Geohan Corporation Berhad (GEOHAN)

Poised For More Infrastructure Projects

- **Started since 1996, Geohan Corporation Bhd is a foundation and geotechnical specialist providing below-ground construction solutions for buildings and infrastructure. Its core activities span across foundation and geotechnical services, supported by related works such as earthworks, steel strutting, earthing, and the construction of bridges, roads and drainage, with operations across key regions in Malaysia.**
- **We project 3-year earnings CAGR of 20.1%, with core PAT anticipated to reach RM15.1m-RM23.9m over the next three years. This growth is underpinned by (i) potential new contract wins from infrastructure projects, (ii) sustained order book replenishment from property developers and (iii) the group's expansion into Singapore.**
- **We assign a fair value of RM0.66 per share for GEOHAN, indicating a 20.0% upside from the share price of RM0.55. This valuation is based on a PE multiple of 14.0x pegged to FY26f EPS of 4.69 sen.**

Investment highlights

Capability in undertaking steep terrain projects. GEOHAN's strength lies in its ability to deliver foundation and geotechnical works across steep and geologically demanding terrains such as Genting Highlands. Its expertise in deploying deep foundation works, including caisson piles for hilly and hard-to-access environments, sets the group apart from peers that are primarily focused on conventional piling works. This specialised capability has enabled GEOHAN to consistently secure projects in Genting Highlands, and its terrain-specific proficiency was further validated when it received the Supplier Excellence Award from the Genting Group in 2024.

Fig #1 Capability to execute projects across diverse projects



Source: Geohan Corporation Berhad

Broad sector exposure with recurring developer relationships. Besides its expertise in steep and challenging terrains, GEOHAN also benefits from a well-diversified project portfolio spanning residential, mixed-use, industrial, commercial and infrastructure developments. This broad capability has allowed Geohan to consistently secure projects from major property developers and conglomerates nationwide, including established names like Genting Malaysia, Sunway, IJM and Mah

IPO Note – Not rated

Kieran Lim
kieranlim@msec.com.my
(603) 2201 2100

Non-Rated

Share price	**RM0.55**
Target price	RM0.66
Previous TP	-
Capital upside	20.0%
Dividend return	-
Total return	20.0%

Company profile

Geohan Corporation Berhad is primarily involved in (i) foundation and geotechnical services and (ii) related works such as earthworks, steel strutting, earthing and civil works, with operations across key regions in Malaysia.

Stock information

Bursa Code	5345
Bloomberg ticker	GEOHAN MK
Listing market	MAIN
Share issued (m)	444.0
Market Cap (m)	242.0
Shariah compliant	YES
MITI allocation	YES

Major shareholders %

Rogamas Sdn Bhd	55.0
Lee Kim Seng	12.1
Ir. Oh Chin Wah	3.4

Earnings snapshot

FYE (Dec)	FY24	FY25f	FY26f
PATMI (m)	13.8	15.1	20.6
EPS (sen)	3.1	3.4	4.7
P/E (x)	17.5	16.0	11.7

Timetable of IPO

Opening of application	17 November
Closing of application	21 November
Balloting of application	28 November
Allotment of the IPO shares	4 December
Listing on the ACE market	5 December

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Strategic entry into Singapore supported by past track record. GEOHAN is planning to establish its presence in Singapore after previously completing 13 projects between 2009–2011, including notable works such as modifications to the Jurong East MRT Station. The group has obtained its Specialist Builder (Piling Works) licence and Contractors Registration System (CRS) registration, resumed tendering activities, and is setting up a local office to strengthen customer engagement.

Positioned to ride on Malaysia's upcoming infrastructure cycle. GEOHAN's proven capabilities in major national rail projects like MRT1, MRT2 and the ECRL, anchor its credentials for future tenders. With RM81.0bn allocated for development expenditure in Budget 2026, coupled with upcoming infrastructure pipelines like MRT3, RTS Link, Johor e-ART, Penang LRT Mutiara Line and the KL–SG HSR, these will expand the pool of future opportunities for GEOHAN through more infrastructure projects tenders.

