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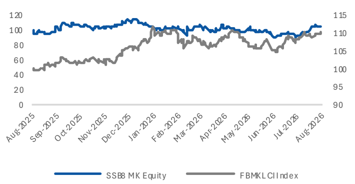
Recommendation:		**BUY**
Current Price:		RM 0.60
Previous Target Price:		RM 0.78
Target Price:	↔	RM 0.78
Capital Upside/Downside:		30.0%
Dividend Yield (%):		1.6%
Total Upside/Downside:		31.6%

Stock information	
Board	ACE
Sector	Construction
Bursa / Bloomberg Code	0045/SSB8 MK
Syariah Compliant	Yes
ESG Rating	★★★
Shares issued (m)	2,272.6
Market Cap (RM' m)	1,363.6
52-Week Price Range (RM)	0.495-0.645
Beta (x)	1.1
Free float (%)	26.5
3M Average Volume (m)	1.8
3M Average Value (RM' m)	1.0

Top 3 Shareholders	**(%)**
Super Advantage Property Sdn Bhd	43.4
Gan Yee Hin	14.2
Urusharta Jamaah Sdn Bhd	3.9

Share Price Performance



	1M	3M	12M
Absolute (%)	16.5	7.1	6.2
Relative (%)	14.5	3.6	-3.2

Earnings summary

FYE Jun (RM m)	FY27F	FY28F	FY29F
Revenue (RM'm)	526.9	583.7	627.3
PATAMI (RM'm)	99.7	110.2	143.5
CNP (RM'm)	99.7	110.2	143.5
EPS - core (sen)	4.4	4.8	6.3
P/E (x)	13.7	12.4	9.5

Southern Score Builders Bhd

Results In-Line

- **SSB8 reported a 4QFY26 core net profit of RM21.4m (+84.0% YoY; +8.7% QoQ), bringing FY26 core earnings to RM63.1m (+56.9% YoY). We deem the results to be broadly in line with our expectations, as it accounts for 88% of our full-year forecast and 97% of consensus estimates.**
- **We expect the Group to deliver resilient earnings growth amid prevailing macroeconomic uncertainties, supported by its sizeable outstanding order book of RM1.68bn. This translates to a robust revenue coverage of 3.4x FY26 revenue.**
- **We maintain our FY27F/FY28F/FY29F core net profit forecasts of RM99.7m/RM110.2m/RM143.5m.**
- **We maintain our BUY recommendation on SSB8 with an unchanged TP of RM0.78, based on unchanged 17.6x P/E multiple applied to FY27F EPS of 4.4 sen.**

Results Inline. SSB8 reported a 4QFY26 core net profit of RM21.4m (+84.0% YoY; +8.7% QoQ), after adjusting for net foreign exchange loss (RM0.17m), bringing FY26 core net profit to RM63.1m (+56.9% YoY). This accounted for 88% of our full-year estimate and 97% of consensus forecast. Although FY26 core net profit accounted for only 88% of our full-year forecast, **we deem the results broadly in line with expectations.** The shortfall was mainly attributable to the timing of revenue recognition, as a portion of progress billings and project certifications originally slated for 4QFY26 is now expected to be recognised in 1QFY27F instead.

QoQ. Revenue rose 32.5% to a record RM177.1m from RM133.7m in 3QFY26, driven by higher M&E contribution (+62.5% QoQ), accounting for 54.3% of quarterly revenue, alongside continued turnkey progress. However, 4QFY26 core net profit margin fell 2.64ppt QoQ to 12.1% (from 14.7% in 3QFY26), moderating the flow-through of the strong top-line growth, core net profit grew a comparatively modest +8.7% QoQ to RM21.4m.

