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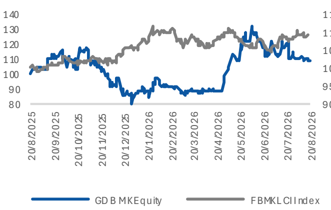
Recommendation:		**BUY**
Current Price:		RM 0.46
Previous Target Price:		RM 0.60
Target Price:	↔	RM 0.60
Capital Upside/Downside:		30.4%
Dividend Yield (%):		4.1%
Total Upside/Downside		**34.5%**

Stock Information	
Board	MAIN
Sector	Construction
Bursa / Bloomberg Code	0198 / GDB MK
Syariah Compliant	Yes
ESG Rating	★★★
Shares issued (m)	1,031.3
Market Cap (RM' m)	474.4
52-Week Price Range (RM)	0.57-0.33
Beta (x)	1.2
Free float (%)	39.3
3M Average Volume (m)	2.2
3M Average Value (RM' m)	1.1

Top 3 Shareholders	**(%)**
Young Andy Lai Wee	14.7
Chc Holdings Sdn Bhd	11.3
Lo Tzone Leong	11.3

Share Price Performance



	1M	**3M**	**12M**
Absolute (%)	-9.8	0.0	8.2
Relative (%)	-10.7	-1.6	-0.7

Earnings Summary

FYE Dec	**FY25**	**FY26F**	**FY27F**
Revenue (RM'm)	748.1	760.0	721.3
PATAMI (RM'm)	54.3	71.6	64.5
CNP (RM'm)	106.2	71.6	64.5
EPS - core (sen)	10.3	6.9	6.3
P/E (x)	4.5	6.6	7.4

Source: Company, Apex Securities

GDB Holdings Bhd

Within Expectations

- **GDB's 1HFY26 core net profit of RM34.6m (-16.6% YoY) accounted for 48% of our FY26F forecast of RM71.6m, which is in line with our expectation.**
- **GDB's orderbook now stands at c.RM1.0bn, providing earnings visibility until FY30.**
- **We remain positive on GDB's earnings into 2HFY26, underpinned by the Group's current tenderbook of c.RM9.6bn, with RM9.2bn of additional bids planned for 2HFY26.**
- **We maintain our FY26F/FY27F/FY28F core net profit forecasts of RM71.6m/RM64.5m/RM58.7m.**
- **Maintain BUY recommendation with an unchanged TP of RM0.60, based on a P/E multiple of 9.5x applied to FY27F EPS of 6.3 sen.**

Results Inline. GDB reported 2QFY26 core net profit of RM13.1m (-38.8% QoQ, -39.5% YoY), after adjusting for gain on disposal of property, plant and equipment (RM0.055m.). This brought 1HFY26 core net profit to RM34.6m (-16.6% YoY). This brought 1HFY26 core net profit to RM34.6m (-16.6% YoY), accounting for 48% of our FY26F forecast and broadly in line with our expectations, underpinned by resilient earnings contribution from ongoing projects nearing completion.

QoQ. Core net profit fell 38.8% QoQ to RM13.1m (1QFY26: RM21.5m) due to lower revenue recognition in 2QFY26, where revenue declined 15.7% QoQ to RM142.5m, as construction activities progressed in line with the scheduled work programmes for the KL International Hospital, Logistic Hub Plot B and Metrohub 4 projects, all of which are nearing completion.

YoY. 2QFY26 revenue fell 21.2% YoY to RM142.5m as the KL International Hospital, Logistic Hub Plot B and Metrohub 4 Logistic Hub projects moved past their peak billing stages. Core net profit declined 39.5% YoY to RM13.1m (2QFY25: RM21.7m), on lower revenue recognition and a near-doubling of administrative expenses to RM6.2m (2QFY25: RM3.2m) as the Group expanded its organisational structure to support its move into East Malaysia, alongside diversification into new business lines.

YTD. 1HFY26 revenue fell 4.7% YoY to RM311.4m, as the wind-down of legacy projects outweighed contributions from newer works. Core net profit fell 16.6% YoY to RM34.6m after adjusting for a RM0.12m disposal gain on property, plant and equipment.

