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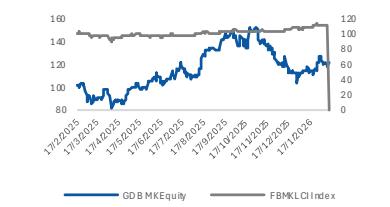
Recommendation:	BUY
Current Price:	RM0.40
Previous Target Price:	RM0.48
Target Price:	RM0.48
Capital Upside/Downside:	21.5%
Dividend Yield (%):	5.5%
Total Upside/Downside	27.0%

Stock Information

Board	MAIN
Sector	Construction
Bursa / Bloomberg Code	0198 / GDB MK
Syariah Compliant	Yes
ESGRating	★★★
Sharesend (m)	1,031.3
Market Cap (RM'm)	407.3
52-Week Price Range (RM)	0.515-0.265
Beta (x)	1.3
Freefloat (%)	51.8
3M Average Volume (m)	5.7
3M Average Value (RM'm)	2.2

Top 3 Shareholders	(%)
Chc Holdings Sdn Bhd	17.6
Young Andy Lai Wee	13.1
Lo Tzone Leong	11.3

Share Price Performance



	1M	3M	12M
Absolute (%)	5.3	-11.2	12.9
Relative (%)	3.7	-17.0	3.3

Earnings Summary

FYE Dec	FY24	FY25F	FY26F
Revenue (RM'm)	258.2	765.0	673.9
PATAMI (RM'm)	26.8	83.7	61.9
CNP (RM'm)	36.7	83.7	61.9
EPS - core (sen)	3.6	8.1	6.0
P/E(x)	11.8	5.2	7.0

Source: Company, Apex Securities

GDB Holdings Bhd

Full Steam Ahead

- GDB has proposed to acquire three parcels of leasehold land in Sarawak for RM32.7m cash, located in the Kuching Central and Muara Tebas land districts.**
- The parcels total c.21,926 sqm are intended for a mixed development with an estimated GDV of RM700m.**
- The Group's orderbook stands at RM669m, while its tenderbook is estimated at RM1.4bn, with a further RM1.4bn of planned bid submissions by Q1 2026 that could lift the tenderbook to c.RM3bn.**
- Maintain our BUY recommendation with a TP of RM0.48, based on 8.0x FY26F EPS of 6.0 sen.**

Sarawak Land Acquisition. GDB has proposed to acquire three parcels of leasehold land in Sarawak for RM32.7m cash. The parcels, located in the Kuching Central and Muara Tebas land districts, have a combined land area of c.21,926 sqm and will be acquired from Mighty Metaverse Sdn Bhd, Borneo 1 Stop Business Services Sdn Bhd and Sport Pavillion Sendirian Bhd.

First Foray into Property Development. The proposed land acquisition is intended for a mixed development with an estimated GDV of RM700m. The parcels are located within a mature township in Kuching, surrounded by established residential areas with good connectivity and favourable growth prospects. The project represents GDB's first property development venture in Sarawak and reflects a strategic diversification beyond its core construction operations. The development is expected to be rolled out in multiple phases, comprising serviced apartments, SOHO units, retail components and anchor tenants, supported by full facilities and parking infrastructure.

Outlook. GDB's move into property development came as a surprise given its traditional focus on construction. Nonetheless, we remain confident in the Group's execution capabilities, supported by its track record in cost control and timely project delivery. The current orderbook stands at RM669m, while its tenderbook is estimated at RM1.4bn, with a further RM1.4bn of planned bid submissions by Q1 2026 that could lift the tenderbook to c.RM3bn. Contributions from property-related construction are likely to materialise only beyond FY26 following project launches.

Earnings Revision. No change to our forecasts at this juncture, as the proposed land acquisitions have yet to be finalised.

Valuation & Recommendation. We maintain our **BUY** call with a TP of **RM0.48**, based on 8.0x FY26F EPS of 6.0 sen, supported by a three-star ESG rating. Despite slower-than-expected job award momentum recently, we remain positive on GDB's prospects, underpinned by **(i) three major projects in its RM669m orderbook entering peak revenue recognition phases, (ii) a sizeable tenderbook expected to reach c.RM3bn by Q1 2026, and (iii) its latest venture into infrastructure and property development.**

Risks. Rising material prices, failure to secure new contracts, and risk of Liquidated Ascertained Damages (LAD).