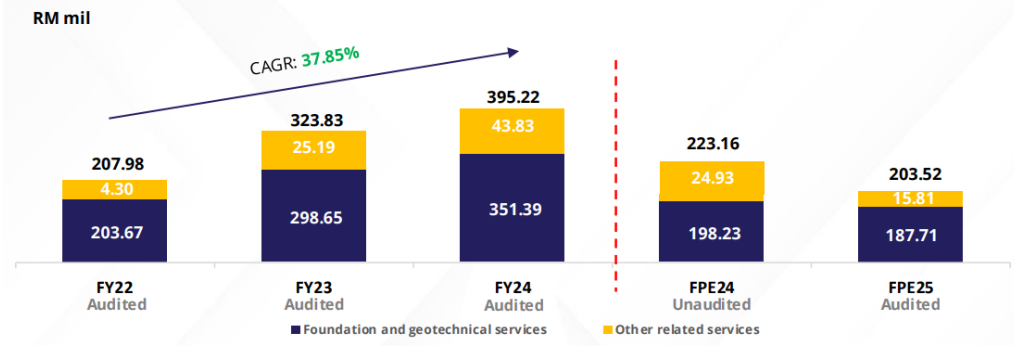
Market share poised to expand alongside growing tender opportunities. According to the IMR report, GEOHAN captured a 7.0% market share in 2024, supported by RM351.4m in foundation and geotechnical revenue against the foundation and geotechnical industry size in Malaysia of RM5.03bn. Nevertheless, with the group's track record and increasing exposure to infrastructure tenders, we believe the group is well-positioned to grow its market share by capturing more infrastructure projects.

Company background

Started since 1996, Geohan Corporation Bhd is principally involved in the provision of foundation and geotechnical services, undertaking below-ground construction works to provide stable foundations that support the load of buildings and infrastructure built above ground. The group's core businesses comprise (i) foundation and geotechnical services, and (ii) other related services such as earthworks, steel strutting, earthing, and the construction of bridges, roads, and drainage systems.

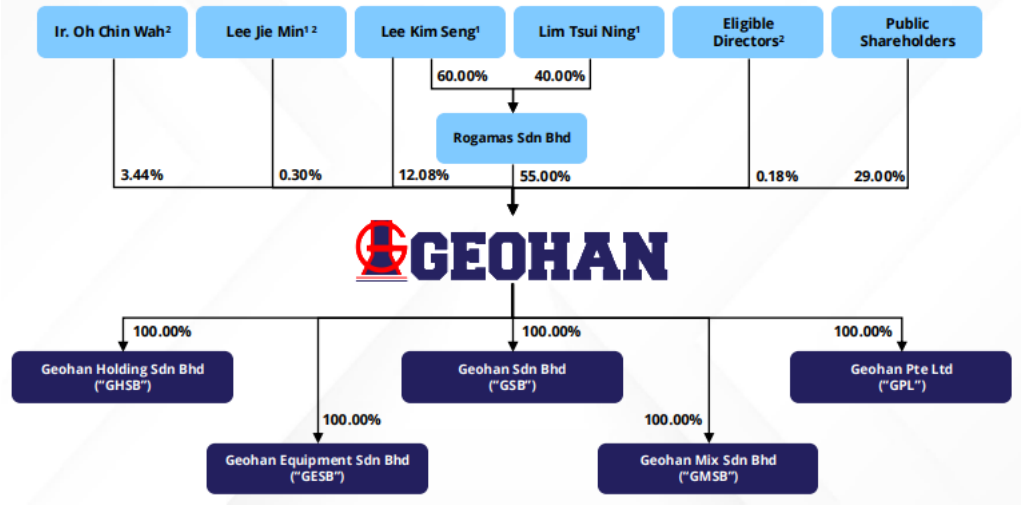
Headquartered in Kuala Lumpur, GEOHAN operates across key regions in Malaysia, including Kuala Lumpur, Selangor, Penang, Johor, Negeri Sembilan, Pahang, Kedah, and Melaka, supported by a dedicated storage and depot facility in Bukit Beruntung, Selangor, which houses and maintains its fleet of heavy machinery and equipment. The group's customer base includes property developers, main contractors, government-linked corporations, and concessionaires.

