

## Golden Destinations Group Berhad (GDGROUP)

### Luxury Within Reach

- Golden Destinations Group Berhad is a Malaysia-based full-service outbound travel experience curator, principally engaged in the (i) curation and development of comprehensive travel experience packages, including series, cruise, and customized FIT travel packages, (ii) provision of standalone ticketing services as an accredited IATA agent, as well as (iii) delivery of supportive travel services including hotel reservations and visa applications.
- We project 3-year earnings CAGR of 6.9%, with core PATMI expected to reach RM31.0m-RM34.6m over the next three years, supported by (i) increasing travel demand toward China and Asia centric region, (ii) GDGROUP's strategic entry into Singapore and (iii) pent-up demand in international travels post-Middle East war.
- We assign a fair value of RM0.51 per share for GDGROUP, indicating a 13.3% upside from the IPO price of RM0.45. This valuation is based on a PE multiple of 16.0x, pegged to mid-FY27F EPS of 3.17 sen.

### Investment highlights

**Three decades of expertise with formidable brand equity.** With over 30 years of travel industry expertise, the Group is able to adapt its product offerings swiftly to emerging trends and optimize procurement across multiple price points. Meanwhile, we like GDGROUP's strong brand loyalty among the Malaysian household, which was further amplified through the engagement of high-profile KOLs as brand ambassadors.

**Economies of scale through wide B2B distribution network.** GDGROUP commands a massive network of 848 travel agents across Malaysia. We like this business model as it allows the Group to focus on product curation and bulk procurement for economies of scale, while delegating its retail-facing risks and costs to third-party agents.

**Strong exposure to China and Asian markets provides buffer against Middle East conflict.** GDGROUP's high exposure to the China market (~36% of FY25 revenue) and other parts of Asia (~39.6% of FY25 revenue) significantly redirect travel demand towards Asia centric countries as travellers shift away from Europe during the Europe and the Middle East conflict. Notably, Europe contributes only 12% of the Group's total revenue. The Asia tours also generally yield higher margins compared to long-haul Europe trips, and management anticipates growth in the Asia segment due to this ongoing Middle East war. This would be further bolstered by the 30-day visa-free entry policy for Malaysians.

**Procurement strategy hedges against rising fuel costs.** While recent Middle East war triggered a surge in global oil prices, leading to increase in airline fuel surcharges, GDGROUP is well-insulated through its practice of reserving flight tickets in bulk at predetermined prices. The Group has secured its ticket inventory up to a year in advance, with some bookings extending through 1Q27, effectively neutralizing the immediate impact of fuel price volatility.

**Strategic expansion into Singapore.** Besides geographical expansion into Sarawak, we like GDGROUP's decision to further expand into Singapore. According to the Henley Passport Index 2026, the Singaporean passport is ranked first globally, providing Singaporeans with the world's easiest access to international destinations, while Singaporeans have one of the highest GDP per capita in the world, around USD97-99k. Hence, GDGROUP's expansion into Singapore is a strategic move to capture high-value and lucrative travel market.

IPO Note – Not rated

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### Non-Rated

Share price	RM0.45
Target price	RM0.51
Previous TP	-
Capital upside	13.3%
Dividend return	-
Total return	13.3%

### Company profile

Established in 1991, Golden Destinations Group Berhad is a Malaysia-based full-service outbound travel experience curator, principally engaged in the (i) curation and development of comprehensive travel experience packages, (ii) provision of standalone ticketing services, as well as (iii) delivery of supportive travel services.

