

Gamuda

Springhill Kicks Off

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GAMUDA has clinched a RM1.72b contract for the core, shell, and MEP works of a hyperscale data centre, kick-starting the Springhill data centre campus in Negeri Sembilan. The cost-plus structure is a key positive, effectively mitigating margin risks in a rising cost environment with an expected 8% PBT margin. This latest win brings YTD job awards to RM14.84b, boosting the group's outstanding order book to RM45.5b, firmly on track to hit its RM50b end-2026 target. We maintain our OUTPERFORM rating with an unchanged TP of RM5.30.

Secures RM1.72b data centre contract. Last Friday, GAMUDA's wholly-owned unit, Gamuda Engineering Sdn Bhd, secured a RM1.72b contract from a US-based multinational technology company for the construction of a hyperscale data centre in Springhill Industrial Park, Port Dickson. The scope of works comprises site infrastructure, building core and shell construction, and mechanical, electrical, and plumbing (MEP) fit-out. The project is slated to commence in 2QCY26 with a two-year construction period.

RM14.84b jobs secured YTD. We view this win positively as it reinforces GAMUDA's competitiveness in the data centre space. This marks the first contract rollout from the Springhill data centre campus, which is expected to host a total capacity of 800 MW - 1,000 MW. With this award, YTD job wins totalled RM14.84b, boosting its outstanding order book to RM45.5b, well on track to hit the RM50b end-2026 target. PBT margin is expected at 8% on a cost-plus basis.

Outlook. GAMUDA is maintaining its RM50b order book target by end-2026. Management expects the tender outcomes for another two Pearl Computing data centres in Springhill within the year. Regionally, there is a high probability of securing another project in Taiwan by 2HCY26, while the group has been shortlisted for projects in Brisbane and the Northland Corridor Highway in New Zealand. Domestically, the Ulu Padas water supply project is nearing finalisation, and it is actively bidding for the Penang LRT Package 3 (turnkey system and rolling stock).

Forecasts. Maintained. Our FY26-FY27 new job win assumptions remain at RM22b and RM27b, with property sales assumptions of RM4.5b and RM5.0b, respectively.

Valuations. We maintain our SoP-based TP of RM5.30 (see Page 2) with its construction business valued at an unchanged 22x CY26F PER, which is in line with other large-cap contractors such as **IJM (OP; TP: RM3.40)** and **SUNCON (OP; TP: RM7.76)**. The TP includes a 5% premium given a 4-star ESG rating as appraised by us (see Pages 5).

Investment case. We continue to like GAMUDA for: (i) its strong positioning in upcoming data centre tenders, (ii) its ability to secure overseas projects, (iii) its robust earnings visibility underpinned by a record outstanding order book of RM45.5b, and (iv) its inroads into the renewable energy space. Maintain **OUTPERFORM**.

Risks to our call include: (i) delay in the roll-out of key public infrastructure projects in Malaysia, which may delay margin recovery (ii) rising input costs and labour shortage, (iii) risks associated with operations in overseas markets such as the change in government policies towards foreign businesses and forex, and (iv) liquidated ascertained damages (LAD) from cost overrun and delays.

OUTPERFORM ↔

Price: **RM4.37**
Target Price: **RM5.30** ↔

Share Price Performance



KLCI	1,695.21
YTD KLCI chg	0.9%
YTD stock price chg	-12.2%

Stock Information

Shariah Compliant	Yes
Bloomberg Ticker	GAM MK
Market Cap (RM m)	26,029.8
Shares Outstanding	5,956.5
52-week range (H)	5.80
52-week range (L)	3.70
3-mth avg. daily vol.	22,329,880
Free Float	85%
Beta	1.2

Major Shareholders

Employees Provident Fund	20.1%
Generasi Setia M Sdn Bhd	3.9%
Vanguard Group Inc	3.8%