Fig #2 Revenue of each business segment



Source: Geohan Corporation Berhad

Fig #3 Post-IPO shareholding structure



Source: Geohan Corporation Berhad

Substantial Shareholders & Key Senior Management

1. Lee Kim Seng –Managing Director
Mr Lee, aged 63, is the Promoter, Managing Director and substantial shareholder. He holds a Diploma from UTM and a Civil Engineering degree from Memphis State University, along with executive training from the Harvard Club of Malaysia. With over 35 years of experience in geotechnical and foundation engineering, he previously served at Pilecon Engineering and Bachy Soletanche before joining the Group in 1996. He became Managing Director of GSB in 2003, leading strategy, operations, and business growth. He has overseen major Genting projects and guided the Group through transformation, pandemic challenges, and strong recovery.

2. Ir. Oh Chin Wah – Non-Independent Executive Director
Ir Oh, aged 56, is the Non-Independent Executive Director of the group. He holds a Civil Engineering degree from the University of Malaya, is a Professional Engineer with a Practising Certificate, and obtained his MBA from the University of Strathclyde. He began his career in structural engineering before joining GHSB in 1998. He progressed from Engineer to Project Manager and later General Manager, overseeing major projects such as the Chin Swee Bypass, Kuala Lumpur Flood Mitigation Project, DUKE, and Neo Damansara. Since 2008, he has served as Executive Director, responsible for strategic planning, operations, business development, and technical oversight.

3. Lee Jie Min – Non-Independent Executive Director
Ms Lee, aged 33, is also the Non-Independent Executive Director of the group. She holds a Master of Engineering from the University of Cambridge and is a registered Graduate Engineer with the Board of Engineers Malaysia. She began her career with GSB in finance before gaining investment banking experience at RHB Investment Bank. She rejoined GSB in 2019 as a Design Engineer and subsequently advanced into senior management roles overseeing finance, HR, strategic planning, and corporate governance. Appointed director in 2024, she now leads strategic initiatives and drives operational and financial optimisation across the Group.

4. Low Kok Din – Chief Financial Officer
Mr Low, aged 35, Malaysian, is the Chief Financial Officer of the group. He holds a Bachelor of Science (Hons) in Accounting and Finance from the University of Warwick and is a member of ICAEW. He is responsible to oversee financial strategy, budgeting, forecasting, performance analysis, regulatory compliance, audits, and the overall

finance team.