YoY. Revenue grew 118.5% to RM177.1m, driven primarily by the M&E segment (+307.7% YoY to RM96.2m) on the back of SJEE's accelerated project execution, and to a lesser extent by turnkey construction services (+62.1% YoY to RM61.6m) on progress from the PV22 Residences, Platinum Melati Residences and PPAM Vista Pelangi Residences projects. FY26 PBT grew 113.5% to RM123.8m, while core net profit grew 84.0% to RM63.1m — a materially slower pace than revenue and PBT growth, reflecting the enlarged NCI base as SJEE and NPS's minority shareholders now absorb a bigger share of Group profit.

YTD. Revenue surged +122.1% to RM491.0m, while CNP grew at a comparatively slower pace of +56.9%. The strong revenue growth was largely driven by SJEE, whose contribution rose to RM225.3m (+386.4% YoY), supported by accelerated project progress following recent contract awards.

Outlook. We expect the Group to deliver resilient earnings growth amid prevailing macroeconomic uncertainties, supported by its **sizeable outstanding order book of RM1.68bn**. This translates to a robust revenue cover of 3.4x FY26 revenue, providing strong earnings visibility through FY28. We remain positive on the Group's order book replenishment prospects, underpinned by expanding opportunities in the data centre segment, alongside recurring project flows from its related parties. The Group secured two of its largest-ever data centre contracts in August 2026 and intends to keep riding the tailwinds of the data centre industry, with its tender pipeline remaining highly promising. Separately, management flagged FY26 as a milestone year in the Group's transformation into an integrated EPCC (engineering, procurement, construction and commissioning) player spanning construction, M&E and specialised engineering consultancy via the NPS platform, which should sharpen bid competitiveness for larger, higher-value and more technically demanding projects. Malaysia's structurally growing data centre and digital infrastructure capex, alongside recurring project flows from related parties, should continue to support order intake. That said, margin sustainability bears watching given the enlarged NCI drag

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from recent M&A (NPS, SJEE) and ongoing cost pressures from raw materials and labour. Notably, the Group's FY27 YTD contract wins, derived entirely from the M&E segment, stands at c.RM251m, placing the Group in a strong position to achieve our yearly replenishment assumption of RM500m.

Earnings Revision. We maintain our FY27F/FY28F/FY29F core net profit forecasts of RM99.7m/RM110.2m/RM143.5m, with no changes to our earnings assumptions.

Valuation & Recommendation. We maintain our **BUY** recommendation on SSB8 with an unchanged TP of **RM0.78,** based on unchanged 17.6x P/E multiple applied to a FY27F EPS of **4.4 sen**, alongside a three-star ESG rating.

Risks. Rising material costs, labour shortages and oversupply of high-rise residential projects in the Klang Valley area.

Results Comparison

FYE Jun (RM m)	4QFY26	4QFY25	yoy (%)	3QFY26	qoq (%)	12MFY26	12MFY25	yoy (%)
Revenue	177.1	81.0	*118.5*	133.7	*32.5*	491.0	221.1	*122.1*
EBITDA	42.5	18.3	*132.0*	36.8	*15.6*	124.8	60.0	*108.2*
Pre-tax profit	42.2	17.9	*135.5*	36.5	*15.7*	123.8	58.0	*113.5*
Net profit	21.3	11.6	*82.6*	19.7	*7.8*	66.4	40.2	*65.0*
Core net profit	21.4	11.6	*84.0*	19.7	*8.7*	63.1	40.2	*56.9*
Core EPS (sen)	0.9	0.5	*84.0*	0.9	*8.7*	2.8	1.8	*56.9*
EBITDA margin (%)	24.0	22.6	*1.39*	27.5	*-3.51*	25.4	27.1	-1.70
PBT margin (%)	23.8	22.1	*1.71*	27.3	*-3.47*	25.2	26.2	-1.02
Core net profit margin (%)	12.1	14.4	*-2.27*	14.7	*-2.64*	12.9	18.2	-5.34

