PEOPLElogy Berhad (PEOPLElogy)

Next-Gen Talent, Next-Gen Growth

- **PEOPLElogy Berhad operates across three segments: Development, Digital, and Discovery. Its digital-first model targets B2B, B2G, and B2C markets in Malaysia and Southeast Asia, delivering training and consultancy services online via proprietary platforms, focusing on digital, soft skills, and IR4.0 upskilling.**
- **Moving forward, we forecast a 3-year core earnings CAGR of 11.8% to reach RM6.8m, RM7.3m, and RM8.5m, driven by strong demand for digital upskilling, scalable margin, and low OpEx from its digital-first model. Regional expansion and national training initiatives further support growth with minimal incremental cost.**
- **We ascribe a fair value of RM0.325 for PEOPLE. Our valuation is derived by applying a forward P/E of 19.0x to the mid-FY26f EPS of 1.71 sen, implying a 30.0% upside to its IPO price of RM0.25. While peers trade at 15.6x, PEOPLElogy's premium is justified by its superior 20.8% net margin (vs. peers' -5.7%), reflecting stronger profitability and operational efficiency.**

Investment Highlights

PEOPLElogy's crown jewels. Built on its proprietary 6D Framework—Discover, Design, Develop, Deploy, Digitise, and Digitalise—covering services such as talent profiling, digital and soft skills training, leadership development, and certification programmes, aiming to upskill the talent pool while its BUILD A FUTURE TEAM initiative focuses on enhancing employability by connecting HR professionals across Southeast Asia. This well-structured framework has positioned PEOPLElogy ahead of other players, securing over seven years of business partnership with Yayasan Peneraju.

Closing the talent gap. According to IMR, both public and private sector training programmes recorded a strong CAGR of 21.7% over the past two years, expanding from RM10.8bn in CY21 to RM16.0bn in CY23; projected to reach RM34.7bn by 2027, underpinned by the increasing demand for a digitally skilled workforce, in line with the nation's long-term digital economy blueprint. PEOPLElogy's topline has grown in tandem with industry trends, supported by its high exposure to people development programmes, which includes ICT, soft skills, and leadership training services.

Youth-focused government initiatives. Addressing the 17.6% youth unemployment rate among those under 25, which exceeds pre-pandemic levels, Malaysia has allocated RM30.0m to the MADANI Creative Youth Programme to nurture talent in the creative industry while private universities and training institutes will offer programmes in AI, robotics, IoT, fintech, and sustainable tech, supported by special tax incentives. Besides, RM3.0bn allocation from HRD Corp expected to create 3.0m training opportunities, including a 15% special levy for the MADANI Training Programme.

Scalable economies of scale. In our view, a key appeal of PEOPLElogy lies in its digital-first model, which requires minimal OpEx, enabling sizeable economies of scale. Reducing its reliance on physical facilities like halls or classrooms—via its PEOPLEAPS and SKILLSTURE platforms—and leveraging a flexible pool of 85 external trainers; allowing PEOPLElogy to accommodate growing participant volumes without significant costs increase. Compared to its peer, AWANTEC's 7.9% EBITDA margin, PEOPLElogy achieved c.24% (exclude its one-offs), underscoring its operational efficiency.

IPO Note – Not rated

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Non-Rated

Share price	**RM0.25**
Target price	**RM0.325**
Previous TP	-
Capital upside	30.0%
Dividend return	-
Total return	30.0%

Company profile

PEOPLElogy Berhad offers digital-first training and consultancy across ICT, leadership, and talent development via proprietary platforms. Its core segments—Development, Digital, and Discovery—serve B2B, B2G, and B2C markets, focusing on upskilling in digital, soft skills, and IR4.0 across Malaysia and Southeast Asia.

Stock information

Bursa Code	0356
Bloomberg ticker	PEOPLE MK
Listing market	ACE
Share issued (m)	411.7
Market Cap (m)	102.9
Shariah compliant	YES
MITI	YES

Major shareholders

	%
Allen Lee	24.3
PEOPLElogist	21.0
Chen Khai Voon	10.0

Earnings snapshot

FYE (Dec)	FY24	FY25f	FY26f
PATMI (m)	6.1	6.8	7.3
EPS (sen)	1.48	1.64	1.77
P/E (x)	16.9	15.2	14.1

Timetable of IPO

Opening of application	21 April
Closing of application	6 May
Balloting of application	8 May
Allotment of the IPO shares	16 May
Listing on the ACE market	20 May