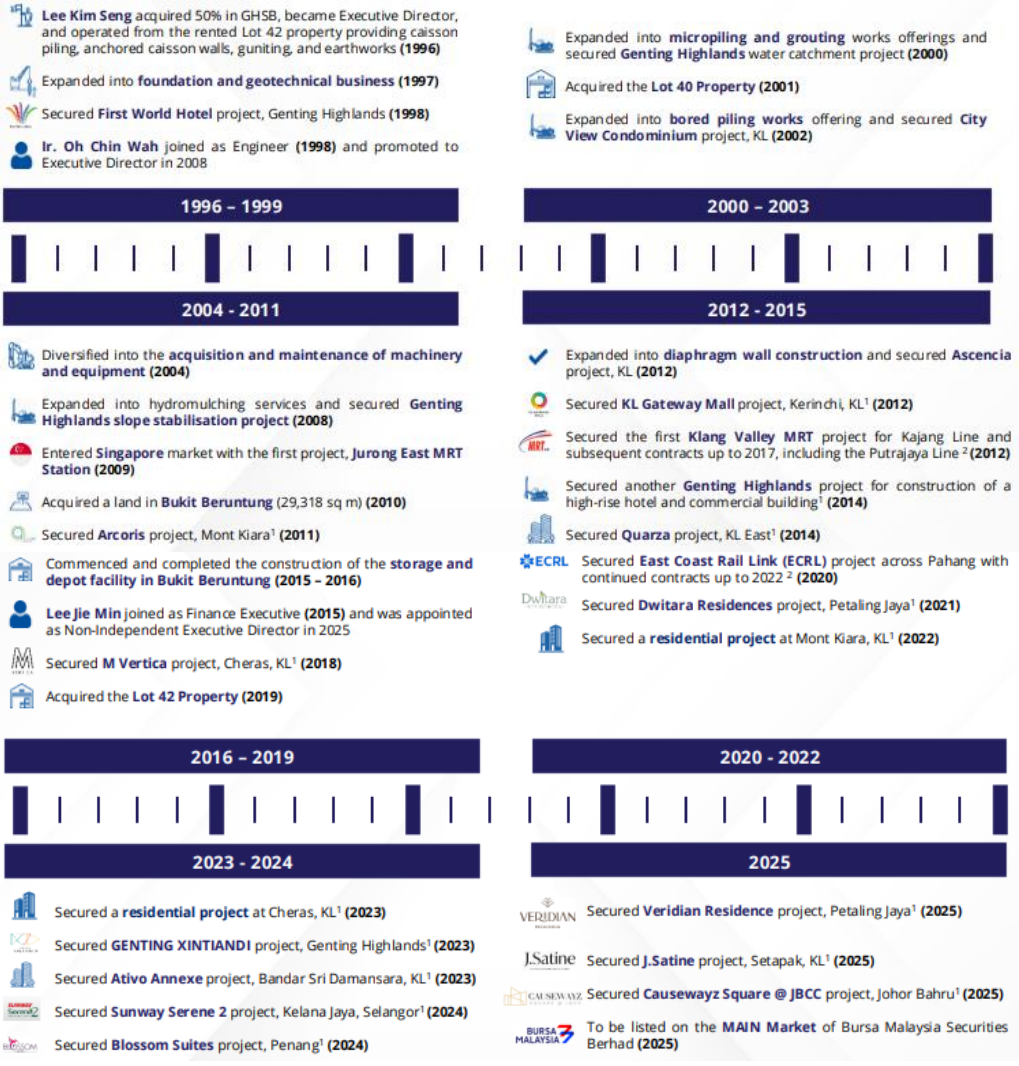
5. Dr. Lai Chee Yong – General Manager

Dr. Lai, 47, holds a Civil Engineering degree from the University of Malaya and a Doctorate in Business Administration. He joined GSB in 2002 and progressed through site, project, and senior project management roles. Appointed General Manager in 2023, he oversees project operations, quality management, subcontractor coordination, and site productivity. He is also a certified HRD Corp trainer and holds a Professional Certificate in Alternative Dispute Resolution.

6. Ir. Jeremy Lim Wei – General Manager

Ir. Jeremy, 42, is a Professional Engineer with a Civil Engineering degree from UTM. He began his career in geotechnical design before joining GSB in 2011, where he advanced through project and senior project management roles. He was appointed Deputy General Manager in 2016 and General Manager in 2025. His responsibilities include full project delivery oversight, tender and cost assessments, manpower planning, and site operations. His portfolio spans major foundation systems including bore piles, caisson piles, diaphragm walls, and ground anchors.

Fig #4 Corporate milestones



Source: Geohan Corporation Berhad

Fig #5 Utilisation of proceeds

Use of proceeds	RM'm	%	Estimated time frame
Capital expenditure	40.0	55.1	Within 36 months
Working capital	25.6	35.3	Within 12 months
Estimated listing expenses	7.0	9.6	Within 3 months
Total	72.6	100.0	