Outlook. GDB's orderbook now stands at c.RM1.0bn, with its ongoing projects expected to provide earnings visibility through FY30. Meanwhile, its tenderbook remains healthy at c.RM9.6bn, with the Group preparing c.RM9.22bn worth of bids for submission by end of 2026, spanning infrastructure works (roads, bridges, data centres) as well as commercial, residential and warehouse projects. As such, we maintain our annual orderbook replenishment assumption of RM1.3bn for FY26F. GDB also continues to diversify beyond core construction, via its expansion into property development in Sarawak, two parcels of land for a proposed mixed-use project with an estimated GDV of c.RM500m, and the incorporation of GDB Resources Sdn Bhd to trade in and supply construction materials, equipment and hardware, a step towards vertical integration of its supply chain. We continue to expect Malaysia's construction sector to benefit from sustained government infrastructure spending, ongoing high-rise and mixed-use development in the Klang Valley, and rising demand for data centre.

Earnings Revision. We maintain our FY26F/FY27F/FY28F core net profit forecasts of RM71.6m/RM64.5m/RM58.7m, with no changes to our earnings assumptions.

Valuation and Recommendation. We maintain our **BUY** recommendation with an unchanged TP of **RM0.60**, based on a P/E multiple of 9.5x applied to FY27F EPS of 6.3 sen. We remain positive on GDB's prospects, underpinned by **(i) its RM1.0bn orderbook providing earnings visibility until FY30**, **(ii) a sizeable tenderbook expected to reach c.RM18.8bn by 2HFY26**, 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).

Earnings Summary

FYE Dec (RM m)	FY24	FY25F	FY26F	FY27F	FY28F
Revenue	258.2	748.1	760.0	721.3	686.0
EBITDA	43.4	122.3	100.5	91.3	84.1
Pre-tax profit	40.0	69.1	96.9	87.4	80.2
Net profit	26.8	54.3	71.6	64.5	58.7
Core net profit	36.7	106.2	71.6	64.5	58.7
Core EPS (sen)	3.6	10.3	6.9	6.3	5.7
P/E (x)	12.9	4.5	6.6	7.4	8.1
P/B (x)	2.4	1.7	1.5	1.3	1.2
EV/EBITDA (x)	9.1	2.2	3.0	2.7	5.6
Dividend Yield (%)	0.0%	2.2%	4.5%	4.1%	3.7%
Net Gearing (%)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash

Source: Company, Apex Securities

Results Comparison

FYE Dec (RM m)	2QFY26	2QFY25	yoy (%)	1QFY26	qoq (%)	6MFY26	6MFY25	yoy (%)
Revenue	142.5	180.9	*(21.2)*	169.0	*(15.7)*	311.4	326.9	*(4.7)*
COGS	(118.7)	(150.5)	*(21.1)*	(136.5)	*(13.0)*	(255.2)	(268.5)	*(5.0)*
Gross Profit	23.7	30.4	*(21.9)*	32.5	*(27.0)*	56.2	58.4	*(3.6)*
Other Income	2.3	1.8	*26.7*	2.3	*(1.1)*	4.5	3.6	*24.6*
Administrative Expenses	(6.2)	(3.2)	*95.4*	(6.2)	*1.2*	(12.4)	(6.4)	*95.2*
Other Expenses	-	-	-	-	-	-	-	-
Core EBITDA	**19.8**	**29.0**	***(31.8)***	**28.6**	***(31.0)***	**48.4**	**55.6**	***(13.1)***
Depreciation	(0.5)	(0.2)	*133.0*	(0.2)	*162.3*	(0.7)	(0.4)	*62.5*
Core EBIT	**19.3**	**28.8**	***(33.0)***	**28.4**	***(32.2)***	**47.7**	**55.2**	***(13.6)***
Others	-	-	-	-	-	-	-	-
Finance Costs	(0.0)	-	*nm*	-	*nm*	(0.0)	-	*nm*
Pre-tax profit	**19.3**	**28.8**	***(33.1)***	**28.4**	***(32.3)***	**47.7**	**55.2**	***(13.7)***
Tax	(6.1)	(7.0)	*(13.9)*	(6.9)	*(12.0)*	(13.0)	(13.6)	*(4.8)*
Profit After Tax	**13.2**	**21.7**	***(39.3)***	**21.5**	***(38.7)***	**34.7**	**41.6**	***(16.6)***
(-) Minority Interest	(0.0)	(0.0)	*(68.8)*	(0.0)	*25.0*	(0.0)	0.1	*nm*
Net Profit	**13.2**	**21.7**	***(39.3)***	**21.5**	***(38.7)***	**34.7**	**41.5**	***(16.4)***
Core Net Profit	**13.1**	**21.7**	***(39.5)***	**21.5**	***(38.8)***	**34.6**	**41.5**	***(16.6)***
Core EPS (sen)	-	2.1	*(100.0)*	2.1	*(100.0)*	2.1	4.0	*(48.3)*
Gross profit margin (%)	16.7	16.8		19.2		18.1	17.9	
Core EBIT margin (%)	13.5	15.9		16.8		15.3	16.9	
PBT margin (%)	13.5	15.9		16.8		15.3	16.9	
Effective tax rate (%)	31.5	24.5		24.2		27.2	24.7	
Core net profit margin (%)	9.2	12.0		12.7		11.1	12.7	