### Stock information

Bursa Code	0398
Bloomberg ticker	GDGROUP MK
Listing market	ACE
Share issued (m)	1000.0
Market Cap (m)	450.0
Shariah compliant	Yes
MITI allocation	Yes

### Major shareholders

	%
Mitalim Holding Sdn Bhd	55.0
Mita Lim	15.0

### Earnings snapshot

FYE (Dec)	FY25	FY26f	FY27f
PATMI (m)	28.4	31.0	32.4
EPS (sen)	2.8	3.1	3.2
P/E (x)	15.9	14.5	13.9

### Timetable of IPO

Opening of application	26 March
Closing of application	6 April
Balloting of application	8 April
Allotment of the IPO shares	15 April
Listing on the ACE market	16 April



**Dominant player in a fragmented market.** According to the IMR report, GDGROUP captures a 15.5% market share of the Malaysian outbound travel industry booked through tour operators and travel agents. Its ability to consolidate travellers from multiple agencies into single tour groups provides a major competitive edge to smaller travel agents.

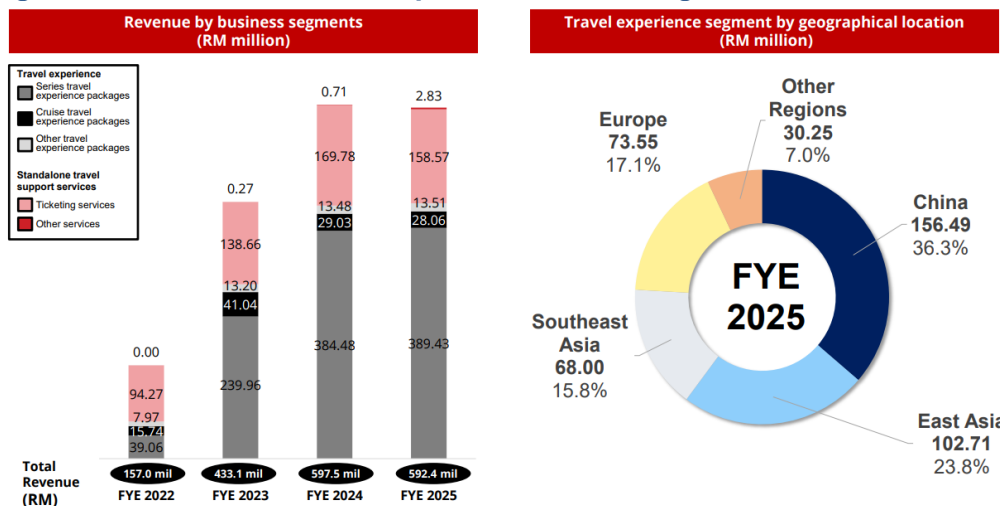
### Company background

Started since 1991, Golden Destinations Group Berhad (GDGROUP) specializes as an outbound travel experience curator, operating primarily through a B2B business model, with business model centered on two main operational segments:

- i. **Curation of travel experience packages.** This is the main revenue source of the Group and accounted for 72.8% of the total revenue in FY25. The packages comprise a variety of travel products, namely, series travel experience packages, cruise travel experience packages, and also other travel experience packages.
- ii. **Provision of a suite of standalone travel support services.** This includes ticketing, hotel reservation and visa application services. It contributed approximately 27.3% of total revenue in FY25.

As at the LPD, the Group operates from its head office in Kuala Lumpur with support offices in Penang and Johor, alongside the establishment of sales representatives in Sabah (August 2025) and Singapore (October 2025). A core component of the Group's competitive strategy is its B2B distribution network, consisting of licensed travel agents who market GDGROUP's curated products to end-consumers.

