Gold Li Holdings Berhad (GOLDLI)

Building The Gold Standard Properties In Johor

- **Gold Li Holdings Berhad is a Johor-based landed residential developer, primarily specialises in terrace, semi-detached, detached houses and also commercial properties across Muar, Tangkak and Batu Pahat districts, supported by an in-house Grade G7 CIDB construction arm.**
- **We project 3-year earnings CAGR of 13.7%, with core PATMI expected to reach RM9.5m-RM11.5m over the next three years. This growth is underpinned by (i) the progressive recognition of its 13 ongoing projects and the future launch of 28 landed residential developments, (ii) its entry into the high-rise residential segment in FY28 and (iii) its future landbank pipeline.**
- **We assign a fair value of RM0.14 per share for GOLDLI, indicating a 7.7% upside from the IPO price of RM0.13. This valuation is based on a PE ratio of 7.5x, pegged to mid-FY28f EPS of 1.84 sen.**

Investment highlights

Future development pipeline and sizeable landbank. As at the LPD, the Group has 13 ongoing projects (GDV: RM131.9m) and 28 identified future projects (GDV: RM723.0m) with a combined estimated Gross Development Value (GDV) of RM854.9m, while also having 29 parcels of land held for future development, totalling 47.3 acres across Muar, Tangkak, and Batu Pahat, providing the Group clear multi-year earnings visibility.

In-house construction with G7 CIDB status. Unlike many developers who outsource construction entirely, GOLDLI acts as its own main contractor for all projects through its Gold Li Development's Grade G7 CIDB registration, which is the highest tier of contractor registration issued by CIDB, qualifying the Group for unlimited contract value. We like this vertical integration as it allows GOLDLI to reduce dependency on subcontractors while maintaining tighter quality control over its building standards.

Strong revenue growth momentum with improving margin recovery. Revenue has grown at a CAGR of approximately 36% from RM35.1m in FY23 to RM65.0m in FYE25, while FPE26 registered a stronger revenue of RM56.1m against RM41.8m in FPE25. PAT margin has similarly improved to 15.6% in FPE26, from 14.7% in FPE25, while also higher than 14.0% in FY24 and 12.1% in FY25, suggesting that as completed development sales re-accelerate, profitability quality improves meaningfully.

Strong brand recognition in Johor's secondary towns. With over 27 years of operating history, GOLDLI had completed 108 residential projects which 6 projects include commercial shop houses and 2 standalone commercial projects across Muar, Tangkak and Batu Pahat, commanding strong brand recognition in these districts. Meanwhile, the Group's long-standing relationships with local joint venture landowners and municipal authorities also represent a meaningful barrier to entry for newcomers to these markets.

Expansion into high-rise residential and landbank acquisitions. Management planned to (i) acquire new landbanks moving forward and (ii) enter the high-rise residential segment for the first time, targeted commencement in 1H27, with a total GDV of RM400.4m. While the landbank acquisition strategy is a strategic continuation of GOLDLI's current model, we view the move into high-rise development as a high-stake entry into unfamiliar territory, which investors should track its pre-booking rates and monitor market's acceptance.

IPO Note – Not rated

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Non-Rated

Share price	**RM0.13**
Target price	**RM0.14**
Previous TP	**-**
Capital upside	7.7%
Dividend return	-
Total return	7.7%

Company profile

Started since 1999, Gold Li Holdings Berhad is a Johor-based landed property developer, primarily specialises in terrace, semi-detached, detached houses and commercial properties across Muar, Tangkak and Batu Pahat districts.

Stock information

Bursa Code	0452
Bloomberg ticker	GOLDLI MK
Listing market	ACE
Share issued (m)	600.0
Market Cap (m)	78.0
Shariah compliant	Yes
MITI allocation	Yes

Major shareholders

	%
Setia Mega	66.3
Dato' Lee Tiau Huat	3.5
Datin Lau Siew Su	3.5

Earnings snapshot

FYE (Jan)	FY25	FY26f	FY27f
PATMI (m)	7.8	9.5	10.5
EPS (sen)	1.3	1.6	1.8
P/E (x)	9.9	8.2	7.4