Source: Company, Apex Securities

Financial Highlights

Income Statement

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Revenue	**258.2**	**748.1**	**760.0**	**721.3**	**686.0**
Gross Profit	**55.8**	**125.7**	**105.0**	**95.1**	**88.1**
EBITDA	**43.4**	**122.3**	**100.5**	**91.3**	**84.1**
Depreciation & Amortisation	-3.4	-1.2	-3.6	-3.9	-3.9
EBIT	**40.0**	**121.0**	**96.9**	**87.4**	**80.2**
Net Finance Income/ (Cost)	0.0	0.0	0.0	0.0	0.0
Associates & JV	0.0	0.0	0.0	0.0	1.0
Pre-tax Profit	**40.0**	**69.1**	**96.9**	**87.4**	**80.2**
Tax	-13.3	-14.7	-25.1	-22.7	-21.3
Profit After Tax	**26.7**	**54.4**	**71.8**	**64.7**	**58.9**
(-) Minority Interest	0.0	0.2	0.2	0.2	0.2
Net Profit	**26.8**	**54.3**	**71.6**	**64.5**	**58.7**
(-) Exceptionals	-9.9	-51.9	0.0	0.0	0.0
Core Net Profit	**36.7**	**106.2**	**71.6**	**64.5**	**58.7**

Key Ratios

FYE Dec	FY24	FY25	FY26F	FY27F	FY28F
Revenue Growth (%)	-19.2%	189.7%	1.6%	-5.1%	-4.9%
CNP Growth (%)	640.1%	189.4%	-32.6%	-9.9%	-8.9%
Core EPS (sen)	3.6	10.3	6.9	6.3	5.7
P/E (x)	12.9	4.5	6.6	7.4	8.1
P/B (x)	2.4	1.7	1.5	1.3	1.2
EV/EBITDA (x)	9.1	2.2	3.0	2.7	5.6
DPS (sen)	0.0	1.0	2.1	1.9	1.7
Dividend Yield (%)	0.0%	2.2%	4.5%	4.1%	3.7%
EBITDA margin (%)	16.8%	16.3%	13.2%	12.7%	12.3%
EBIT margin (%)	15.5%	16.2%	12.7%	12.1%	11.7%
PBT margin (%)	15.5%	9.2%	12.7%	12.1%	11.7%
PAT margin (%)	10.4%	7.3%	9.4%	9.0%	8.6%
NP margin (%)	10.4%	7.3%	9.4%	8.9%	8.6%
CNP margin (%)	14.2%	14.2%	9.4%	8.9%	8.6%
ROE (%)	18.7%	38.8%	22.1%	17.5%	14.3%
ROA (%)	9.8%	21.9%	13.3%	11.2%	9.5%
Gearing (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Net gearing (%)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash

Assumptions

Orderbook replenishment (RM m)*	902.0	0.0	1300.0	900.0	900.0

**Historical numbers reflect actual orderbook replenishment*

Valuations	FY27F
Core EPS (RM)	0.063
P/E multiple (x)	9.5
Fair Value (RM)	**0.60**
ESG premium/discount	0.0%
Implied Fair Value (RM)	**0.60**