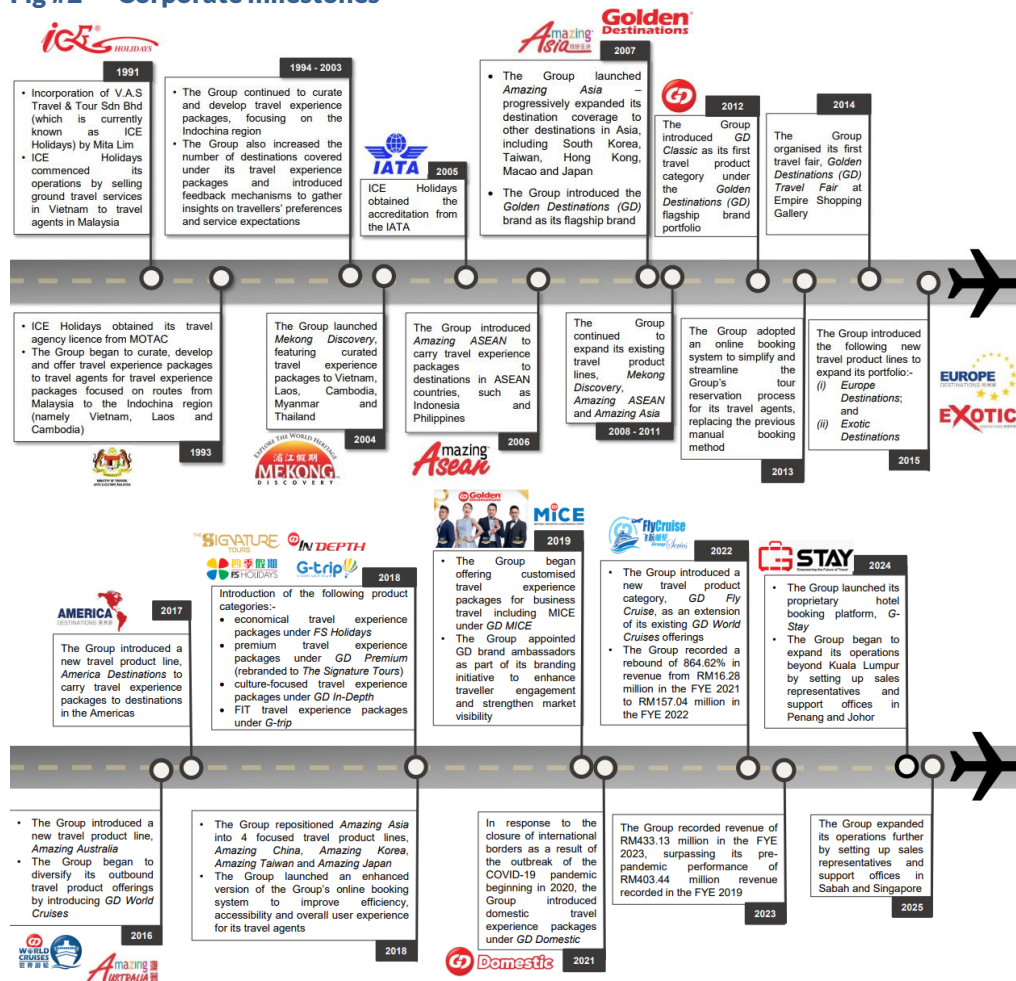
**Fig #1 Golden Destinations Group Berhad's revenue segmentation**



Source: Golden Destinations Group Berhad



Fig #2 Corporate milestones



Source: Golden Destinations Group Berhad

## Substantial Shareholders and Key Management

### 1. Mita Lim – Managing Director

Mita Lim is responsible for the Group's overall strategic direction, management, operations, and business development. He has approximately 39 years of experience in the travel industry, co-founded the Group's in 1991 and previously served as the Vice President for the Outbound Division of MATTA (2015–2017). In 2023, he was recognized as the Entrepreneur of the Year in Travel & Tourism at the BrandLaureate Entrepreneur Awards.

### 2. Lim Swee Chuan – Executive Director, Chief Corporate Officer

A member of the Malaysian Institute of Accountants and a Fellow of the Chartered Tax Institute of Malaysia with approximately 35 years of experience in corporate finance and audit. He oversees the Group's corporate strategies, governance, and internal audit functions. He previously served as the Executive Director cum CFO of Kobay Technology Berhad and the CFO of Agricore CS Holdings Berhad before joining the Group in 2025.

