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KUALA LUMPUR: Malaysia's projected 8.3-gigawatt data centre (DC) electricity demand could create significant opportunities for power infrastructure engineering solutions provider SKA Capital Bhd, as the country ramps up investment in power generation and grid connectivity.

The group expects to benefit from rising demand for electricity, alongside Tenaga Nasional Bhd's (TNB) investments in the national grid, including RM18bil in total capital expenditure for 2026 and RM15bil allocated under Budget 2027 to specifically strengthen the grid.

SKA Capital managing director Datuk Subas Kumar Ambairam highlighted growing electricity demand would spur infrastructure projects, although sufficient generation capacity remained critical to meeting the country's needs.

"As demand continues to grow, more power infrastructure projects are expected to materialise, which would benefit SKA Capital. That said, the key question is how the country will bring additional power sources online to meet this demand."

Subas said TNB was exploring various options to balance electricity demand and stabilise supply as DCs placed increasing pressure on the national grid.

"The primary requirement is additional power generation capacity.

"While substations and transmission infrastructure are necessary to deliver electricity to DCs, the fundamental challenge is ensuring sufficient power is generated to meet rising demand," he said.

Subas added this could involve expanding generation capacity through new power plants and solar farms, alongside strengthening transmission infrastructure.

Greater regional connectivity under the Asean Power Grid (APG) could also help Malaysia balance electricity supply and demand.

"The APG aims to strengthen electricity interconnections between countries such as Thailand, Singapore and Vietnam.

"This greater regional connectivity could potentially allow Malaysia to access electricity from other countries, including Myanmar," he explained.

SKA Capital launched its prospectus yesterday, ahead of its planned listing on the ACE Market of Bursa Malaysia on Nov 11, seeking to raise RM72.3mil through its initial public offering (IPO).

The IPO comprises 168 million new shares and an offer for sale of 72.4 million existing shares at 43 sen apiece.

Based on its enlarged share capital of 895.5 million shares, the group is expected to have a market capitalisation of RM385.1mil upon listing.

The proceeds will mainly fund machinery and equipment purchases, performance bond requirements and working capital,

enabling the group to undertake multiple projects concurrently and compete for larger contracts.

Through its 70%-owned subsidiary, Reltency Engineering Services Sdn Bhd, SKA Capital has expanded its capabilities to undertake projects directly for TNB as a main contractor.

At the media briefing, management highlighted the group's growth prospects post-IPO, underpinned by its positioning to capitalise on expanding power infrastructure investments, particularly those linked to TNB.

Subas said the group was bidding for projects worth approximately six to seven times its existing order book, with about 25% of the tender value relating to DCs and the remainder to TNB projects.

As at Sept 21, its order book stood at RM313mil, of which approximately 14% comprised TNB-related projects.

SKA Capital expects RM79.6mil of its order book to be recognised in the financial year ending Dec 31, 2026 (FY26), with the remaining RM234mil expected to be recognised in FY27.

Revenue reached RM119.2mil in the five months ended May 31, 2026, up 45.4% year-on-year.

Based on management's internal estimates, revenue is expected to grow by approximately 20% annually over the next two financial years, supported by existing contracts and new project wins.