Company Update

Monday, 16 Feb, 2026

Financial Highlights

Income Statement

FYE Dec (RM m)	FY22	FY23	FY24	FY25F	FY26F
Revenue	510.1	319.6	258.2	765.0	673.9
Gross Profit	29.9	13.4	55.8	126.4	96.2
EBITDA	28.4	16.2	43.4	118.6	88.6
Depreciation & Amortisation	-6.5	-5.2	-3.4	-4.0	-3.4
EBIT	21.9	11.0	40.0	114.6	85.1
Net Finance Income/ (Cost)	-0.1	-0.1	0.0	0.0	0.0
Associates & JV	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	21.8	10.9	40.0	114.6	85.1
Tax	-5.6	-2.6	-13.3	-30.9	-23.3
Profit After Tax	16.2	8.3	26.7	83.7	61.8
(-) Minority Interest	-1.0	0.3	0.0	0.0	0.0
Net Profit	17.2	8.0	26.8	83.7	61.9
(-) Exceptionals	0.2	3.1	-9.9	0.0	0.0
Core Net Profit	17.0	5.0	36.7	83.7	61.9

Key Ratios

FYE Dec	FY22	FY23	FY24	FY25F	FY26F
Revenue Growth (%)	20.0%	-37.3%	-19.2%	196.3%	-11.9%
CNP Growth (%)	-43.2%	-70.8%	640.1%	128.0%	-26.1%
Core EPS (sen)	1.6	0.5	3.6	8.1	6.0
P/E (x)	25.5	87.4	11.8	5.2	7.0
P/B (x)	2.7	2.6	2.2	1.5	1.3
EV/EBITDA (x)	13.6	21.9	8.1	2.7	2.8
DPS (sen)	0.7	0.0	0.0	2.4	1.8
Dividend Yield (%)	1.7%	0.0%	0.0%	5.8%	4.3%
EBITDA margin (%)	5.6%	5.1%	16.8%	15.5%	13.1%
EBIT margin (%)	4.3%	3.4%	15.5%	15.0%	12.6%
PBT margin (%)	4.3%	3.4%	15.5%	15.0%	12.6%
PAT margin (%)	3.2%	2.6%	10.4%	10.9%	9.2%
NP margin (%)	3.4%	2.5%	10.4%	10.9%	9.2%
CNP margin (%)	3.3%	16%	14.2%	10.9%	9.2%
ROE (%)	10.6%	2.9%	18.7%	28.5%	18.4%
ROA (%)	4.6%	1.4%	9.8%	13.7%	9.8%
Gearing (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Net gearing (%)		Net Cash	Net Cash	Net Cash	Net Cash

Assumptions

Orderbook replenishment (RM m)*	0.0	9.0	902.0	705.0	550.0
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*Historical numbers reflect actual orderbook replenishment

	FY26F
Core EPS (RM)	0.060
P/E multiple (x)	8.0
Fair Value (RM)	0.48
ESG premium/discount	0.0%
Implied Fair Value (RM)	0.48

Source: Company, Apex Securities

Balance Sheet

FYE Dec (RM m)	FY22	FY23	FY24	FY25F	FY26F
Cash	46.3	79.0	811	109.1	186.9
Receivables	184.2	151.7	153.4	261.7	230.5
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	117.4	100.4	123.5	225.4	198.5
Total Current Assets	347.9	331.1	358.1	596.2	616.0
Fixed Assets	20.7	15.6	14.6	13.6	12.6
Intangibles	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Total Non-Current Assets	20.7	15.6	14.6	13.6	12.6
Short-term debt	0.0	0.0	0.0	0.0	0.0
Payables	200.4	157.1	161.7	297.4	269.0
Other current liabilities	6.7	20.4	15.0	18.6	22.4
Total Current Liabilities	207.0	177.5	176.7	316.0	291.4
Long-term debt	0.0	0.0	0.0	0.0	0.0
Other non-current liabilities	0.7	0.0	0.0	0.0	0.0
Total Non-Current Liabilities	0.7	0.0	0.0	0.0	0.0
Shareholder's equity	160.4	168.4	195.2	293.0	336.3
Minority interest	0.5	0.8	0.8	0.8	0.8
Total Equity	160.9	169.3	196.0	293.8	337.1