### 3. Charles Lim Yong Zhao – Chief Operating Officer

He possesses approximately 4 years of experience in business and branding. He is responsible for overseeing day-to-day operations, managing supplier relationships, and



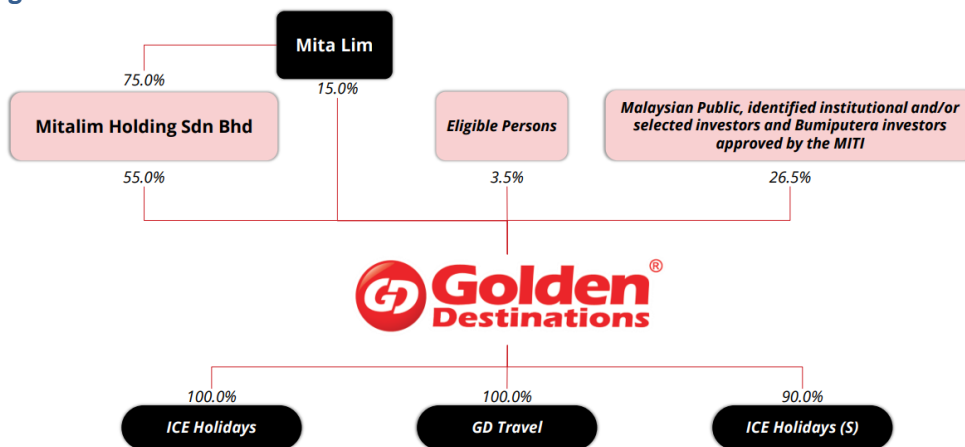
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spearheading the Group's marketing initiatives. A Monash University accounting graduate, he completed a structured cross-functional rotation through the Group's core departments to build managerial capability for succession planning before his promotion to COO in 2025.

#### 4. Chan Shu Kian – Chief Financial Officer

A member of the Association of Chartered Certified Accountants and the Malaysian Institute of Accountants with approximately 21 years of experience in corporate restructuring and advisory. She joined the Group in 2024 and oversees all financial reporting, accounting operations, and corporate exercises. Her background includes senior roles at BDO Consulting and Crowe Horwath Advisory, where she managed initial public offerings and valuations.

**Fig #3 Post-IPO structure**



Source: Golden Destinations Group Berhad

**Fig #4 Use of proceeds**

Use of proceeds	RM'm	%	Estimated time frame
Set-up of a new centralised headquarters	50.0	55.6	Within 36 months
Branding, marketing and promotional activities	13.5	15.0	Within 24 months
Business expansion to Sarawak and Singapore	6.0	6.7	Within 36 months
Capital expenditure on IT system and infrastructure	4.0	4.4	Within 24 months
Expansion of workforce	6.0	6.7	Within 24 months
Working capital	4.0	4.4	Within 12 months
Estimated listing expenses	6.5	7.2	Within 1 month
<b>Total</b>	<b>90.0</b>	<b>100.0</b>	

Source: Golden Destinations Group Berhad

## Business overview

### Curation of Travel Experience Packages (72.8% of FYE25 revenue)

The Travel Experience segment has consistently grown to become the dominant revenue contributor, increasing from 40.0% in FY22 to 72.8% in FY25. This segment comprises of the following products:

- i. **Series Travel Experience Packages.** These are standard group tours with fixed itineraries including flights, accommodation, and guided activities. This sub-segment is the largest contributor to the Group's total revenue, representing 24.9% (RM39.06m) in FY22, 55.4% (RM240.0m) in FY23, 64.4% (RM384.5m) in FY24, and 65.7% (RM389.4m) in FY25.