Summary Earnings Table

FY Jul (RM m)	2025A	2026F	2027F
Turnover	15,970	17,500	23,000
EBIT	1,337	1,365	1,849
PBT	1,304	1,309	1,820
Net Profit	1,003	1,057	1,388
Core Net Profit	1,003	1,057	1,388
Consensus	-	1,081	1,381
Earnings Revision (%)	-	-	-
Core EPS (sen)	16.9	17.8	23.4
Core EPS Growth (%)	10.0	5.3	31.3
NDPS (sen)	10.0	10.0	10.0
BVPS (RM)	2.02	2.15	2.28
NTA/share (RM)	1.73	1.85	1.96
PER (x)	30.6	24.5	18.7
PBV (x)	2.56	2.03	1.91
P/NTA (x)	2.99	2.37	2.22
Net Gearing (x)	0.56	0.70	0.56
Net Div. Yield (%)	1.9	2.3	2.3

20 April 2026

GAMUDA's Sum-of-Parts Valuation		
Segment	Value (RM m)	Valuation Basis
Construction	21,879.0	22x FY27F PER
Property	8,110.6	40% discount to RNAV
Gamuda Waters (80%-owned)	292.3	FCFF @ 10% discount rate
Upper Padas Hydropower (45%-owned)	661.4	FCFF @ 7% discount rate
Kerian Water Concession (50%-owned)	882.6	FCFF @ 7.2% discount rate
Net Debt	-1,898.1	Estimated FY27F
	<u>29,927.8</u>	
Issued share (m)	5,929.0	
SOP/share (RM)	5.05	
Add: 5% premium for 4-star ESG rating (RM)	0.25	
Target Price (RM)	<u>RM5.30</u>	

Source: Kenanga Research

RNAV of GAMUDA's Property Development Projects				
Project	Stake (%)	Remaining Area (acres)	Outstanding GDV (RM m)	NPV of Profit (RM m) (effective)
Malaysia				
1. Horizon Hill	50	137	1,437	29.6
2. Gamuda Gardens	100	567	8,413	346.5
3. Gardens Park	100	472	3,590	147.8
4. twentyfive.7	100	83	2,183	89.9
5. Gamuda Cove	100	819	20,192	831.5
6. Others	100	45	2,047	84.3
Vietnam				
1. Gamuda City, Hanoi	100	232	11,790	647.4
2. Celadon City, HCMC	100	0	134	19.0
3. Artisan Park, HCMC	100	0	270	32.2
4. Elysian, HCMC	100	0	270	32.2
5. Eaton Park, HCMC	100	2	1,994	307.9
6. Springville, HCMC	100	45	1,774	251.3
7. The Meadow, MCMC	100	8	188	31.6
8. Hai Phong	100	3	986	139.7
Other Overseas				
1. 661 Chapel St, Melbourne	100	0	46	8.4
2. The Canopy on Normany, Melbourne	100	0	323	49.9
3. Fareham, St Kilda, Melbourne	100	0	204	28.9
4. Aldgate, London	90	0.1	137	14.7
5. West Hampstead Central, London	85	0	24	3.7
6. 75 London Wall, London	75	1.5	4,633	310.8
7. Woolwich, UK	87.75	0.2	585	45.9
8. Woolwich 2, UK	90	0.1	232	18.7
9. City Wharf, UK	80	1.4	482	46.0
10. Chencharu, Singapore	50	7.3	6,800	331.5
		2,416	68,734	3,849.5
Unbilled Sales (as of Jul 25)	100		8,000	779.9
Property Shareholders Fund				8,888.2
Total RNAV (RM m)				13,517.6
Discount to RNAV (%)				40%
Discounted RNAV				8,110.6

