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Recommendation:	BUY
Current Price:	RM 1.12
Previous Target Price:	RM 1.71
Target Price:	↔ RM 1.71
Capital Upside/Downside:	52.7%
Dividend Yield (%):	0.7%
Total Upside/Downside:	53.4%

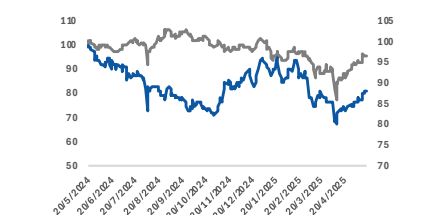
Stock information

Board	MAIN
Sector	Renewable Energy
Bursa / Bloomberg Code	0223 / SAMAIKEN MK
Syariah Compliant	Yes
ESG Rating	★★★
Shares issued (m)	448.1
Market Cap (RM' m)	501.9
52-Week Price Range (RM)	1.42-0.91
Beta (x)	1.1
Free float (%)	42.4
3M Average Volume (m)	0.3
3M Average Value (RM' m)	0.3

Top 3 Shareholders

	(%)
Hee Ir Chow Pui	30.0
Chudenko Corp	18.6
Oversea-Chinese Banking Corp Ltd	2.6

Share Price Performance



	1M	3M	12M
Absolute (%)	8.7	-9.7	-17.0
Relative (%)	3.7	-9.2	-14.7

Earnings Summary	FY24	FY25F	FY26F
Revenue (RM'm)	227.2	325.4	470.6
PATAMI (RM'm)	16.1	19.8	29.5
CNP (RM'm)	15.4	83.8	78.9
EPS - core (sen)	3.4	4.4	6.6
P/E (x)	32.7	25.4	17.0

Samaiden Group Berhad

Growth Outlook Intact

- Samaiden secured a RM108.6m EPCC contract for a 29.99MWac solar PV project under LSS5, spanning eight months with completion by 15 January 2026.
- On the same day, it announced the mutual termination of a 10MWac biomass project valued at RM115.6m, due to the loss of banking facilities. Overall, we estimate Samaiden's unbilled orderbook at ~RM508.7m, representing 2.2x FY2024 revenue.
- We believe orderbook replenishment prospects remains strong, with ~170MWac in LSS5 EPCC opportunities remaining to meet its 10% (200MWac) target. Supported by the award of a 99.99MWac solar project under LSS5 as a project developer in late 2024, we view this target as readily achievable.
- Reaffirmed BUY recommendation with unchanged target price of RM1.71, based on sum-of-parts (SOP) valuation, and appraised with three-star ESG rating.

LSS win. Samaiden has secured an EPCC contract valued at RM108.6m from Customer A for a 29.99MWac large-scale solar photovoltaic (LSSPV) project in the Central Region of Peninsular Malaysia. The project, part of the Large-Scale Solar 5 (LSS5) programme under Category 2 (10MWac to <30MWac), is set to take eight months, with completion by targeted by 15 January 2026.

Our Take. We view the contract positively, as it should sustain Samaiden's earnings growth through FY26F. Assuming an 8% PBT margin, this could yield an annual PBT of RM8.7m, representing 32.8% of our forecasted Group PBT in FY25F. The contract is likely to drive most earnings recognition in FY26F based on its timeline.

Termination of LOA. On the same day, Samaiden announced the mutual termination of a 10MWac biomass project valued at RM115.6m, originally awarded by BTM Resources for a biomass power plant in Teluk Kalong, Terengganu. The termination was due to the loss of banking facilities. To recap, the project was a RM115.6m EPCC project announced in Nov 2020. We view this as negative, as the termination would reduce Samaiden's orderbook by 22.4%. After factoring in recent contract wins and the removal of this project, we estimate Samaiden's unbilled orderbook at ~RM508.7m, equivalent to 2.2x FY2024 revenue, ensuring earnings visibility for the next 2 years.

Outlook. We expect Samaiden's orderbook replenishment to stay strong, driven by LSS5 contracts, which typically materialises within 6 months of project developer appointment. Samaiden aims to secure 10%, or 200MWac, of the 2GWac EPCC opportunities under LSS5, translating into ~RM600m in potential contract value. Including the recently secured 29.99MWac project, Samaiden's remaining LSS5 target is ~170MWac, which we believe is readily achievable, given that Samaiden had already secured a 99.99MWac solar project under package 3 of LSS5 as a project developer in December 2024.