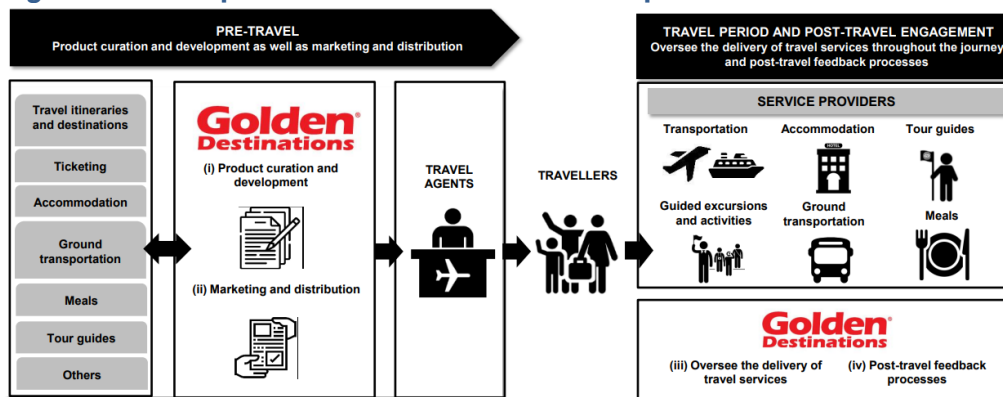
- ii. **Cruise Travel Experience Packages.** This includes both cruise-only (GD World Cruises) and a bundle of cruise travel, flight tickets and short excursions package (GD Fly Cruise).
- iii. **Other Travel Experience Packages.** Comprises customized free-and-easy packages (G-trip), business travel (GD MICE), and domestic tours (GD Domestic).

### Provision of Standalone Travel Support Services (27.3% of FYE25 revenue)

This segment provides individual travel components for travellers who do not require a full tour package and comprises of:

- i. **Ticketing Services (GD Flight).** As an accredited IATA agent, the Group sells flight tickets on a standalone basis.
- ii. **Other Services.** Includes hotel reservations via the proprietary G-Stay platform and visa application services (ICE Visa).

**Fig #5 Principal business activities and services provided**



Source: Golden Destinations Group Berhad

**Fig #6 SWOT analysis of GDGROUP**

Strength	Weakness
<ul style="list-style-type: none"> <li>Market leader in B2B tour curator with 848 travel agents across Malaysia</li> <li>Able to delegate retail-facing risks and costs to third-party agents</li> <li>Well-known household travel brand equity in Malaysia</li> </ul>	<ul style="list-style-type: none"> <li>Reliance on third-party travel agents for sales</li> </ul>
Opportunity	Threat
<ul style="list-style-type: none"> <li>Entry into lucrative Singapore market</li> </ul>	<ul style="list-style-type: none"> <li>Geopolitical risks like Middle East war</li> <li>Increasing trend for self-planning travels rather than tour agents</li> </ul>

Source: M+ Research

## Financials

**Revenue and income highlights.** The Group reported a revenue decrease from RM597.5m in FY24 to RM592.4m in FY25, primarily due to lower revenue contributions from the ticketing services segment which carries a relatively lower gross profit margin.

(i) Revenue from the travel experience segment increased from RM427.0m in FY24 to RM431.0m in FY25, as the series travel experience packages saw an uptick, supported by a shift in sales mix toward higher contribution from European travel experience packages. (ii) Conversely, the standalone travel support services segment recorded a



decline from RM170.5m in FY24 to RM161.4m in FY25, as ticketing services revenue fell following lower purchases from travel agents. Following the reduction in revenue, PAT declined from RM31.6m in FY24 to RM28.3m in FY25, with a decline in GP margin from 16.1% to 15.4% due to the shift in sales mix toward European packages, which generally involve higher costs and lower margins compared to Asian destinations.

**Balance sheet.** Total assets increased from RM137.4m in FY24 to RM143.2m in FY25, mainly driven by the increase in property, plant and equipment, prepayments and current tax assets. Meanwhile, total liabilities decreased from RM107.5m to RM84.9m over the same period, following the decrease in contract liabilities and absence of current tax liabilities. Total equity increased from RM30.0m to RM58.4m, thanks to the increase in share capital and retained earnings. The group was already in a net cash position prior to listing.