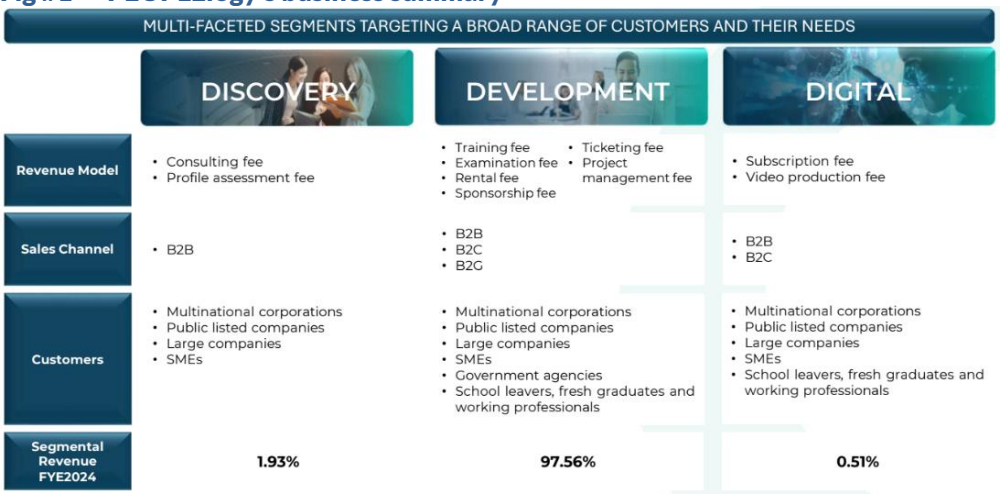
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Company Background

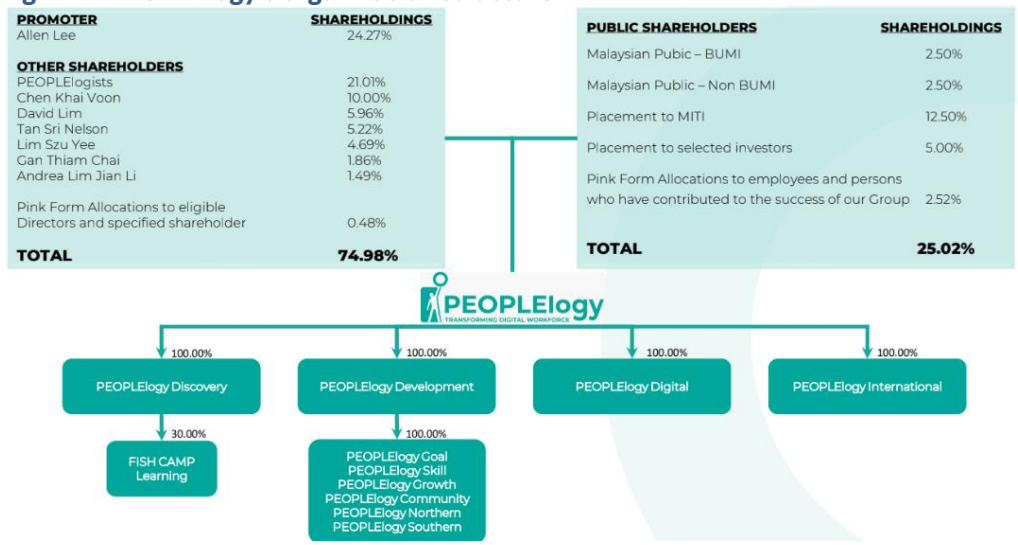
PEOPLElogy Berhad primarily generates revenue through three core segments: ICT and leadership training (Development), digital platform subscriptions and content (Digital), and organisational talent consultancy (Discovery)—delivering mainly online via its proprietary platforms—focusing on upskilling individuals and organisations in digital, soft skills, and IR4.0 capabilities, targeting B2B, B2G, and B2C markets across Malaysia and Southeast Asia.

Fig #1 PEOPLElogy's business summary



Source: PEOPLElogy Berhad

Fig #2 PEOPLElogy's organization structure



Source: PEOPLElogy Berhad

Development (ICT and Leadership Training). PEOPLElogy delivers technical and soft skills training across ICT, IR4.0, and leadership domains under brands such as SKILL, THE FUTURE TALENT, and GOAL. Programmes are offered to B2B, B2G, and B2C segments, with most delivered online via virtual platforms. Revenue is generated through one-off contracts or project-based engagements, with participants trained for certification by global partners like AWS, Microsoft, and CompTIA.

Digital (Platform Subscriptions and Content). The Company offers digital learning platforms—PEOPLEAPS and SKILLSTURE—for online training delivery, content

development, and learning management. Revenue stems from content digitisation services and learning platform subscriptions, supporting margin-accretive, tech-enabled operations with minimal physical infrastructure reliance.