Earnings revision. Earnings forecasts remain unchanged, as the latest job win falls within our FY25F orderbook replenishment assumption of ~RM650m. Additionally, we had not factored in the 10MWac biomass project into our earnings forecasts, as the project had seen limited progress since its award.

Valuation & Recommendation. We maintain our **BUY** recommendation with an unchanged TP of **RM1.71** based on sum-of-parts (SOP) and appraised with three-star ESG rating. We favour Samaiden for its (i) expertise in ground-mounted solar PV projects, (ii) industry-leading low gearing ratio of 0.12x as of 2QFY25, and (iii) strategic focus on bioenergy solutions, which sets it apart from other solar EPCC players.

Risk. Increase in solar module costs. Inability to complete projects in time. Intense market competition.

Financial Highlights

Income Statement

FYE Jun (RM m)	FY22	FY23	FY24	FY25F	FY26F
Revenue	150.7	170.8	227.2	325.4	470.6
Gross Profit	25.5	25.8	35.5	44.7	66.7
EBITDA	17.7	15.6	24.4	35.6	55.2
Depreciation & Amortisation	-0.6	-1.0	-1.0	-4.3	-10.0
EBIT	17.2	14.6	23.5	31.3	45.1
Net Finance Income/ (Cost)	-0.8	-1.2	-1.6	-4.9	-5.7
Associates & JV	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	16.4	13.4	21.9	26.5	39.5
Tax	-4.5	-3.3	-5.8	-6.7	-9.9
Profit After Tax	11.9	10.1	16.0	19.7	29.5
Minority Interest	0.0	0.0	0.0	0.0	0.0
Net Profit	11.9	10.1	16.1	19.8	29.5
Exceptionals	-0.9	0.4	0.7	0.0	0.0
Core Net Profit	12.8	9.7	15.4	19.8	29.5

Key Ratios

FYE Jun (RM m)	FY22	FY23	FY24	FY25F	FY26F
EPS (sen)	2.9	2.2	3.4	4.4	6.6
P/E (x)	39.3	51.7	32.7	25.4	17.0
P/B (x)	5.8	5.1	3.7	3.3	2.8
EV/EBITDA (x)	32.2	38.6	25.6	15.1	8.1
DPS (sen)	0.0	0.0	0.5	0.5	0.8
Dividend Yield (%)	0.0%	0.0%	0.4%	0.5%	0.7%
EBITDA margin (%)	11.8%	9.1%	10.7%	10.9%	11.7%
EBIT margin (%)	11.4%	8.6%	10.3%	9.6%	9.6%
PBT margin (%)	10.9%	7.8%	9.6%	8.1%	8.4%
PAT margin (%)	7.9%	5.9%	7.1%	6.1%	6.3%
NP margin (%)	7.9%	5.9%	7.1%	6.1%	6.3%
CNP margin (%)	8.5%	5.7%	6.8%	6.1%	6.3%
ROE (%)	14.8%	9.9%	11.4%	13.0%	16.5%
ROA (%)	7.6%	5.0%	7.5%	6.6%	6.6%
Gearing (%)	13.8%	6.6%	6.3%	37.6%	79.3%
Net gearing (%)	Net Cash	Net Cash	Net Cash	Net Cash	32.5%

Valuations	Value (RM' m)	Valuation methodology
EPCC	816.09	30x FY26F PER
Solar assets	42.83	Ke = 12.1%
Proceeds from warrants/ESOS	101.79	
SOP Value	960.71	
Enlarged share base (m share)	559.90	
Fair Value (RM)	1.71	
ESG premium/discount	0.0%	
Implied Fair Value (RM)	1.71	

Source: Company, Apex Securities

Balance Sheet

FYE Jun (RM m)	FY22	FY23	FY24	FY25F	FY26F
Cash	80.2	108.2	132.2	94.3	83.6
Receivables	35.8	37.2	52.1	56.2	60.7
Inventories	0.7	0.5	0.4	0.3	0.2
Other current assets	47.0	41.9	12.5	48.6	68.9
Total Current Assets	163.7	187.9	197.2	199.4	213.4
Fixed Assets	1.8	3.4	5.2	98.8	232.9
Intangibles	3.4	3.0	2.4	2.4	2.4
Other non-current assets	0.1	0.3	0.3	0.3	0.3
Total Non-Current Assets	5.4	6.6	7.9	101.5	235.6
Short-term debt	10.9	4.5	6.6	45.8	113.2
Payables	62.5	70.6	56.8	70.2	101.0
Other current liabilities	5.7	17.0	3.5	19.6	26.3
Total Current Liabilities	79.2	92.2	66.9	135.5	240.5
Long-term debt	0.9	1.9	1.8	11.4	28.3
Other non-current liabilities	2.9	2.4	1.8	1.8	1.8
Total Non-Current Liabilities	3.8	4.4	3.6	13.2	30.1
Shareholder's equity	86.0	97.8	134.5	152.1	178.3
Minority interest	0.2	0.1	0.1	0.1	0.1
Total Equity	86.2	97.9	134.6	152.2	178.4