Timetable of IPO

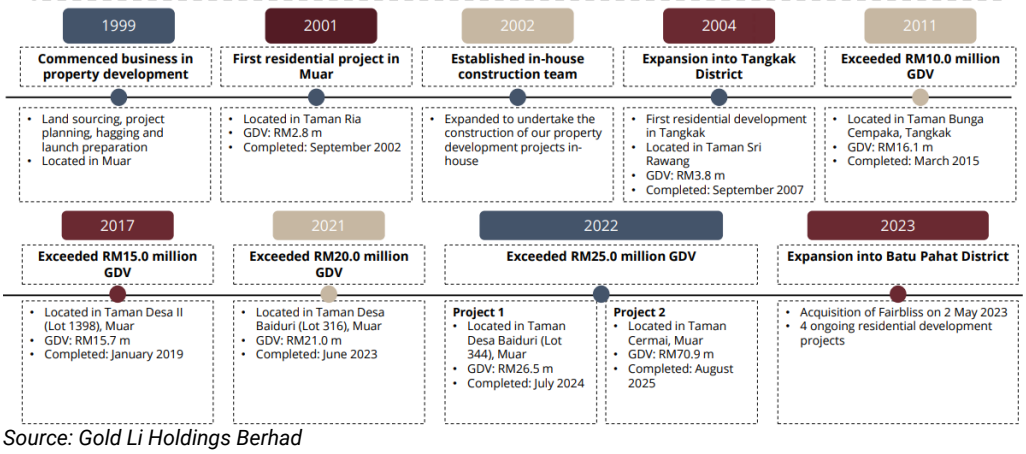
Opening of application	27 April
Closing of application	5 May
Balloting of application	8 May
Allotment of the IPO shares	15 May
Listing on the ACE market	18 May

Company background

Started since 1999, the Group integrates development and construction expertise through two primary segments:

i. **Property development.** This segment focuses on the development and sale of landed residential properties and commercial properties. It represents the Group's core business, contributing to 99.8% of the total revenue in FPE26.
ii. **Construction activities.** While the Group acts as the main contractor for its own internal property development projects, this segment also provides construction services to external customers, accounted for 0.2% of total revenue in FPE26.

Fig #1 Corporate milestones



Source: Gold Li Holdings Berhad

Substantial Shareholders and Key Management

1. Dato' Lee Tiau Huat – Managing Director
Dato' Lee is responsible for providing strategic leadership and overseeing the Group's overall operations and long-term objectives. His career began in 1978 at Nam Seng Huat, focusing on building material procurement, followed by a sales management role at Senjaya Trading. In 1989, he co-founded Gold Li Development, initially managing furniture manufacturing operations before pivoting the company to property development in 1999.

2. Datin Lau Siew Su – Executive Director, COO
Datin Lau manages the Group's day-to-day operations, business strategies, and administrative and HR functions. She began her career in 1981 at Senjaya Trading before taking a career break in 1989. In 1999, she joined Gold Li Development as a Director, assisting in operational oversight, and was promoted to Chief Operating Officer in 2019.

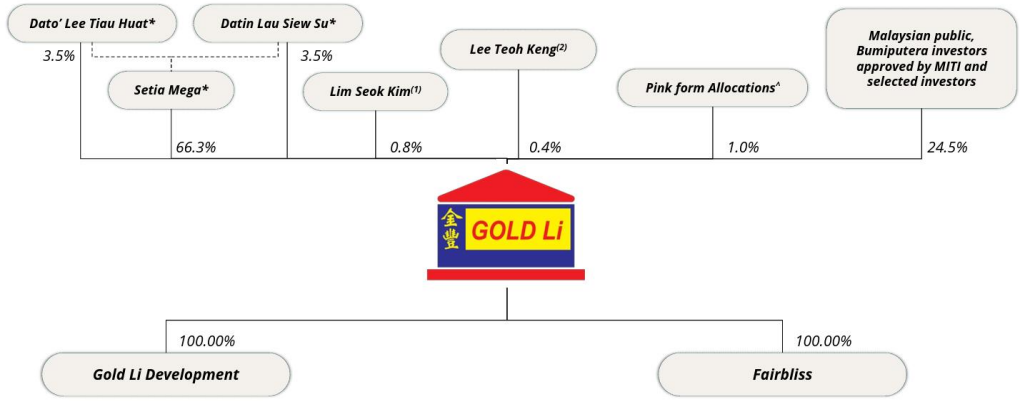
3. Tey Bock Heng – Chief Financial Officer
Joining the Group in 2019, he is responsible for managing the Group's overall accounting and finance functions, including budgeting, forecasting, and auditing. He graduated with a Bachelor of Accounting (Honours) from Universiti Utara Malaysia in 1997 and is a Chartered Accountant with the Malaysian Institute of Accountants. His 29 years of experience include audit roles at Deloitte Malaysia, management positions at Aureumaex Precision Metal Industries, and a senior management role at RHB Bank Berhad.

4. Chua Tang Yong – Senior Contract Manager
He oversees the Group's contract-related matters, including costing, budgeting, subcontractor sourcing, and project management and execution. He obtained Bachelor of Science in Construction Management from Golden State University in 2001. With 25 years of industry experience, he held contract management roles at Modal Prisma (M) Sdn Bhd, The Store (Malaysia) Sdn Bhd, and Gold Mart Sdn Bhd before joining the Group in 2022.