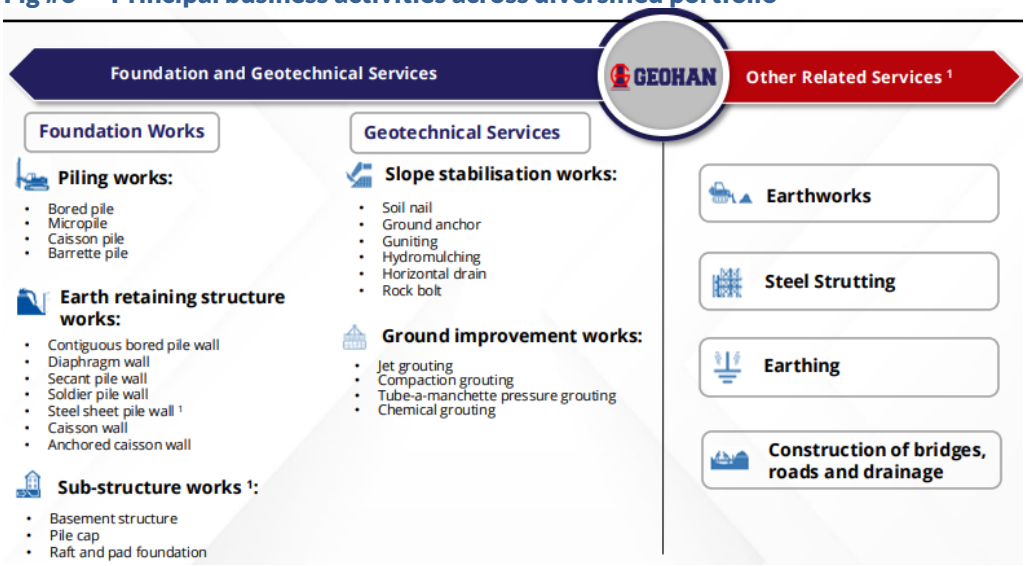
Source: Geohan Corporation Berhad

Business overview

Foundation & geotechnical works (88.9% of FY24). The group specialises in piling, earth retaining structural, sub-structure, and geotechnical works for residential, commercial, industrial, mixed-use and infrastructure developments. Its in-house capabilities cover cast in-situ piling (bored, caisson, micropile, barrette), diaphragm and secant pile walls, and slope stabilisation and ground improvement solutions. These services form the structural foundation of developments, ensuring stability, load-bearing strength and long-term durability.

Other related services (11.1% of FY24). Complementing its core foundation and geotechnical expertise, the group also undertakes supporting works such as earthworks, steel strutting, earthing, and the construction of bridges, roads and drainage. These services enable the group to deliver end-to-end groundwork and sub-structure solutions, offering clients a comprehensive package from site preparation to foundation completion.

Fig #6 Principal business activities across diversified portfolio



Source: Geohan Corporation Berhad

Fig #7 SWOT analysis of GEOHAN

Strength	Weakness
• Established track record in MRT1, MRT2 and ECRL • Strong technical expertise in steep and geologically demanding terrains • Strong recurring relationships with major property developers	• Geographically concentrated in Malaysia with Singapore expansion still at an early stage • Capital intensive and labour dependency

Opportunity	Threat
• Infrastructure rollout like MRT3, RTS Link, Penang LRT, Johor e-ART, KL–SG HSR • Expansion into Singapore	• Cyclicality in construction and property sectors • Intensifying competition from bigger players

Source: M+ Research

Financials

Revenue and income highlights. The group reported a RM71.4m or 22.1% YoY growth in revenue, increasing from RM323.8m in FY23 to RM395.2m in FY24, contributed by both foundation and geotechnical services segment as well as other related services segment.

(i) Revenue from the foundation and geotechnical services segment increased by RM52.74m or 17.7% to RM351.4m in FY24 (FY23: RM298.7m), thanks to the net increase in the number of projects by 12 projects during FY24.

(ii) Meanwhile, revenue from our other related services segment increased by RM18.6m or 74.0% to RM43.8m for FY24 (FY23: RM25.2m), again attributable to the net increase in the number of projects by 4 projects.

Following the increase in revenue, the group recorded an increase in PBT from RM17.6m in FY23 to RM22.3m in FY24. Nevertheless, PAT saw a slight decrease from RM16.2m in FY23 to RM16.0m in FY24 due to higher tax expenses.