Cash Flow

FYE Jun (RM m)	FY22	FY23	FY24	FY25F	FY26F
Pre-tax profit	16.4	13.4	21.9	26.5	39.5
Depreciation & amortisation	0.6	1.0	1.0	4.3	10.0
Changes in working capital	-8.6	24.9	-15.1	-10.7	12.9
Others	-2.0	-5.9	-6.3	-2.9	-5.5
Operating cash flow	6.3	33.4	1.4	17.1	56.9
Capex	-0.5	-1.9	-2.1	-97.9	-144.2
Others	-3.7	1.5	3.9	1.1	1.2
Investing cash flow	-4.2	-0.4	1.8	-96.8	-143.0
Dividends paid	0.0	0.0	-2.0	-2.2	-3.2
Others	34.1	-5.6	24.1	43.9	78.7
Financing cash flow	34.1	-5.6	22.0	41.7	75.4
Net cash flow	36.2	27.4	25.2	-38.0	-10.7
Forex	0.0	0.2	-0.2	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0
Beginning cash	32.8	69.0	96.6	121.7	83.7
Ending cash	69.0	96.6	121.7	83.7	73.0

ESG Matrix Framework:

Environment

Parameters	Rating	Comments
Climate	★★★	Scope 1 and Scope 2 GHG emissions totaled 109.7m tCO2e in 2024, marking a 33.2% year-on-year decrease from 2022.
Waste & Effluent	★★★	Implemented the 3R (Reduce, Reuse, Recycle) initiative, featuring dedicated 3R bins on each office level to facilitate responsible waste disposal.
Energy	★★★	The Group's clean energy assets generated 1,152,503.70 kWh of clean energy.
Water	★★★	Water consumption totaled 0.671 megaliters, reflecting a 7.19% reduction from the previous year's consumption of 0.723 megaliters.
Compliance	★★★	The Group complies with all local and international environmental regulations.

Social

Diversity	★★★	In 2024, 37% of the workforce were female. At the management level, 33.33% were female, meeting the MCCG recommendation of a 30% women directors' composition on the Board.
Human Rights	★★★	Samaiden enforces various frameworks to uphold human rights and labor relations, including zero tolerance for human trafficking, forced labor, and child labor.
Occupational Safety and Health	★★★	In 2024, 89 employees received training on health and safety standards. No employee fatalities were recorded, and the total recordable incident rate (TRIR) reduced to 0, compared to 0.4 in the previous year.
Labour Practices	★★★	Samaiden complies with all relevant labor laws.

Governance

CSR Strategy	★★★	Actively engaged with communities, including awarding RM1,000 for an excellent student award and sponsoring the installation of solar panels for seven households in Sabah.
Management	★★★	Among the board members, 33% (2 out of 6) were female, while 67% (4 out of 6) were independent directors.
Stakeholders	★★★	The Group organises quarterly analyst briefings for analysts and holds an annual general meeting (AGM) for investors.

Overall ESG Scoring: ★★★

Recommendation Framework:

BUY: Total returns* are expected to exceed 10% within the next 12 months.

HOLD: Total returns* are expected to be within +10% to -10% within the next 12 months.

SELL: Total returns* are expected to be below -10% within the next 12 months.

TRADING BUY: Total returns* are expected to exceed 10% within the next 3 months.

TRADING SELL: Total returns* are expected to be below -10% within the next 3 months.

*Capital gain

Sector Recommendations:

OVERWEIGHT: The industry defined by the analyst is expected to exceed 10% within the next 12 months.

NEUTRAL: The industry defined by the analyst is expected to be within +10% to -10% within the next 12 months.

UNDERWEIGHT: The industry defined by the analyst, is expected to be below -10% within the next 12 months.

ESG Rating Framework:

★★★★★ : Appraised with 3% premium to fundamental fair value

★★★★ : Appraised with 1% premium to fundamental fair value

★★★ : Appraised with 0% premium/discount to fundamental fair value

★★ : Appraised with -1% discount to fundamental fair value

★ : Appraised with -5% discount to fundamental fair value

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(a) nil.