**Cash flow.** Net cash from operating activities decreased drastically from RM59.6m in FY24 to only RM1.0m in FY25, as working capital recorded negative changes of RM22.3m, as compared to a positive change of RM26.6m in FY24. Cash flow used in investing activities increased slightly from RM3.5m to RM4.0m, while cash flow from financing activities turned from an outflow of RM31.0m in FY24 to an inflow of RM0.4m in FY25, mainly due to higher dividends paid in FY24(RM29.5) as compared to RM1.0m in FY25. Overall, the Group recorded a net decrease of RM2.8m in cash and cash equivalents in FY25.

**Earnings forecasts.** Moving forward, we project a 3-year earnings CAGR of 6.9%, with core PATMI expected to reach RM31.0m, RM32.4m and RM34.6m over the next three years. This growth is underpinned by (i) increasing travel demand toward China and Asia centric region, (ii) strategic entry into Singapore as a new revenue source and (iii) pent-up demand in international travels post-Middle East war.

**Fig #7 Financial Highlights**

FYE Dec (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Revenue	597.5	592.4	596.9	646.8	710.8
EBITDA	43.6	39.2	43.0	46.1	50.1
EBIT	42.5	37.6	40.9	42.8	45.7
PBT	42.5	37.6	40.8	42.7	45.5
PAT	31.6	28.3	31.0	32.4	34.6
PATMI – Core	31.6	28.4	31.0	32.4	34.6
PATMI – Reported	31.6	28.4	31.0	32.4	34.6
% change YoY – Core PATMI	137%	-10%	9%	5%	7%
Core EPS (sen)	3.2	2.8	3.1	3.2	3.5
P/E (x)	14.2	15.9	14.5	13.9	13.0
EV/EBITDA (x)	8.6	9.6	8.7	8.1	7.5
DPS (sen)	3.1	-	-	-	-
Yield (%)	7%	0%	0%	0%	0%
BVPS (RM/share)	0.0	0.1	0.2	0.2	0.2
P/B (x)	15.0	7.7	2.5	2.1	1.8
ROE (%)	107%	64%	26%	17%	15%
Net Gearing (%)	CASH	CASH	CASH	CASH	CASH

M+ Research



### Valuations

We assign a fair value of RM0.51 per share for GDGROUP, representing a 13.3% upside from the IPO price of RM0.45. This valuation is based on a PE ratio of 16.0x, pegged to mid-FY27F EPS of 3.17 sen.

We believe the assigned P/E multiple is fair, given that the peer average forward P/E and historical P/E in the Bursa Malaysia Consumer Discretionary sector stood between 15.6x to 22.2x.

**Fig #8** Bursa Malaysia Consumer Discretionary Sector

Ticker	Name	Weight (%)	Shares	Price	BEst P/E BF12M	P/E
+ Consumer Discretionary (86 members)		33.999320	81,468,289839		15.56	22.15
PETD	MK Petronas Dagangan Bhd	8.054014	993,454000	21.3200	17.49	19.08
MRDIY	MK MR DIY Group M Bhd	5.441856	9,477,475992	1.5100	21.68	22.75
GENM	MK Genting Malaysia Bhd	4.109531	5,938,044648	1.8200	14.37	13.52
GENT	MK Genting Bhd	3.464411	3,876,896099	2.3500	10.47	--
ORH	MK Oriental Holdings BHD	1.689109	620,393638	7.1600	--	16.49
DRB	MK DRB-Hicom Bhd	0.896855	1,933,237051	1.2200	13.03	5.44
MBM	MK MBM Resources BHD	0.725353	390,887653	4.8800	5.78	5.65
MAG	MK Magnum Bhd	0.677926	1,437,748654	1.2400	9.96	10.54
SPTOTO	MK Sports Toto Bhd	0.652448	1,351,030072	1.2700	9.12	8.12
PAD	MK Padini Holdings Bhd	0.596667	986,864185	1.5900	9.78	11.08
BPROP	MK Berjaya Property Bhd	0.484861	5,000,337104	0.2550	--	--
BAUTO	MK Bermaz Auto Bhd	0.392241	1,172,176878	0.8800	10.23	13.01
SKOU	MK Sern Kou Resource Bhd	0.348461	1,078,097542	0.8500	--	--
SIGN	MK Signature International Bhd	0.338728	645,497370	1.3800	--	10.62
MTI	MK Magi-Tech Industries Bhd	0.318475	433,950579	1.9300	--	6.53
SYS	MK SEG International BHD	0.312850	1,265,742042	0.6500	--	97.73
AMW	MK Amway Malaysia Holdings Bhd	0.293166	164,385645	4.6900	10.71	16.93
SHMB	MK Shangri-La Hotels Malaysia Bhd	0.284432	440,000000	1.7000	--	18.15