Balance sheet. The group held a total asset of RM420.9m in FPE25, an increase of RM19.1m or 4.7% from RM401.9m in FY24, primarily due to the increase in trade receivables and cash and bank balances. Meanwhile, the total liabilities saw an increase from RM270.3m in FY24 to RM277.5m in FPE25, led by the increase in lease liabilities, other payables and borrowings. Total equity of the group grew from RM131.5m to RM143.5m due to higher retained earnings and non-controlling interests. This group is in a gearing position of 0.73x prior to the listing.

Cash flow. Following the increase in PBT, the group recorded a higher net cash from operations, increasing from RM45.8m in FY23 to RM56.2m in FY24. Net cash used in investing activities increased from an outflow of RM4.0m in FY23 to an outflow of RM5.4m in FY24, due to higher purchase or property, plant and equipment. Lastly, cash flow used in financing activities recorded an increase from an outflow of RM30.8m in FY23 to an outflow of RM44.8m in FY24, caused by dividends paid and also higher repayment of invoice financing. Meanwhile, for FPE25, the group continued to show healthy net cash flow, with a net increase of RM1.1m in cash and cash equivalents.

Earnings forecasts. Moving forward, we project a 3-year earnings CAGR of 20.1%, with core PATMI expected to reach RM15.1m, RM20.6m and RM23.9m over the next three years, largely supported by (i) potential new contract wins from infrastructure projects, (ii) sustained order book replenishment from property developers and (iii) the group's expansion into Singapore.

Fig #8 Financial Highlights

FYE Dec (RM m)	FY23	FY24	FY25f	FY26f	FY27f
Revenue	323.8	395.2	355.7	439.9	483.0
EBITDA	45.1	54.8	55.5	61.5	67.1
EBIT	21.9	27.1	27.1	31.3	35.6
PBT	17.6	22.3	23.0	27.1	31.5
PAT	16.2	16.0	17.5	20.6	23.9
PATMI – Core	13.9	13.8	15.1	20.6	23.9
PATMI – Reported	13.9	13.8	15.1	20.6	23.9
% change YoY – Core PATMI	109%	-1%	9%	37%	16%
Core EPS (sen)	3.2	3.1	3.4	4.7	5.4
P/E (x)	17.4	17.5	16.0	11.7	10.1
EV/EBITDA (x)	5.7	4.7	4.7	4.2	3.9
DPS (sen)	1.1	-	-	-	-
Yield (%)	2%	0%	0%	0%	0%
BVPS (RM/share)	0.2	0.3	0.5	0.5	0.6
P/B (x)	2.2	2.1	1.1	1.0	0.9
ROE (%)	14%	12%	9%	9%	10%
Net Gearing (x)	0.2	0.1	CASH	CASH	CASH

M+ Research

Valuations

We assign a fair value of RM0.66 per share for GEOHAN, representing a 20.0% upside from its share price of RM0.55. This valuation is based on a P/E ratio of 14.0x, pegged to the FY26 EPS of 4.69 sen.

While the average 12-months forward P/E and historical P/E multiples of its peers stood at 17.2x to 63.7x, with a median of 17.1x to 20.6x, we assign GEOHAN a P/E multiple of 14.0x to account for its relatively smaller market capitalisation against its peers.

