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Company Update
Wednesday, November 11, 2026
Research Team Coverage
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Binastra Corporation Bhd

Lands RM303.8m Smart Warehouse Contract

Binastra last week announced it secured a RM303.8m contract from PTT Synexis Sdn Bhd to build an Automated Storage and Retrieval System (ASRS) warehouse in Bandar Bukit Raja, Klang. The win takes FY27 year-to-date contract wins to RM1.6bn, and the outstanding order book stands at RM6.2bn, or 3.0x/2.3x our FY27E/FY28E revenue. We raise our FY27E/FY28E earnings by 5.2%/3.9% to RM176.7m/RM214.3m to include the new contract secured. Our TP rises to RM3.24 (from RM3.12), based on an unchanged 16.5x P/E applied to FY28E EPS of 19.7 sen. Maintain BUY.

Contract Details. Binastra's wholly-owned subsidiary, Binastra Builders Sdn Bhd, accepted a Letter of Award dated 4 November 2026 from PTT Synexis Sdn Bhd, a wholly-owned subsidiary of PTT Synergy Group Berhad. The contract is for an industrial warehouse development at Jalan Lansaran 2/KU 5, Bandar Bukit Raja, Kapar, Klang, and is worth RM303.8m (excluding SST) on a fixed-price lump-sum basis. The scope covers piling, main buildings and external works for a single-storey ASRS warehouse with a mezzanine floor and a three-storey office, two units of two-storey M&E buildings, a five-storey car park, an electrical substation, a temporary container yard depot and other ancillary facilities. Works start on 11 November 2026 and are due for completion on 30 September 2027 (11 months completion period). Since Binastra's financial year ends in January, the contract may contribute to the topline for 3 months in FY27 and 8 months in FY28, assuming there isn't any hiccups in the progress.

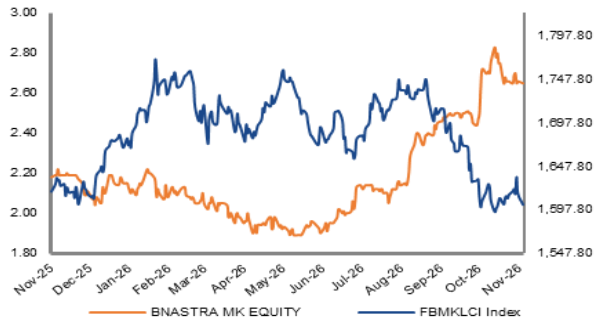
Balance Sheet Capacity. We believe Binastra has sufficient liquidity to meet the working capital needs of the new contract, mainly upfront mobilisation costs and the time between paying for work and receiving progress payments, without additional borrowings. As at 31 July 2026, the Group held cash and short-term deposits of RM152.7m, of which RM118.7m was unrestricted, against total borrowings of RM71.9m. Most of the borrowings (RM66.3m) are revolving trade financing lines, leaving the Group in a net cash position of RM80.8m.

Update on Order Book. With this win, FY27 year-to-date contract wins reach RM1.6bn and the outstanding order book stands at RM6.2bn. That is equivalent to 3.0x/2.3x our FY27E/FY28E revenue and gives earnings visibility for up to three years. The order book is lower than the RM6.7bn we reported in September because billings over the period exceeded new wins, reflecting the Group's strong rate of progress billing (6MFY27 revenue: RM1,264m, 6MFY26: RM654m). We estimate the contract will contribute about RM83m of revenue in FY27E with the remaining RM221m to be recognised in FY28E.

Moving Forward. We continue to see a supportive outlook for Binastra, backed by its sizeable order book and a deepening pipeline in structurally supported segments. As mentioned in our previous *6MFY27 result note*, the Group has secured seven data centre projects worth a combined RM2.4bn since entering the segment, and is expanding into solar installation and specialised engineering through LF Lansen. The latest win fits well with our view that demand for industrial facilities, logistics hubs and data centres in Johor and Selangor, supported by NIMP 2030 and NETR, will keep construction activity resilient.