5. Lee Ja Son – Senior Sales & Marketing Manager
Having joined the Group in 2005, he is responsible for formulating, leading and executing sales and marketing strategies. He began his career within the Group as a Site Clerk before being promoted to Assistant Site Supervisor in 2012, where he managed project coordination and site operations. In 2016, he transitioned to the sales division as a Sales & Marketing Executive, focusing on property promotion and campaign execution, before being elevated to his current leadership role in 2022.

6. Catherine Lee – Project Planning Manager
She is responsible for the Group's project planning and compliance, ensuring projects' adherence to regulatory requirements and internal standards. She holds a Diploma in Engineering with Business from Singapore Polytechnic and began her career in 2015 as a Marketing Manager at SJY Furniture. In 2019, she became the Director of Operations at Couture Jardin and joined Gold Li Development as Project Planning Manager in 2023.

Fig #2 Post-IPO structure



Source: Gold Li Holdings Berhad

Fig #3 Use of proceeds

Use of proceeds	RM'm	%	Estimated time frame
Working capital for property development	11.2	73.7	Within 24 months
Estimated listing expenses	4.0	26.3	Within 1 month
Total	15.2	100.0	

Source: Gold Li Holdings Berhad

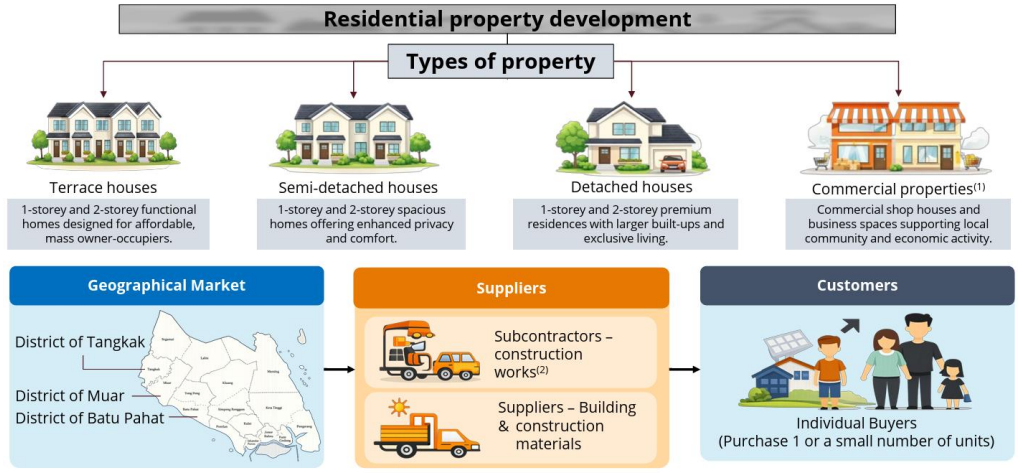
Business overview

Completed developments (79.1% of FPE26 revenue)
This segment manages the sales and handover of properties that have secured the Certificate of Completion and Compliance (CCC), with portfolio primarily features landed residential homes (terrace, semi-detached, and detached) and 1–3 storey commercial shop houses. Revenue is recognised at the point of delivery and acceptance, with transactions typically settled within a 3-month credit window.

Ongoing developments (20.7% of FPE26 revenue).
This segment oversees the entire technical development lifecycle, from securing development orders through strategic joint ventures to final physical completion. Revenue is recognised over time via the input method, aligning financial performance directly with actual construction progress and site deployment.

Provision of construction services (0.2% of FPE26 revenue).
While the Group acts as the main contractor for its own property development projects, this specific revenue segment strictly represents construction services provided to external customers. The Group may undertake these external projects from time to time, subject to the availability of its in-house construction resources.

Fig #4 Principal business activities and services provided



Source: Gold Li Holdings Berhad

Financials

Revenue and income highlights. The group reported a revenue increase of RM14.3m (34.2% YoY), increasing from RM41.8m in FPE25 to RM56.1m in FPE26, mainly due to the increase in revenue contribution from completed developments segment. Following 6 completed developments, revenue from the completed developments segment surged by RM40.8m and 1133.3%, increased from RM3.6m in FPE25 to RM44.4m in FPE26. However, the revenue increase was partially offset by the ongoing developments segment, which decreased from RM38.0m in FPE25 to RM11.6m in FPE26, as 7 development projects were already completed during FY25. Meanwhile, revenue from provision of construction services also decreased from RM0.2m to RM0.1m, as the construction services were substantially completed in FPE25. Following the increase in revenue, PAT also saw an increase from RM6.1m to RM8.7m over the same period of time.

Earnings forecasts. Moving forward, we project a 3-year earnings CAGR of 13.7%, with core PATMI expected to reach RM9.5m, RM10.5m and RM11.5m over the next three years, largely supported by (i) the progressive recognition of its 13 ongoing projects and the future launch of 28 landed residential developments, (ii) its entry into the high-rise residential segment in FY28 and (iii) its future landbank pipeline.