Source: Kenanga Research, Company

20 April 2026

Income Statement						Financial Data & Ratios					
FY Jul (RM m)	2023A	2024A	2025A	2026F	2027F	FY Jul	2023A	2024A	2025A	2026F	2027F
Revenue	8220	13347	15970	17500	23000	Growth (%)					
EBITDA	1088	1108	1536	1564	2059	Revenue	67.7	62.4	19.7	9.6	31.4
Depreciation	-119	-163	-199	-199	-210	EBITDA	13.0	1.8	38.6	1.9	31.6
EBIT	970	945	1337	1365	1849	Operating Income	34.2	-2.5	41.5	2.1	35.4
Interest Expense	-88	-173	-179	-216	-204	Pre-tax Income	124.3	-50.7	18.8	0.4	39.1
Associate	6	11	14	16	17	Net Income	128.0	-50.4	10.0	5.3	31.3
JV	227	315	131	144	158	Core Net Income	7.5	6.2	10.0	5.3	31.3
Exceptional	1112	0	0	0	0	Profitability (%)					
PBT	2226	1097	1304	1309	1820	EBITDA Margin	13.2	8.3	9.6	8.9	9.0
Taxation	-221	-155	-257	-196	-328	Operating Margin	11.8	7.1	8.4	7.8	8.0
Minority Interest	-167	-30	-44	-56	-104	PBT Margin	27.1	8.2	8.2	7.5	7.9
Net Profit	1838	912	1003	1057	1388	Net Margin	22.4	6.8	6.3	6.0	6.0
Core Net Profit	859	912	1003	1057	1388	Core Net Margin	10.4	6.8	6.3	6.0	6.0
Balance Sheet						Effective Tax Rate	9.9	14.1	19.7	15.0	18.0
FY Jul (RM m)	2023A	2024A	2025A	2026F	2027F	ROE	3.9	3.6	3.4	3.9	4.8
Fixed Assets	1655	1620	1561	1662	1752	ROA	17.8	8.2	8.6	8.8	10.6
Associates	161	257	282	296	311	DuPont Analysis					
JV	1229	1633	1920	2016	2117	Net margin (%)	10.4	6.8	6.3	6.0	6.0
Intangibles	719	1039	1724	1810	1901	Assets Turnover (x)	0.3	0.5	0.5	0.5	0.7
Other FA	4884	5217	5827	6118	6424	Leverage Factor (x)	2.2	2.3	2.6	2.6	2.4
Inventories	717	613	771	1310	1147	ROE (%)	8.0	8.0	8.4	8.3	10.2
Receivables	2923	3119	3992	2877	3151	Leverage					
Other CA	8394	10460	11695	15051	14291	Debt/Asset (x)	0.29	0.29	0.33	0.34	0.28
Cash	3169	2700	3352	2339	1515	Debt/Equity (x)	0.64	0.69	0.84	0.89	0.68
Total Assets	23852	26658	31123	33479	32609	Net Debt/(Cash)	-3754	-5106	-6778	-8946	-7633
Payables	3771	4939	6695	7030	7381	Net Debt/Equity (x)	0.35	0.45	0.56	0.70	0.56
ST Borrowings	1410	1242	2493	4529	1274	Valuations					
Other ST Liability	1689	1713	1517	1593	1672	Core EPS (sen)	32.3	32.3	16.9	17.8	23.4
LT Borrowings	5514	6565	7637	6757	7874	NDPS (sen)	50.0	16.0	10.0	10.0	10.0
Other LT Liability	541	676	628	659	692	BV/share (RM)	4.05	4.03	2.02	2.15	2.28
Minority Int.	135	157	153	161	169	NTA/share (RM)	3.78	3.66	1.73	1.85	1.96
Net Assets	10791	11365	12000	12751	13546	Core PER (x)	13.3	24.3	30.6	24.5	18.7
Share Capital	4078	4508	5160	5160	5160	Net Div. Yield (%)	11.6	2.0	1.9	2.3	2.3
Reserves	6713	6857	6840	7592	8387	PBV (x)	1.06	1.95	2.56	2.03	1.91
Equity	10791	11365	12000	12751	13546	P/NTA (x)	1.14	2.15	2.99	2.37	2.22
Cashflow Statement						EV/EBITDA (x)	14.0	24.6	24.4	22.3	16.3
FY Jul (RM m)	2023A	2024A	2025A	2026F	2027F						
Operating CF	-143	-84	235	-1275	2206						
Investing CF	-233	-929	-1255	-300	-300						
Financing CF	771	577	1757	562	-2730						
Change In Cash	396	-435	737	-1013	-824						
Free CF	-375	-1013	-1020	-1575	1906						