Main Market
Construction Sector
BUY (↔)
TP: RM 3.24 (↑)
Last Closing Price: RM 2.65

Share Price Performance



Business Overview

Binastra Corporation Bhd (Binastra) specializes in providing turnkey engineering and construction services for both the residential and non-residential buildings. The Company is currently listed on the MAIN market.

Return Information			
KLCI (pts)			1,604.07
YTD KLCI chg.			-4.5%
YTD Stock Price chg.			21.6%
Price Performance	**1M**	**3M**	**12M**
Absolute (%)	-1.9%	23.8%	21.0%
Relative to KLCI (%)	-1.0%	31.2%	22.9%

Stock Information	
Market Cap (RM m)	2,901.0
Issued Shares (m)	1,094.7
52-week High (RM)	2.85
52-week Low (RM)	1.88
Est. Free Float (%)	34%
Beta vs FBM KLCI	0.5
3-month Avg Vol. (m)	1,039,198
Shariah Compliant	Yes
Bloomberg Ticker	BNASTRA MK EQUITY

Top 3 Shareholders	%
Jt Conglomerate Sdn	41.1%
Lee Yong Seng	11.8%
Tan Kak Seng	7.9%

FY JAN (RM m)	FY26A	FY27E	FY28E
Revenue	1,502.3	2,040.0	2,660.0
EBITDA	194.7	246.3	338.9
PBT	180.8	232.6	282.0
Net Profit	136.9	176.7	214.3
Core Net Profit	133.5	176.7	214.3
Consensus Net Profit	-	187.4	219.6
Earnings Revision (%)	-	5%	4%
Core EPS (sen)	12.2	16.2	19.7
Core EPS Growth (%)	47.9%	32.4%	21.2%
Net DPS (sen)	6.5	8.1	9.8
BV Per Share (sen)	34.1	40.4	50.2
Net Div. Yield (%)	2.4%	3.0%	3.6%
P/E (x)	22.1	16.7	13.7
Net Gearing (x)	Net Cash	Net Cash	0.1
ROE (%)	36%	40%	39%

Changes to Our Forecast. We raise our FY27E/FY28E earnings by 5.2%/3.9% each to RM176.7m/RM214.3m, after we include the new contract secured of RM303.8m as part of our assumption.

Valuations. We raise our target price by 3.9% to RM3.24 (previously: RM3.12), based on an unchanged 16.5x P/E applied to our FY28E EPS of 19.7 sen. Maintain our **BUY** recommendation.

Investment case. We remain positive on Binastra, underpinned by strong earnings visibility supported by a sizeable order book of RM6.7bn, which provides 3.5x FY27E revenue coverage and extends visibility through FY27–FY28. This underpins multi-year revenue stability and execution continuity across its core construction activities. More importantly, the Group is progressively diversifying its project pipeline into structurally supported segments, including solar and data centre projects, alongside its existing portfolio. While these projects are not necessarily higher-margin in nature, they offer stronger demand visibility, improved pipeline depth and greater earnings diversification over time. This gradual shift away from more concentrated legacy exposures is expected to enhance earnings quality and reduce cyclicality.

Risks to our recommendation include: (i) Weak execution of construction jobs from public and private sectors, (ii) Project cost overrun, and (iii) Rising cost of building materials.

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Key Financial Data

Income Statement

FY Jan (RM m)	2024A	2025A	2026A	2027E	2028E
Revenue	**425.2**	**946.6**	**1,502.3**	**2,040.0**	**2,660.0**
EBITDA	57.1	133.7	194.7	246.3	338.9
Depreciation & Amortz	(13.1)	(12.9)	(23.1)	(56.1)	(13.1)
Operating Profit	55.3	125.1	181.7	233.4	282.8
Interest Inc/(Exp)	(0.1)	(0.6)	(0.9)	(0.85)	(0.9)
Profit Before Tax	55.1	124.5	180.8	232.6	282.0
Taxation	(13.6)	(34.2)	(44.0)	(55.8)	(67.7)
Net Profit	41.6	90.3	136.9	176.8	214.3
PATAMI	**41.6**	**90.3**	**133.5**	**176.8**	**214.3**

