



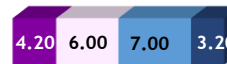
HAILY GROUP BERHAD (0237)

ACE MARKET | 21 JULY 2021 | CONSTRUCTION

IPO STATISTICS

IPO Price (RM)	0.68
Fund Raised (RM million)	20.40 from new issue 12.24 from offer for sale Total: 32.64
Enlarged issued share capital upon listing (million)	178.32
IPO Market Capitalisation (RM million)	121.26
Price Earnings Ratio	11.60

Use of Proceeds (RM20.40 million from new issue)



- Purchase of machinery, equipment, contract management and accounting software and office equipment Working capital
- Repayment of bank borrowings
- Estimated listing expenses

BUSINESS OVERVIEW

Business Activities: Haily Group Berhad, through its subsidiaries, is principally involved in building construction of residential and non-residential buildings, as well as provision of rental of construction machinery. It is a main contractor involved in the building construction in the Southern region of Peninsular Malaysia, in particular, Johor. The company has a track record of approximately 13 years in undertaking projects construction works encompassing planning, appointment of subcontractors, procurement of labour and materials, and monitoring all stages of construction works.

Order Book: As of 10 June 2021, total secured contract value of on-going projects stood at RM460.04 million which are expected to be completed progressively between 2021 and 2023.

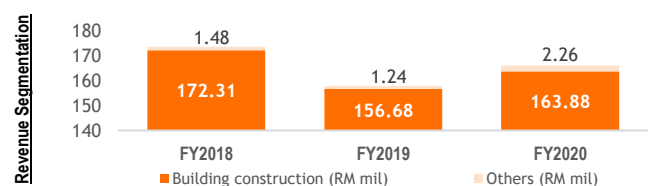
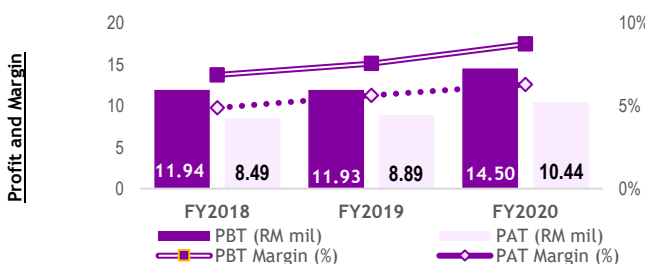
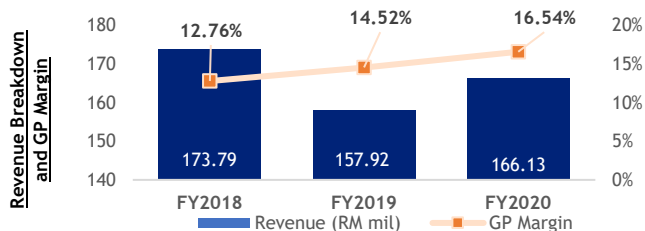
- Major Customers (FY2020)**
1. Meridin East Sdn Bhd (25.76%)
 2. Austin Senibong Development Sdn Bhd (22.15%)
 3. Danau Homes Sdn Bhd (11.35%)
 4. Gunung Impian Development Sdn Bhd (10.42%)
 5. Country View Resources Sdn Bhd (9.97%)

- Competitive Strength:**
- Established track record as an experienced building contractor in Johor having completed approximately 65 building construction projects with total contract value of RM1.29 billion since 2008
 - Proven track record in quality by its ability to maintain repeat customers
 - Main contractor for the construction of residential and non-residential buildings and registered as a Grade 7 contractor with CIDB to bid and carry out any size of building construction projects irrespective of contract value
 - Experienced management team
 - Order book of 18 on-going building construction projects and 2 civil engineering related construction projects with a total secured contract value and unbilled contract value of RM460.04 million and RM249.58 million respectively

GROWTH STRATEGIES AND FUTURE PLANS

- Continue to focus on core competency in building construction in Johor by leveraging on our experience and extend reach to other districts in Johor, including expansion into industrial building construction
- Purchase additional construction machinery and equipment to facilitate better scheduling of construction works when projects require concurrent usage

FINANCIAL PERFORMANCE & PEER ANALYSIS



Company	NP Margin (%)	PER (x)
WCT Holdings Berhad	(10.5)	-
Sunway Construction Group Berhad	4.7	29.47
Kerjaya Prospek Group Berhad	11.2	15.90
Vizione Holdings Berhad	(1.9)	-
AME Elite Consortium Berhad	18.0	20.33
GDB Holdings Berhad	6.8	17.28
Inta Bina Group Berhad	2.9	14.70
TCS Group Holdings Berhad	6.7	11.98
Gagasan Nadi Cergas Berhad	5.4	15.83
Rimbaco Group Global Ltd (HKG)	3.4	N.A.
Haily Group Berhad	6.3	11.60
Sycal Ventures Berhad	0.6	N.A.
Mercury Industries Berhad	(39.3)	-

* NP margin based on prospectus. Trailing 12 month PER data from Bloomberg at time of research except for Haily at IPO

PROMOTERS & SUBSTANTIAL SHAREHOLDERS

Promoter/ Substantial Shareholder	Designation	Shareholding after IPO	
		Direct	Indirect
Haily Holdings	Promoter & substantial shareholder. Investment holding company	73.08	-
See Tin Hai	Promoter & substantial shareholder. Executive Director	-	73.15
Kik Siew Lee	Promoter & substantial shareholder. Director of Haily Construction	-	73.08

All information in the factsheet are extracted from the prospectus unless stated otherwise. Kindly refer to the prospectus for full details. Prepared by Bursa Digital Research. Kindly refer to the disclaimer on the last page.

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