Source: Company, Apex Securities

Segmental Breakdown

FYE Jun (RM m)	4QFY26	4QFY25	yoy (%)	3QFY26	qoq (%)	12MFY26	12MFY25	yoy (%)
Revenue								
Turnkey construction services	61.6	38.0	*62.1*	59.4	*3.7*	195.3	151.6	*28.9*
Main construction services	13.5	18.6	*(27.3)*	8.2	*65.6*	57.5	21.7	*164.9*
Mechanical and electrical services	96.2	23.6	*307.7*	59.2	*62.5*	225.3	46.3	*386.4*
Others	5.8	0.8	*598.9*	6.9	*(16.5)*	12.9	1.5	*773.3*
Total	**177.1**	**81.0**	***118.5***	**133.7**	***32.5***	**491.0**	**221.1**	***122.1***

Source: Company, Apex Securities

Financial Highlights

Income Statement

FYE Jun (RM m)	FY25	FY26F	FY27F	FY28F	FY29F
Revenue	**221.1**	**465.3**	**526.9**	**583.7**	**627.3**
Gross Profit	**71.1**	**134.7**	**178.8**	**197.3**	**211.0**
EBITDA	**58.5**	**118.4**	**163.0**	**179.8**	**192.1**
Depreciation & Amortisation	0.6	2.3	2.6	2.9	3.1
EBIT	**57.9**	**116.1**	**160.3**	**176.9**	**189.0**
Net Finance Income/ (Cost)	-1.2	-0.9	-0.8	-0.5	-0.2
Associates & JV	0.0	0.0	0.0	0.0	0.0
Other Income/(Cost)	1.3	0.0	0.0	0.0	0.0
Pre-tax Profit	**58.0**	**115.3**	**159.6**	**176.4**	**188.8**
Tax	-14.3	-27.7	-38.3	-42.3	-45.3
Profit After Tax	**43.7**	**87.6**	**121.3**	**134.1**	**143.5**
Minority Interest	-3.5	-15.6	-21.5	-23.9	0.0
Net Profit	**40.2**	**72.0**	**99.7**	**110.2**	**143.5**
Exceptionals	0.0	0.0	0.0	0.0	0.0
Core Net Profit	**40.2**	**72.0**	**99.7**	**110.2**	**143.5**

Key Ratios

FYE Jun (RM m)	FY25	FY26F	FY27F	FY28F	FY29F
EPS (sen)	1.8	3.2	4.4	4.8	6.3
P/E (x)	33.9	18.9	13.7	12.4	9.5
P/B (x)	7.3	5.6	3.7	2.7	2.2
EV/EBITDA (x)	22.9	11.5	7.9	6.7	5.8
DPS (sen)	1.5	0.9	1.0	1.0	1.3
Dividend Yield (%)	2.4%	1.6%	1.6%	1.6%	2.1%
EBITDA margin (%)	26.5%	25.5%	30.9%	30.8%	30.6%
EBIT margin (%)	26.2%	25.0%	30.4%	30.3%	30.1%
PBT margin (%)	26.2%	24.8%	30.3%	30.2%	30.1%
PAT margin (%)	19.8%	18.8%	23.0%	23.0%	22.9%
NP margin (%)	18.2%	15.5%	18.9%	18.9%	22.9%
CNP margin (%)	18.2%	15.5%	18.9%	18.9%	22.9%
ROE (%)	21.6%	29.4%	27.0%	21.6%	22.9%
ROA (%)	13.0%	16.7%	17.8%	15.4%	17.0%
Gearing (%)	6.5%	4.7%	2.0%	0.6%	0.0%
Net gearing (%)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash

FYE Jun (RM m)	FY27F	FY28F	FY29F
Expected order book replenishment	500.0	500.0	600.0

Valuations	FY27F
Core EPS (sen)	4.4
P/E multiple (x)	17.6
Fair Value (RM)	**0.78**
ESG premium/discount	0.0%
Implied Fair Value (RM)	**0.78**