Balance Sheet

Fixed Assets	9.5	47.4	50.7	50.4	80.5
Intangible Assets	0.0	0.0	26.6	0.0	0.0
ROU Assets	0.0	0.0	0.0	0.0	0.0
Other Fixed Assets	0.0	0.1	1.5	0.1	0.1
Inventories	0.0	0.0	0.0	0.0	0.0
Receivables	227.3	454.9	912.4	1,238.9	1,615.4
Other Current Assets	0.0	5.5	0.0	0.0	0.0
Cash	40.7	97.0	114.6	66.2	33.9
Total Assets	**295.9**	**731.0**	**1,304.0**	**1,624.7**	**2,080.8**
Payables	137.9	326.7	639.8	868.8	1,140.3
ST Borrowings	24.8	23.7	61.8	61.8	61.8
Other ST Liability	49.9	94.7	216.8	269.8	347.3
LT Borrowings	(0.1)	(0.2)	(4.1)	(4.1)	(4.1)
Other LT Liability	0.0	(3.1)	(9.8)	(3.6)	(3.6)
Net Assets	**83.2**	**282.4**	**371.7**	**416.6**	**523.8**
Shareholders' Equity	83.2	282.4	352.2	440.5	547.7
Minority Interests	0.0	0.0	19.5	0.0	0.0
Total Equity	**83.2**	**282.4**	**371.7**	**440.5**	**547.7**

Cashflow Statement

FY Mar (RM m)					
Operating CF	13.2	1.8	87.6	80.8	128.0
Investing CF	(24.5)	(61.0)	(39.4)	(40.8)	(53.2)
Financing CF	21.3	104.7	(37.5)	(88.4)	(107.1)
Change In Cash	10.0	45.4	10.7	(48.4)	(32.3)
Free CF	**3.0**	**(44.3)**	**75.5**	**40.0**	**74.8**

Financial Data & Ratios

FY Jan	2024A	2025A	2026A	2027E	2028E
Growth					
Turnover	130.0%	122.6%	58.7%	35.8%	30.4%
EBITDA	137.1%	134.2%	45.7%	26.5%	37.6%
Operating Profit	134.3%	126.3%	45.3%	28.5%	21.2%
PBT	134.2%	125.8%	45.2%	28.6%	21.2%
Core Net Profit	139.4%	117.0%	51.6%	29.1%	21.2%
Profitability					
EBITDA Margin	13.4%	14.1%	13.0%	12.1%	12.7%
Operating Margin	13.0%	13.2%	12.1%	11.4%	10.6%
PBT Margin	13.0%	13.2%	12.0%	11.4%	10.6%
Core Net Margin	9.8%	9.5%	9.1%	8.7%	8.1%
Effective Tax Rate	24.6%	27.5%	24.3%	24.0%	24.0%
ROA	14.1%	12.3%	10.5%	10.9%	10.3%
ROE	50.0%	32.0%	36.8%	40.1%	39.1%
Leverage					
Debt/Asset (x)	0.1	0.0	0.1	0.0	0.0
Debt/Equity (x)	0.3	0.1	0.2	0.1	0.1
Net (Cash)/Debt	(15.8)	(73.1)	(48.7)	(0.3)	32.0
Net Debt/Equity (x	(0.2)	(0.3)	(0.1)	(0.0)	0.1
Valuations					
Core EPS (sen)	9.2	8.3	12.2	16.2	19.7
NDPS (sen)	-	3.0	6.5	8.1	9.8
BV/sh (RM)	18.4	25.9	34.1	40.4	50.2
PER (x)	28.8	32.0	21.6	16.3	13.5
Div. Yield (%)	0.0%	1.1%	2.5%	3.1%	3.7%
PBV (x)	14.4	10.2	7.8	6.6	5.3

Source: Mercury Securities, Company

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