Fig #3 PEOPLElogy's 6D framework



Source: PEOPLElogy Berhad

Discovery (Organisational Talent Consultancy). PEOPLElogy provides profile assessments and consultancy services via its SOUL and FISH CAMP Learning brands, targeting local corporates and multinational companies. Services include succession planning, performance management, and workforce transformation, supported by proprietary and licensed assessment tools. Revenue is derived on a per-project basis.

Fig #4 PEOPLElogy's projects pipeline



Orderbook @ LPD 24 Mar 2025	**RM 9.194 mil**
Amount to be billed in 2025	**RM 8.207 mil**
Balance c/f to FYE2026	**RM 0.987 mil**

- As at the LPD, our Group has **14 ongoing projects under our Development segment**.
- Most of the training are related to **Big Data, Artificial Intelligence, Cybersecurity and Cloud Solution**.
- As at the LPD, our Group has **submitted tender of RM45mil**.

Source: PEOPLElogy Berhad

Future Plans and Business Strategies

Enhancing its digital capabilities and cybersecurity training experience. PEOPLElogy intends to establish a Cyber Range simulation lab to support advanced cybersecurity training and incident response readiness. Concurrently, R&D investments will focus on upgrading its proprietary platforms—PEOPLEAPS and SKILLSTURE—to improve user experience, drive scalability, and support industry-aligned programme development.

Accelerating regional expansion across ASEAN markets. Leveraging on growing demand for digital upskilling, the Company intends to expand its presence in East Malaysia, Indonesia, and the Philippines while establishing a regional office in

Singapore to strengthen its brand positioning and operational footprint within key ASEAN growth corridors.

Strategic investments and acquisition opportunities. A portion of proceeds will be allocated for strategic investments, mergers, and acquisitions to complement its organic growth; aiming at broadening its service capabilities, unlocking operational synergies, and accelerating its market penetration in high-potential segments across the region.

Fig #5 Use of proceeds

Use of proceeds	RM'm	%	Estimated time frame
Establish a Cyber Range computer simulation lab	8.5	32.3	Within 24 months
Expansion through strategic investment, M&A	4.0	15.2	Within 24 months
R&D software	3.0	11.4	Within 24 months
Expansion of offices and training centers in East Malaysia	1.0	3.8	Within 24 months
Expansion of offices and training centers in Indonesia and Philippines	2.9	11.0	Within 36 months
Setting up regional office in Singapore	0.1	0.4	Within 12 months
General working capital	2.4	9.1	Within 24 months
Estimated listing expenses	4.4	16.7	Within 1 month
Total	26.3	100.0	

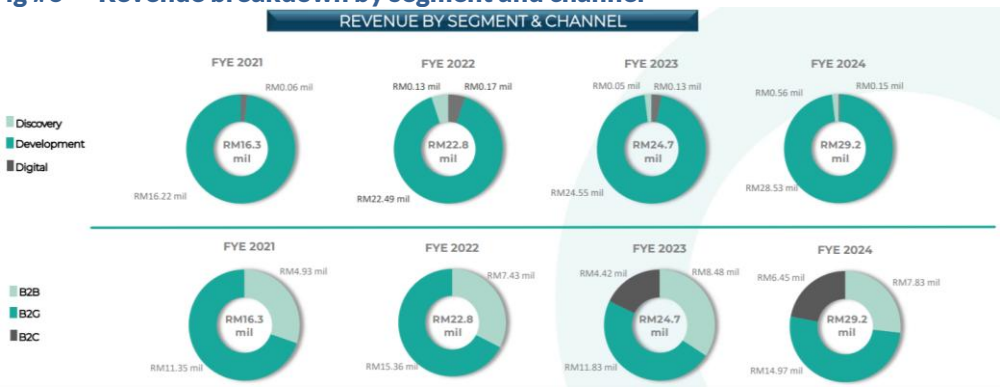
Source: PEOPLElogy Berhad

Financials

Revenue highlights. PEOPLElogy reported revenue of RM29.2m for FYE 2024, marking an 18.2% YoY increase from RM24.7m in FYE 2023. The growth was mainly driven by the Development segment, accounted for 97.6% of total revenue (FYE 2023: 99.3%), supported by stronger demand for B2G and B2C training. The Discovery segment contributed 1.9% to revenue (FYE 2023: 0.2%), reflecting increased traction in consultancy services. Adjusted earnings rose 5.2% to RM6.1m, up from RM5.8m in FYE 2023.