Fig #9 Peer comparison

Company	Market Group	FYE	Price (RM)	Market Cap (RM'm)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)
Geohan Corporation Bhd	**MAIN**	**Dec**	**0.55**	**242.0**	***17.5**	****16.3**	***12.3**	***4.1**
Econpile Holdings Bhd	MAIN	Jun	0.30	418.2	327.8	21.1	0.3	0.4
Pintaras Jaya BHD	MAIN	Jun	1.54	255.4	9.0	8.6	7.2	7.7
Kerjaya Prospek Group Bhd	MAIN	Dec	2.76	3,470.3	18.3	17.1	16.4	8.7
Bina Puri Holdings BHD	MAIN	Jun	0.33	290.2	104.8	N/A	2.4	0.9
Aneka Jaringan Holdings Bhd	ACE	Aug	0.14	93.8	20.4	N/A	4.8	1.7
Vestland Bhd	ACE	Dec	0.45	424.9	10.4	N/A	21.5	6.2
IJM Corp Bhd	MAIN	Mac	2.42	8,482.5	20.6	16.0	4.1	6.5
Gamuda Bhd	MAIN	Jul	5.43	31,808.8	34.6	23.0	8.6	6.3
Sunway Construction Group Bhd	MAIN	Dec	5.88	7,762.2	27.6	N/A	29.2	5.3
Avg ex-Geohan Corporation Bhd				**5,889.6**	**63.7**	**17.2**	**10.5**	**4.9**
Median ex-Geohan Corporation Bhd				**424.9**	**20.6**	**17.1**	**7.2**	**6.2**

*Source: M+ Research (*FY24, **FY26f)*

Investment risks

Regulatory compliance risk. The group's operations are subject to regulatory approvals and licensing requirements, including registration with the Construction Industry Development Board (CIDB) and the Specialist Builder (Piling Works) licence in Malaysia, as well as the CRS registration with Singapore's Building and Construction

Authority (BCA).

Operational disruption risk. The group's construction activities are exposed to potential interruptions arising from geotechnical uncertainties, adverse weather, machinery breakdowns, and other unforeseen external factors. Such disruptions may delay project timelines, increase costs, and impact the group's ability to meet client schedules and profitability targets.

Order book replenishment risk. As a project-based contractor, the group's revenue and earnings depend on its ability to continuously secure new projects and sustain a healthy order book. Any slowdown in contract awards or failure to replenish its project pipeline could lead to revenue volatility.

Cost overrun and pricing risk. The group's contracts typically operate under fixed-price arrangements with limited flexibility for cost adjustments. Underestimation of project costs or unexpected increases in material, labour, or equipment expenses may result in cost overruns that must be absorbed by the group, thereby pressuring margins and profitability.

Key personnel dependency risk. The group's success is highly dependent on the experience and leadership of its executive directors and senior management. The loss of any key personnel without suitable replacement could affect operations and strategic execution.

Environmental, Social & Governance (ESG) Practices

Environmental

- **Sustainable waste management.** The group prioritises environmentally friendly materials such as green concrete, and uses Polymer P103 for drilling slurry, which degrades through microorganisms and UV exposure, significantly reducing reliance on Bentonite.
- **Adoption of green technologies & renewable energy.** The group actively adopts green technologies, renewable resources, and eco-friendly construction practices, including utilizing solar tower lights on-site to reduce emissions and energy consumption, as well as installing solar panels photovoltaic systems in stores and warehouses.
- **Strict supplier and subcontractor screening.** The group implements strict supplier and subcontractor screening to ensure equipment meets environmental standards and any units with excessive fuel consumption or emissions are returned to suppliers to reduce environmental impact.

Social

- **Employee safety & well-being.** The group enforces standard operating procedures in accordance with regulatory requirements to ensure effective job performance.
- **Fair recruitment**. The group hiring practices adhere to the International Labour Organisation's Fair Recruitment Initiative, upholding labour rights, promoting open dialogue and advancing gender equality in the workplace.
- **Community engagement.** The group is dedicated to enhance the well-being of the communities by supporting social initiatives, providing financial donations, and collaborating with local organisations for impactful projects.

Governance

- **Anti-Bribery and Whistleblowing policies.** The group maintains a zero-tolerance policy toward bribery and corruption, supported by its Anti-Bribery and Corruption

and Whistleblowing Policies.

- **Risk management and compliance.** The Board promotes a well-defined risk management framework and internal controls in ensuring sound corporate governance.
- **Data protection.** The group adheres to applicable data protection laws, including Malaysia's Personal Data Protection Act 2010, safeguarding the confidentiality and security of personal data.

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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