Source: Company, Apex Securities

Balance Sheet

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Cash	81.1	201.0	172.5	226.7	275.3
Receivables	153.4	100.4	102.0	96.8	92.1
Inventories	0.0	1.0	2.0	3.0	4.0
Other current assets	123.5	162.8	165.4	157.0	149.3
Total Current Assets	**358.1**	**469.3**	**520.7**	**561.3**	**597.5**
Fixed Assets	14.6	16.4	16.2	16.6	17.8
Intangibles	0.0	1.0	2.0	3.0	4.0
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Total Non-Current Assets	**14.6**	**16.4**	**16.2**	**16.6**	**17.8**
Short-term debt	0.0	0.0	0.0	0.0	0.0
Payables	161.7	185.2	194.9	186.3	177.9
Other current liabilities	15.0	27.1	18.3	22.5	27.0
Total Current Liabilities	**176.7**	**212.2**	**213.1**	**208.8**	**204.9**
Long-term debt	0.0	0.0	0.0	0.0	0.0
Other non-current liabilities	0.0	0.0	0.0	0.0	0.0
Total Non-Current Liabilities	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Shareholder's equity	195.2	272.5	322.7	367.8	408.9
Minority interest	0.8	1.0	1.2	1.3	1.5
Total Equity	**196.0**	**273.5**	**323.8**	**369.1**	**410.4**

Cash Flow

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Pre-tax profit	**40.0**	**69.1**	**96.9**	**87.4**	**80.2**
Depreciation & amortisation	3.4	3.8	3.6	3.9	3.9
Changes in working capital	-43.5	-1.8	-7.5	5.1	4.0
Others	2.2	33.3	-25.2	-24.0	-22.7
Operating cash flow	**2.1**	**104.4**	**67.8**	**72.4**	**65.4**
Net capex	-2.4	-5.5	-3.4	-4.3	-5.0
Others	2.4	3.0	4.3	5.5	5.9
Investing cash flow	**0.0**	**-2.5**	**0.9**	**1.2**	**0.8**
Dividends paid	0.0	-15.9	-21.5	-19.3	-17.6
Others	0.8	21.9	0.0	0.0	0.0
Financing cash flow	**0.8**	**5.9**	**-21.5**	**-19.3**	**-17.6**
Net cash flow	**2.9**	**107.8**	**47.2**	**54.2**	**48.7**
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	69.0	66.9	99.0	146.2	200.4
Ending cash & cash equivalent	71.9	174.7	146.2	200.4	249.0
Fixed deposits with licensed banks	9.2	26.3	26.3	26.3	26.3
Placement in short-term investments	5.0	75.8	0.0	0.0	0.0
Total cash & deposits	**81.1**	**201.0**	**172.5**	**226.7**	**275.3**

ESG Matrix Framework:

Environment

Parameters	Rating	Comments
Climate	★★	Scope 1 emissions increased to 2,838.43 tCO2e (FY24: 1,833.81 tCO2e), while Scope 2 emissions rose to 1,983.45 tCO2 E (FY2024: 482.14 tCO2e), in line with higher fuel consumption and electricity usage across active project sites. For Scope 3, emissions increased to 1,528.72 tCO2e in FY2025 (FY24: 1,254.83 tCO2e), reflecting increased workforce activity levels.
Waste & Effluent	★★★	Recycled 66% of waste generated in FY25, an improvement of 8% from FY24.
Energy	★★	Total energy consumption stood at 50,858.33 GJ in FY25, a 121% increase from 23,050.44 GJ in FY24.
Water	★★	Total water consumption increased to 75,031 m3 in FY25, a 40% increase from 53,683 m3 in FY24.
Compliance	★★★	In compliance with local environmental regulations.

Social

Diversity	★★	Male-dominated workforce, 74% male and 26% female composition.
Human Rights	★★★	0 human rights violations and incidence of non-compliance with regards to labour matters recorded in FY25.
Occupational Safety and Health	★★★	0 lost time incidents and fatality recorded in FY25.
Labour Practices	★★★	Meets the standards mandated by the Workers' Minimum Standards of Housing, Accommodations, and Amenities (Amendment) Act 2019.

Governance

CSR Strategy	★★★	The Group contributed RM20,206 towards upgrading works at SJKC Soo Jin in Pekan Kapar, the UOB Heartbeat Run fundraiser organised in partnership with the SOLS Foundation, as well as community activities organised by Persatuan Penganut Dewa Lin San Kuala Lumpur and Bomba Klang in conjunction with its Hari Raya celebration event.
Management	★★★	1/8 female board composition, 3/8 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

As of **Friday, 21 Aug, 2026**, the analyst(s), whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:
(a) nil.