

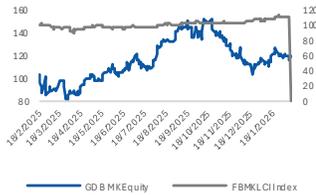
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Recommendation:	BUY
Current Price:	RM0.39
Previous Target Price:	RM0.48
Target Price:	↔ RM0.48
Capital Upside/Downside:	23.1%
Dividend Yield (%)	5.5%
<b>Total Upside/Downside</b>	<b>28.6%</b>

Stock Information	
Board	MAIN
Sector	Construction
Bursa/ Bloomberg Code	0198/ GDB MK
Syariah Compliant	Yes
ESGRating	★★★
Shares issued (m)	1,031.3
Market Cap (RM' m)	402.2
52-Week Price Range (RM)	0.515-0.265
Beta (x)	1.4
Freefloat (%)	51.8
3M Average Volume (m)	6.3
3M Average Value (RM' m)	2.4

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 (%)	4.0	-7.1	13.0
Relative (%)	3.8	-13.7	2.8

Earnings Summary			
FYE Dec	FY25	FY26F	FY27F
Revenue (RM'm)	748.1	673.9	447.0
PATAMI (RM'm)	54.3	61.9	38.8
CNP (RM'm)	106.2	61.9	38.8
EPS - core (sen)	10.3	6.0	3.8
P/E(x)	3.8	6.5	10.4

Source: Company, Apex Securities

# GDB Holdings Bhd

## Above Expectations

- GDB's 4QFY25 CNP came in at RM36.5m (+29.2% QoQ, +282.5% YoY) after adjusting for RM38.5m of impairment loss on trade receivables and other EIs, bringing 12MFY25 CNP to RM106.2m (+298% YoY). The results exceed expectations, accounting for 127% of our full-year estimates.
- GDB's orderbook now stands at c.RM550m, providing earnings visibility until FY26.
- The Group's tenderbook is estimated at c.RM3.1bn, with RM1.3bn of additional bids planned for 2Q 2026.
- Maintain BUY recommendation with an unchanged TP of RM0.48, based on assigned 8.0x P/E multiple to its FY26F EPS of 6.0 sen, along with a three-star ESG rating.

**Results above expectations.** After adjusting for a RM38.5m impairment loss on trade receivables and other EIs, GDB's 4QFY25 CNP came in at RM36.5m (+29.2% QoQ, +282.5% YoY), bringing 12MFY25 CNP to RM106.2m (+298% YoY). The results exceed expectations, accounting for 127% of our full-year estimates.

**YoY.** 4QFY25 CNP surged 282.5%, in line with the 111.4% increase in revenue driven by higher work progress and contributions from its key projects, namely the KL International Hospital in Bukit Jalil, the Logistic Hub Plot B project in Shah Alam and the Metrohub 4 Logistic Hub project in Klang.

**QoQ.** CNP rose 29.2% QoQ despite a 10.2% decline in revenue, which was mainly due to timing differences in construction progress recognition. Importantly, the three ongoing projects remain on track for completion in FY26.

**Outlook.** GDB's orderbook now stands at c.RM550m (2.1x FY24 revenue), with its three ongoing projects providing earnings visibility into FY26. The Group is preparing c.RM1.3bn worth of bids for submission by 2Q26 across warehouse, residential, commercial and mixed-use segments. Its latest tender book is estimated at c.RM3.1bn, and we maintain a conservative assumption of c.RM550m in new wins for FY26F. We also expect infrastructure project awards in East Malaysia to gain traction over the coming quarters.

**Earnings Revision.** We maintain our forecasts, adopting a more conservative stance following the lack of contract wins in FY25, while introducing our FY27F earnings estimates.

**Valuation and 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. We remain positive on GDB's prospects, underpinned by (i) **three major projects in its RM550m orderbook entering peak revenue recognition phases**, (ii) **a sizeable tenderbook expected to reach c.RM4bn by Q2 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).

# Results Note

Thursday, 26 Feb, 2026

## Results Comparison

FYE Dec (RM m)	4QFY25	4QFY24	yoy (%)	3QFY25	qoq (%)	12MFY25	12MFY24	yoy (%)	Comments
Revenue	199.2	94.2	111.4	222.0	(10.2)	748.1	258.2	189.7	
COGS	(163.7)	(72.5)	125.9	(190.2)	(13.9)	(622.4)	(202.4)	207.4	
Gross Profit	35.5	21.8	63.3	31.8	11.6	125.7	55.8	125.3	
Other Income	2.6	1.5	68.8	1.8	39.3	8.1	6.8	17.7	
Administrative Expenses	(2.7)	(2.8)	(3.5)	(2.8)	(6.2)	(11.9)	(11.4)	4.0	
Other Expenses	-	(5.0)	(100.0)	-	-	-	(10.0)	(100.0)	
<b>Core EBITDA</b>	<b>35.4</b>	<b>15.5</b>	<b>128.2</b>	<b>30.8</b>	<b>14.9</b>	<b>121.9</b>	<b>41.2</b>	<b>195.6</b>	
Depreciation	(0.2)	(0.3)	(18.9)	(0.2)	2.0	(0.8)	(1.2)	(33.4)	
<b>Core EBIT</b>	<b>35.2</b>	<b>15.3</b>	<b>130.7</b>	<b>30.6</b>	<b>15.0</b>	<b>121.1</b>	<b>40.0</b>	<b>202.6</b>	
Others	(38.5)	(5.0)	670.0	(13.5)	185.2	(52.0)	(10.0)	420.0	Impairment loss on trade receivables
Finance Costs	-	-	-	-	-	-	(0.0)	(100.0)	
<b>Pre-tax profit</b>	<b>(3.3)</b>	<b>10.3</b>	<b>nm</b>	<b>17.1</b>	<b>nm</b>	<b>69.1</b>	<b>30.0</b>	<b>130.2</b>	
Tax	1.3	(5.7)	nm	(2.4)	nm	(14.7)	(13.3)	10.4	
<b>Profit After Tax</b>	<b>(1.9)</b>	<b>4.5</b>	<b>nm</b>	<b>14.8</b>	<b>nm</b>	<b>54.4</b>	<b>16.7</b>	<b>225.3</b>	
(-) Minority Interest	0.1	(0.0)	nm	(0.0)	nm	0.2	(0.0)	nm	
<b>Net Profit</b>	<b>(2.0)</b>	<b>4.5</b>	<b>nm</b>	<b>14.8</b>	<b>nm</b>	<b>54.3</b>	<b>16.8</b>	<b>223.8</b>	
<b>Core Net Profit</b>	<b>36.5</b>	<b>9.5</b>	<b>282.5</b>	<b>28.2</b>	<b>29.2</b>	<b>106.2</b>	<b>26.7</b>	<b>298.0</b>	
Core EPS (sen)	3.5	0.9	282.5	2.7	29.2	10.3	2.6	298.0	
Gross profit margin (%)	17.8	23.1		14.3		16.8	21.6		
Core EBIT margin (%)	17.7	16.2		13.8		16.2	15.5		
PBT margin (%)	(1.6)	10.9		7.7		9.2	11.6		
Effective tax rate (%)	40.9	55.9		13.9		21.2	44.2		
Core net profit margin (%)	18.3	10.1		12.7		14.2	10.3		

Source: Company, Apex Securities

## 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.