Source: Company, Apex Securities

Balance Sheet

FYE Jun (RM m)	FY25	FY26F	FY27F	FY28F	FY29F
Cash	43.7	43.0	123.7	234.4	327.5
Receivables	246.8	348.9	395.2	437.8	470.5
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	0.1	0.1	0.1	0.1	0.1
Total Current Assets	**290.7**	**392.0**	**519.0**	**672.3**	**798.1**
Fixed Assets	2.0	22.9	25.6	28.5	31.6
Intangibles	15.4	15.4	15.4	15.4	15.4
Other non-current assets	0.2	0.2	0.2	0.2	0.2
Total Non-Current Assets	**17.7**	**38.6**	**41.3**	**44.2**	**47.3**
Short-term debt	12.2	11.4	7.3	3.0	0.0
Payables	103.7	163.7	172.3	191.3	206.1
Other current liabilities	6.4	10.3	10.8	12.0	12.9
Total Current Liabilities	**122.3**	**185.4**	**190.4**	**206.3**	**219.0**
Long-term debt	0.0	0.0	0.0	0.0	0.0
Other non-current liabilities	0.2	0.2	0.2	0.2	0.2
Total Non-Current Liabilities	**0.2**	**0.2**	**0.2**	**0.2**	**0.2**
Shareholder's equity	175.2	218.8	321.8	438.2	554.4
Minority interest	10.7	26.3	47.9	71.8	71.8
Total Equity	**185.9**	**245.1**	**369.7**	**510.0**	**626.2**

Cash Flow

FYE Jun (RM m)	FY25	FY26F	FY27F	FY28F	FY29F
Pre-tax profit	**58.0**	**115.3**	**159.6**	**176.4**	**188.8**
Depreciation & amortisation	0.6	2.3	2.6	2.9	3.1
Changes in working capital	-27.5	-38.3	-37.1	-22.5	-16.9
Others	-9.9	-14.5	-12.5	-14.1	-21.4
Operating cash flow	**21.3**	**64.8**	**112.6**	**142.8**	**153.6**
Net capex	-0.2	-23.3	-5.3	-5.8	-6.3
Others	-15.5	-20.0	0.0	0.0	0.0
Investing cash flow	**-15.7**	**-43.3**	**-5.3**	**-5.8**	**-6.3**
Dividends paid	-22.7	-21.6	-22.4	-22.0	-28.7
Others	-0.6	-0.7	-4.1	-4.3	-25.6
Financing cash flow	**-23.4**	**-22.3**	**-26.6**	**-26.3**	**-54.3**
Net cash flow	**-17.8**	**-0.8**	**80.8**	**110.7**	**93.1**
Forex	0.0	0.0	0.0	0.0	0.0
Others	-2.7	0.0	0.0	0.0	0.0
Beginning cash	67.8	43.7	43.0	123.7	234.4
Ending cash	**47.2**	**43.0**	**123.7**	**234.4**	**327.5**

ESG Matrix Framework:

Environment

Parameters	Rating	Comments
Climate	★★★	Adopted HVAC air conditioning unit and LED lighting, used low-carbon alternatives for construction materials.
Waste & Effluent	★★★	Implementing cut-to-size rebar and BRC to minimise waste.
Energy	★★★	Embracing solar power, including solar powered lighting at selected construction sites to reduce reliance on fossil fuels.
Water	★★★	Focused on monitoring and reducing wastage across project sites and offices.
Compliance	★★★	In compliance with local environmental regulations.

Social

Diversity	★★★	Male-dominated workforce, 54% male and 46% female composition for office-based employees.
Human Rights	★★★	Received zero (0) reported cases of discrimination or human rights violations in FY25.
Occupational Safety and Health	★★★	Equips all personnel with essential personal protective equipment in its workplace.
Labour Practices	★★★	Complies with Employment (Amendment) Act 2022, the Minimum Wage Order 2024, and the National Wages Consultative Council (Amendment) Act 2025.

Governance

CSR Strategy	★★★	Complies with principles and practices set out in the Malaysian Code on Corporate Governance (MCCG).
Management	★★★	4/8 female board composition, 4/8 Independent Directors.
Shareholders	★★★	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, 28 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.