Earnings forecast. We forecast a 3-year core earnings CAGR of 11.8% to reach RM6.8m, RM7.3m, and RM8.5m, driven by strong demand for digital upskilling, scalable margins (~24% EBITDA), and low OpEx from its digital-first model. PEOPLElogy benefits from national initiatives (e.g., HRD Corp, MADANI), long-standing institutional partnerships, and proprietary platforms. Expansion into ASEAN and investments in cybersecurity and platform enhancements are expected to support earnings growth with minimal incremental cost.

Fig #6 Revenue breakdown by segment and channel



Source: PEOPLElogy Berhad

Fig #7 Financial Highlights

FYE Dec (RM m)	FY23	FY24	FY25f	FY26f	FY27f
Revenue	24.7	29.2	32.2	36.2	41.6
EBITDA	8.8	8.7	10.6	12.6	14.9
EBIT	7.9	7.8	8.9	9.6	11.1
PBT	7.6	7.5	8.9	9.6	11.1
PAT	5.5	6.1	6.8	7.3	8.5
PATMI – Core	5.5	6.1	6.8	7.3	8.5
PATMI – Reported	5.5	6.1	6.8	7.3	8.5
% change YoY – Core PATM	15.4%	10.4%	11.2%	7.9%	15.9%
Core EPS (sen)	1.34	1.48	1.64	1.77	2.05
P/E (x)	18.7	16.9	15.2	14.1	12.2
DPS (sen)	1.5	0.5	-	-	-
Yield (%)	5.8%	1.9%	0.0%	0.0%	0.0%
BVPS (RM/share)	0.01	0.03	0.10	0.12	0.14
P/B (x)	23.8	8.2	2.5	2.1	1.8
ROE (%)	120.3%	71.9%	25.1%	16.3%	16.0%
Net Gearing (%)	CASH	CASH	CASH	CASH	CASH

M+ Research

Valuations

We ascribe a fair value of RM0.325 for PEOPLElogy. Our valuation is derived by applying a forward P/E of 19.0x to the mid-FY26f EPS of 1.71 sen, implying a 30.0% upside to its IPO price of RM0.25. Although the peer average trades at a historical P/E of 15.6x, we believe PEOPLElogy warrants a premium valuation given its significantly stronger net profit margin of 20.8%, vs its peer average margin of -5.7%, which underscores superior operational efficiency and earnings quality.

Fig #8 Peer comparison

Company	Market Group	FYE	Price (RM)	Market Cap (RM'm)	P/E (x)	Forward P/E (x)	NP Margin (%)
PEOPLElogy Bhd	**ACE**	**Dec**	**0.25**	**102.9**	**16.9**	**15.2**	**20.8**
Awanbiru Technology Bhd	MAIN	Dec	0.30	232.5	NM	NM	2.8
Eduspec Holdings Bhd	ACE	Mar	0.12	152.7	NM	NM	(77.8)
Cyberjaya Education Group Bhd	MAIN	Oct	0.86	146.6	15.6	NM	6.3
SMRT Holdings Bhd	ACE	Dec	0.93	421.2	15.4	NM	37.7
SEG International BHD	MAIN	Dec	0.62	757.6	140.9	NM	2.7
Avg ex-PEOPLElogy Berhad				**342.1**	**15.6**	**NM**	**(5.7)**

*Source: M+ Research (*FY24, **FY25f)*

Investment risks

Customer concentration risk. A significant portion of PEOPLElogy's revenue is derived from a small number of large contracts, primarily with government agencies such as Yayasan Peneraju. Any delay, reduction, or non-renewal of these contracts could adversely impact revenue visibility and financial performance.

Dependence on government funding. The Company's training programmes, particularly under the B2G segment, rely on continued public sector investment in upskilling initiatives. Budget cuts, policy shifts, or delays in disbursement may affect programme rollout and revenue recognition.

Reliance on external trainers. PEOPLElogy engages 85 external trainers for programme delivery. Inability to attract, retain, or replace qualified trainers may disrupt programme timelines, compromise quality standards, and impact client retention.

Certification dependency risk. A key value proposition is the provision of industry-recognised certifications through third-party bodies (e.g., AWS, CompTIA, EC-Council). Termination or disruption in these partnerships may reduce programme appeal and impact enrolment volumes.

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Stock recommendation guide	
BUY	The share price is expected to appreciate more than 10% over the next 12 months
HOLD	The stock price is expected to range between -10% and +10% over the next 12 months
SELL	The share price is expected to fall more than 10% over the next 12 months
TRADING BUY	The share price is projected to rise more than 10% over the next three (3) months due to an ongoing or impending corporate development. The stock price is also expected to be volatile over the next three months
TRADING SELL	The stock price is expected to fall more than 10% over the next three months due to an ongoing or impending corporate developments. The stock price is also expected to be volatile over the next three months
NOT RATED	No recommendation is assigned