AmInvestment Bank

EXHIBIT 7: AMRESEARCH PORTFOLIO REBALANCING

Date	Transaction details	Number of shares	VWAP	VWAP +/- fee	Total net proceeds
14-Jan-25	Sell 600k Construction A shares	600,000	4.820	4.803	2,881,878
14-Jan-25	Sell 1.676 mil Mah Sing shares	1,676,000	1.623	1.617	2,710,460
14-Jan-25	Sell 1.7 mil Sime Darby Property shares	1,700,000	1.605	1.599	2,718,781
14-Jan-25	Sell 1.3 mil YTL Power International shares	1,300,000	3.922	3.908	5,080,496
17-Jan-25	Sell 1.91 mil Construction A shares	1,910,500	4.051	4.037	7,712,347
17-Jan-25	Sell 3.59 mil Sime Darby Property shares	3,594,100	1.435	1.430	5,138,766
17-Jan-25	Sell 2.13 mil YTL Power International shares	2,132,500	3.768	3.755	8,007,774
17-Jan-25	Buy 839.2k IHH Healthcare Berhad shares	839,200	7.123	7.148	-5,998,375
17-Jan-25	Buy 2.6 mil 99 Speedmart shares	3,777,490	2.299	2.307	-8,714,466
23-Jan-25	Buy 10 mil Oriental Kopi shares	10,000,000	0.848	0.851	-8,511,687
10-Feb-25	Buy 1.66 mil Karex shares	1,661,500	1.007	1.011	-1,679,320
12-Feb-25	Buy 513.6k Karex shares	513,600	1.016	1.019	-523,541
13-Feb-25	Buy 353.3k Karex shares	353,300	1.011	1.015	-358,507
14-Feb-25	Buy 427.1k Karex shares	427,100	1.013	1.017	-434,252
17-Feb-25	Buy 928.5k Karex shares	928,500	1.047	1.050	-975,169
18-Feb-25	Buy 1.20 mil Karex shares	1,197,300	1.032	1.035	-1,239,698
19-Feb-25	Buy 1.05 mil Karex shares	1,050,400	0.976	0.980	-1,029,095
20-Feb-25	Buy 344.2k Karex shares	344,200	0.996	1.000	-344,058
21-Feb-25	Buy 820.3k Karex shares	820,300	1.032	1.036	-849,677
24-Feb-25	Buy 185.1k Karex shares	185,100	1.002	1.005	-186,064
25-Feb-25	Buy 879.1k Karex shares	677,795	0.963	0.966	-654,865
3-Mar-25	Buy 1.00 mil Karex shares	1,002,900	0.788	0.790	-792,749
3-Mar-25	Buy 1.59 mil VS Industires shares	1,589,900	0.969	0.973	-1,546,324
3-Mar-25	Sell 1.33 mil Petronas Chemicals shares	1,332,600	3.767	3.781	5,038,009
3-Mar-25	Sell 5.7 mil Oriental Kopi shares	5,696,100	0.713	0.716	4,077,249
3-Mar-25	Sell 383.7k Property C shares	383,700	1.320	1.325	508,334
4-Mar-25	Buy 655.5k Karex shares	665,500	0.771	0.773	-514,696
4-Mar-25	Sell 432.1k Petronas Chimicals shares	432,100	3.696	3.709	1,602,631
4-Mar-25	Sell 4.3 mil Oriental Kopi shares	4,303,900	0.649	0.651	2,802,576
4-Mar-25	Sell 2.11 mil Property C shares	2,109,700	1.265	1.269	2,677,476
5-Mar-25	Sell 1.65 mil Property C shares	1,645,000	1.250	1.255	2,063,777
5-Mar-25	Buy 393.1k Karex shares	393,100	0.797	0.799	-314,239
6-Mar-25	Sell 322.4k Property C shares	322,400	1.264	1.268	408,843
6-Mar-25	Buy 269.1k Karex shares	269,100	0.816	0.818	-220,246