Cash Flow

FYE Dec (RM m)	FY22	FY23	FY24	FY25F	FY26F
Pre-tax profit	21.8	10.9	40.0	114.6	85.1
Depreciation & amortisation	6.5	5.2	3.4	4.0	3.4
Changes in working capital	-53.0	21.5	-45.5	-74.4	29.6
Others	-9.5	-7.5	2.2	-29.3	-22.2
Operating cash flow	-34.1	30.1	0.1	14.8	96.0
Net capex	-0.9	1.0	-0.4	-3.0	-2.4
Others	1.1	1.6	2.4	2.0	2.7
Investing cash flow	0.2	2.6	2.0	-1.0	0.3
Dividends paid	-6.6	0.0	0.0	-25.1	-18.6
Others	-7.4	7.3	0.8	39.3	0.0
Financing cash flow	-13.9	7.3	0.8	14.2	-18.6
Net cash flow	-47.8	40.0	2.9	28.0	77.7
Forex	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0
Beginning cash & cash equivalent	76.9	29.0	69.0	719	100.0
Ending cash & cash equivalent	29.0	69.0	719	100.0	177.7
Fixed deposits with licensed banks	17.2	10.0	9.2	9.2	9.2
Total cash & deposits	46.3	79.0	81.1	109.1	186.9

Company Update

Monday, 16 Feb, 2026

ESG Matrix Framework:

Environment

Parameters	Rating	Comments
Climate	★★★	Conduct life cycle analyses to identify opportunities for reducing energy use across construction activities. Sources materials locally to reduce the energy required for transportation and logistics, thereby lowering overall carbon footprint produced.
Waste & Effluent	★★★	Recycled 60.6% of waste generated in FY2024, a significant improvement from 27% in FY23. Zero water discharge into rivers, lakes, streams, or ponds in FY24, with all effluents channelled into public sewer systems.
Energy	★★★	Total energy consumption stood at 23,050.44 GJ in FY24, a 29% decrease from 32,673.44 GJ in FY23.
Water	★★★	Conducts periodic water quality surveys at key locations across all project sites, measuring parameters such as Biological Oxygen Demand (BOD), Chemical Oxygen Demand (COD), and suspended solids. The results are benchmarked against Malaysia's National Water Quality Standards to ensure compliance.
Compliance	★★★	In compliance with local environmental regulations.

Social

Diversity	★★	Male-dominated workforce, 71% male and 29% female composition for office-based employees.
Human Rights	★★★	0 human rights violations and incidence of non-compliance with regards to labour matters recorded in FY24.
Occupational Safety and Health	★★	Possesses ISO 45001:2018 certification and project-specific SHASSIC certifications. 1 fatal accident at work site recorded in FY24.
Labour Practices	★★★	Meets the standards mandated by the Workers' Minimum Standards of Housing, Accommodations, and Amenities (Amendment) Act 2019.

Governance

CSR Strategy	★★★	Channelled 99.98% (RM185.2m) of its supplier spending to local businesses while also contributing RM14,400 to charitable and community initiatives benefiting four external organisations.
Management	★★★	1/6 female board composition, 3/6 independent directors.
Stakeholders	★★★	Major announcements and financial reports were announced in timely manner.

Overall ESG Scoring: ★★★

Recommendation Framework:

BUY: Total returns* are expected to exceed 10% within the next 12 months.

HOLD: Total returns* are expected to be within +10% to -10% within the next 12 months.

SELL: Total returns* are expected to be below -10% within the next 12 months.

TRADING BUY: Total returns* are expected to exceed 10% within the next 3 months.

TRADING SELL: Total returns* are expected to be below -10% within the next 3 months.

*Capital gain + dividend yield

Sector Recommendations:

OVERWEIGHT: The industry defined by the analyst is expected to exceed 10% within the next 12 months.

NEUTRAL: The industry defined by the analyst is expected to be within +10% to -10% within the next 12 months.

UNDERWEIGHT: The industry defined by the analyst, is expected to be below -10% within the next 12 months.

ESG Rating Framework:

★★★★★ : Appraised with 3% premium to fundamental fair value

★★★★ : Appraised with 1% premium to fundamental fair value

★★★ : Appraised with 0% premium/discount to fundamental fair value

★★ : Appraised with -1% discount to fundamental fair value

★ : Appraised with -5% discount to fundamental fair value

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(a) nil.