Source: Kenanga Research

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Peer Table Comparison

Name	Rating	Last Price (RM)	Target Price (RM)	Upside	Market Cap (RM m)	Shariah Compliant	Current FYE	Core EPS (sen)		Core EPS Growth		PER (x) - Core Earnings		PBV (x)	ROE	Net Div. (sen)	Net Div Yld
								1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.
Stocks Under Coverage																	
GAMUDA	OP	4.37	5.30	21.3%	26,029.8	Y	07/2026	17.8	23.4	5.3%	31.3%	24.5	18.7	2.0	8.5%	10.0	2.3%
IJM	OP	2.30	3.40	47.8%	8,061.9	Y	03/2026	14.4	15.9	11.8%	10.1%	15.9	14.5	0.8	5.1%	8.0	3.5%
KERJAYA	OP	2.27	3.05	34.4%	2,854.2	Y	12/2026	16.7	18.9	29.8%	13.2%	13.6	12.0	2.4	17.8%	12.0	5.3%
KIMLUN	OP	1.05	1.50	42.9%	408.1	Y	12/2026	21.8	20.3	70.1%	-6.8%	4.8	5.2	0.5	10.3%	2.0	1.9%
SUNCON	OP	6.96	7.76	11.5%	9,245.2	Y	12/2026	32.0	33.6	0.3%	5.1%	21.8	20.7	8.5	38.9%	32.0	4.6%
WCT	OP	0.395	1.13	186.1%	615.8	Y	12/2026	4.1	4.4	19.2%	7.3%	9.6	9.0	0.2	1.9%	0.0	0.0%
SECTOR AGGREGATE					47,215.0					9.4%	18.3%	20.0	16.9	1.6	7.9%		2.9%

Source: Kenanga Research

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Stock ESG Ratings:

	Criterion	Rating				
GENERAL	Earnings Sustainability & Quality	★	★	★	★	
	Corporate Social Responsibility	★	★	★	★	
	Management/Workforce Diversity	★	★	★	★	
	Accessibility & Transparency	★	★	★	☆	
	Corruption-Free Pledge	★	★	★	☆	
	Carbon-Neutral Initiatives	★	★	★	★	☆
SPECIFIC	Migrant Worker Welfare	★	★	★	★	
	Waste Disposal/Pollution Control	★	★	★	★	
	Work Site Safety	★	★	★	★	
	Environmentally Friendly Construction Technology	★	★	★	☆	
	Supply Chain Auditing	★	★	★	★	
	Energy Efficiency	★	★	★	★	
OVERALL		★	★	★	★	

☆ denotes half-star
 ★ -10% discount to TP
 ★★ -5% discount to TP
 ★★★ TP unchanged
 ★★★★ +5% premium to TP
 ★★★★★ +10% premium to TP

Stock Ratings are defined as follows:

Stock Recommendations

OUTPERFORM : A particular stock’s Expected Total Return is MORE than 10%
 MARKET PERFORM : A particular stock’s Expected Total Return is WITHIN the range of -5% to 10%
 UNDERPERFORM : A particular stock’s Expected Total Return is LESS than -5%

Sector Recommendations***

OVERWEIGHT : A particular sector’s Expected Total Return is MORE than 10%
 NEUTRAL : A particular sector’s Expected Total Return is WITHIN the range of -5% to 10%
 UNDERWEIGHT : A particular sector’s Expected Total Return is LESS than -5%

*****Sector recommendations are defined based on market capitalisation weighted average expected total return for stocks under our coverage.**

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