7-Mar-25	Sell 932.5k Property C shares	932,500	1.271	1.275	1,189,169
7-Mar-25	Buy 141.7k Karex shares	141,700	0.814	0.817	-115,719
10-Mar-25	Buy 268.2k Karex shares	268,213	0.793	0.796	-213,491
10-Mar-25	Sell 566.5k Property C shares	566,500	1.257	1.261	714,412
11-Mar-25	Sell 290.2k Property C shares	290,200	1.206	1.210	351,119
17-Mar-25	Buy 1.56 mil Greatech shares	1,564,811	1.584	1.589	-2,486,708
17-Mar-25	Buy 531.5k Keyfield shares	531,531	2.026	2.033	-1,080,491
17-Mar-25	Buy 777.4k Keyfield shares	777,353	2.038	2.045	-1,590,024
25-Apr-25	Sell 662.7k Vitrox shares	662,739	2.827	2.837	1,880,187
25-Apr-25	Sell 108.8k MPI shares	108,801	16.870	16.929	1,841,842
25-Apr-25	Buy 984.1 MRDIY shares	984,060	1.652	1.658	-1,631,456
25-Apr-25	Buy 199.6k 99 Speed Mart shares	199,617	2.225	2.232	-445,642
28-Apr-25	Sell 1.65 mil Vitrox shares	1,654,400	3.134	3.145	5,203,369
28-Apr-25	Sell 82.8k MPI shares	82,800	17.579	17.641	1,460,636
28-Apr-25	Buy 589.8k MRDIY shares	589,821	1.648	1.654	-975,427
28-Apr-25	Buy 969.1k 99 Speed Mart shares	969,173	2.210	2.218	-2,149,466
29-Apr-25	Sell 668k Vitrox shares	667,961	3.169	3.180	2,123,842
29-Apr-25	Sell 42k MPI shares	41,999	18.380	18.444	774,622
25-Jun-25	Buy 2.25mil Kelington shares	2,256,672	3.683	3.696	-8,340,639
26-Jun-25	Buy 609.8mil Kelington shares	609,776	3.721	3.734	-2,277,163
30-Jun-25	Sell 224.3k KLK shares	224,319	20.674	20.602	4,621,317
30-Jun-25	Sell 904.9k IOI Corp shares	904,926	3.727	3.714	3,360,584
30-Jun-25	Sell 1.72mil Property B shares	1,719,696	0.718	0.715	1,229,906
30-Jun-25	Sell 1.29mil VS Industries shares	1,288,815	0.828	0.825	1,063,789
30-Jun-25	Sell 634.6k Greatec shares	634,557	1.740	1.734	1,100,012
30-Jun-25	Buy 1.68mil Construction A shares	1,679,272	4.767	4.783	-8,032,265
30-Jun-25	Buy 2.46mil Public Bank shares	2,466,394	4.327	4.342	-10,709,687
1-Jul-25	Sell 337.7k IOI Corp shares	337,743	3.744	3.731	1,260,101
1-Jul-25	Sell 3.94mil Property B shares	3,940,704	0.728	0.725	2,858,236
1-Jul-25	Sell 575.8k VS Industries shares	575,751	0.836	0.833	479,701
1-Jul-25	Sell 582.3k Greatec shares	582,285	1.740	1.734	1,009,804
2-Jul-25	Sell 485.7k VS Industries shares	485,661	0.833	0.830	403,333
2-Jul-25	Sell 986.4k Greatec shares	986,436	1.756	1.750	1,725,922
3-Jul-25	Sell 2.30 mil VS Industries shares	2,300,892	0.854	0.851	1,958,314
3-Jul-25	Sell 1.52 mil Greatec shares	1,517,243	1.871	1.865	2,829,280
4-Jul-25	Sell 1.09 mil VS Industries shars	1,090,199	0.859	0.856	933,203
18-Sep-25	Buy 13.68 mil VS Industries shares	13,683,849	0.559	0.561	-7,671,925

Source: AmInvestment Bank

DISCLOSURE AND DISCLAIMER