Fig #5 Financial Highlights

FYE Jan (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Revenue	47.6	65.0	72.7	81.9	93.5
EBITDA	9.9	12.9	15.5	16.6	18.1
EBIT	9.5	12.6	15.2	16.3	17.8
PBT	9.1	10.6	13.0	14.4	15.8
PAT	6.7	7.8	9.5	10.5	11.5
PATMI – Core	6.7	7.8	9.5	10.5	11.5
PATMI – Reported	6.7	7.8	9.5	10.5	11.5
% change YoY – Core PATMI	18%	17%	21%	11%	9%
Core EPS (sen)	1.1	1.3	1.6	1.8	1.9
P/E (x)	11.7	9.9	8.2	7.4	6.8
EV/EBITDA (x)	5.5	4.2	3.5	3.3	3.0
DPS (sen)	0.8	-	-	-	-
Yield (%)	6%	0%	0%	0%	0%
BVPS (RM/share)	0.2	0.2	0.2	0.2	0.3
P/B (x)	0.8	0.7	0.6	0.6	0.5
ROE (%)	7%	8%	8%	8%	8%
Net Gearing (x)	0.3	0.3	0.2	CASH	0.1

M+ Research

Valuations

We assign a fair value of RM0.14 per share for GOLDLI, indicating a 7.7% upside from the IPO price of RM0.13. This valuation is based on a PE ratio of 7.5x, pegged to mid-FY27f EPS of 1.84 sen.

Although peers with significant Johor footprints and landbanks are trading at average historical and forward P/E multiples of 14.6x to 22.8x, we believe the assigned PE multiple of 7.5x is fair given that GOLDLI is a small-cap developer, primarily focusing on secondary towns like Muar, Tangkak, and Batu Pahat, compared to the large-cap developers that focus on Johor's primary growth corridors.

In fact, we think that BCB is the most direct comparable on the list as BCB mainly focuses on the Batu Pahat and Kluang districts. While BCB is trading at a PE multiple of 5.9x, GOLDLI's assigned PE of 7.5x could be justified by its higher ROE of 7.5% and NP margin of 12.1%, compared to BCB's lower ROE and NP margin of 3.2% and 4.4% respectively.

Fig #6 Peers comparison

	Market Group	FYE	Price (RM)	Market Cap (RM'm)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)
Gold Li Holdings Berhad	**ACE**	**Jan**	**0.13**	**78.0**	***9.9**	****7.4**	***7.5**	***12.1**
UEM Sunrise Bhd	MAIN	Dec	0.64	3,237.4	45.6	29.1	1.0	4.2
Eco World Development Group Bh	MAIN	Oct	2.10	6,765.8	12.5	N/A	10.0	14.9
IOI Properties Group Bhd	MAIN	Jun	4.20	23,125.8	10.2	29.8	9.4	34.7
Mah Sing Group Bhd	MAIN	Dec	1.09	2,790.6	10.7	9.6	6.5	10.3
KSL Holdings Bhd	MAIN	Dec	3.12	3,349.1	6.7	N/A	11.7	34.3
Keck Seng Malaysia Bhd	MAIN	Dec	5.35	1,922.3	14.5	N/A	4.7	8.1
Crescendo Corp Bhd	MAIN	Jan	1.19	1,006.1	10.6	N/A	6.7	20.7
BCB Bhd	MAIN	Jun	0.26	104.9	5.9	N/A	3.2	4.4
Avg ex-Gold Li Holdings Berhad				**5,287.7**	**14.6**	**22.8**	**6.7**	**16.5**

Source: M+ Research (*FY25, **FY27f)

Investment risks

Risk of joint venture (JV) disputes and project disruptions. The Group holds 30 ongoing and future joint development projects and 12 land parcels under JV agreements. Strong JVs reliance creates exposure to misaligned partner interests or breach of contract regarding land access, potentially leading to project terminations or costly buy-outs.

Risk of cost overruns and legal implications due to delays. While project completion depends on external factors like regulatory permits, labour availability and subcontractor performance, any delays can cause cost overruns and legal implications, including liquidated ascertained damages (LAD) payable to buyers, which are calculated daily based on 10% per annum on the purchase price of the buyer's unit.

Defects liability risks. The Group provides a 24-month defect liability period (DLP) from the Certificate of Completion and Compliance (CCC) date, covering rectification costs for construction defects. Hence, any excessive defect claims can erode the Group's profitability and damage its market reputation.

Regulatory and licensing risks. The Group relies on critical approvals and licenses from authorities like MHLG and CIDB to maintain operations. Non-compliance with the strict conditions attached to these permits could lead to fines, project suspensions (such as the inability to obtain CCCs), or the revocation of developer licenses.

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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