Source: Bloomberg

### Investment risks

**Dependency on travel agents.** The Group relies on a network of licensed travel agents to market its Golden Destinations (GD) products, making it vulnerable to any decline in agent service standards or product misrepresentation.

**Dependence on travel demand to China and East Asia.** The Group faces significant destination-centric dependency risk, with travel demand to China and East Asia collectively contributing 60.14% of total revenue in FY25. This concentration leaves the Group vulnerable to localized industry shifts, such as stricter visa regulations, unfavourable exchange rate fluctuations, or changing traveller preferences.

**Vulnerability to regional wars and global disruptions.** The Group is exposed to force majeure events like natural disasters, disease outbreaks, and geopolitical conflicts, which can trigger trip cancellations and refunds. Recent escalations between Israel and Iran have caused airspace closures and flight disruptions, resulting in RM9.4m in affected tours and RM2.5m in refund requests as of March 2026.

**Exposure to brand damage and negative publicity.** The Group is highly vulnerable to any operational mistakes, service lapses, or unpleasant experiences encountered by travellers, including misconduct or negligence by tour personnel, as these can quickly escalate into negative publicity.

### Environmental, Social and Governance (ESG) Practices

#### Environmental:

- The Group promotes energy efficiency and encourages staff to reduce consumption of electricity and office resources.
- The Group reduces paper usage by promoting digital processes, recycling and encouraging the use of reusable items.



- The Group supports sustainable transportation, including public transit and virtual business meetings.
- The Group sources eco-friendly travel accessories and promotional materials.
- The Group encourages environmentally conscious behaviour through the instillation of environmental awareness among employees.

### **Social:**

- The Group provides a safe, inclusive and equitable workplace with anti-discrimination and anti-sexual harassment policies.
- The Group promotes gender equality, with women represented across leadership and operational roles.
- The Group delivers continuous training and capacity building for employees and travel agents, fostering professional growth and service excellence.
- The Group conducts community engagement programs monthly in collaboration with charities, non-governmental organisations and social partners.
- The Group ensures fair economic participation for travel agents through training, digital tools and fair competition.

### **Governance:**

- The Group adheres to anti-corruption and anti-bribery policies, supported by the Group's code of conduct and employee handbook.
- The Group has strict compliance with data privacy and confidentiality requirements for all stakeholder data.
- The Group practices fair treatment and respect for all employees, travel agents and clients regardless of background.
- The Group has a formal whistleblowing mechanism that ensures ethical concerns are reported without fear of retaliation.
- The Group promotes good governance, protects intellectual property rights and complies with relevant laws.

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### **Stock recommendation guide**

<b>BUY</b>	The share price is expected to appreciate more than 10% over the next 12 months
<b>HOLD</b>	The stock price is expected to range between -10% and +10% over the next 12 months
<b>SELL</b>	The share price is expected to fall more than 10% over the next 12 months
<b>TRADING BUY</b>	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
<b>TRADING SELL</b>	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
<b>NOT RATED</b>	No recommendation is assigned

