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<b>Recommendation:</b>	<b>BUY</b>
Current Price:	RM 1.13
Previous Target Price:	RM 1.71
Target Price:	↔ RM 1.71
Capital Upside/Downside:	51.3%
Dividend Yield (%):	0.7%
<b>Total Upside/Downside:</b>	<b>52.0%</b>

## Stock information

Board	MAIN
Sector	Renewable Energy
Bursa / Bloomberg Code	0223 / SAMAIEN MK
Syariah Compliant	Yes
ESG Rating	★★★
Shares issued (m)	448.1
Market Cap (RM' m)	506.4
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 (%)	9.7	-5.8	-19.9
Relative (%)	6.2	-3.3	-16.1

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	19.8	29.5
EPS - core (sen)	3.4	4.4	6.6
P/E (x)	33.0	25.6	17.2

# Samaiden Group Berhad

## Second LSS Win

- **Samaiden secured a RM45m EPCC contract for a 9.99MWac LSS5 solar PV project in Kulim, Kedah, set for completion by July 2027.**
- **This marks Samaiden's second LSS win YTD, totalling RM153.6m, supporting strong orderbook replenishment from LSS5's 2GWac opportunities. We believe the 10% target of market share is achievable, backed by a solid track record in LSS projects and net cash position.**
- **Reaffirmed BUY recommendation with unchanged target price of RM1.71, based on sum-of-parts (SOP) valuation, and appraised with three-star ESG rating.**

**LSS5 win.** Samaiden has secured an EPCC contract valued at RM45m from PAXS Renewables for a 9.99MWac LSSPV project in Mukim Padang Cina, Kulim, Kedah. The project, part of the Large-Scale Solar 5 (LSS5) programme under Category 1 (1 MWac to <10 MWac), is set to take two years and one month, with COD targeted by 12 Jul 2027.

**Our Take.** We view the contract positively, as it should sustain Samaiden's earnings growth through FY28F. Assuming an 8% PBT margin, this could yield an annual PBT of RM3.6m, representing 8% of our forecasted Group PBT in FY25F. Following these recent contract wins, we estimate that the unbilled order book stands at RM553.7m, representing 2.4x its FY24 revenue. Financing will not be an issue considering Samaiden's net cash position as at 2QFY25.

**Outlook.** This is Samaiden's second LSS EPCC contract win YTD, with a combined value totalling RM153.6m. We believe orderbook replenishment will continue primarily from LSS5, considering utility-scale solar projects typically materialise within six months of developer appointment. Achieving the 10% target of LSS5's 2GWac EPCC opportunities remains achievable, backed by a proven track record and a robust balance sheet with a net cash position.

**Earnings revision.** No changes, as the latest job win falls within our FY25F orderbook replenishment assumption of ~RM650m.

**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 gearing with net cash position as of 2QFY25, and (iii) strategic focus on bioenergy solutions, which sets it apart from other solar EPCC players.

**Risks.** 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
<b>Revenue</b>	<b>150.7</b>	<b>170.8</b>	<b>227.2</b>	<b>325.4</b>	<b>470.6</b>
<b>Gross Profit</b>	<b>25.5</b>	<b>25.8</b>	<b>35.5</b>	<b>44.7</b>	<b>66.7</b>
<b>EBITDA</b>	<b>17.7</b>	<b>15.6</b>	<b>24.4</b>	<b>35.6</b>	<b>55.2</b>
Depreciation & Amortisation	-0.6	-1.0	-1.0	-4.3	-10.0
<b>EBIT</b>	<b>17.2</b>	<b>14.6</b>	<b>23.5</b>	<b>31.3</b>	<b>45.1</b>
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
<b>Pre-tax Profit</b>	<b>16.4</b>	<b>13.4</b>	<b>21.9</b>	<b>26.5</b>	<b>39.5</b>
Tax	-4.5	-3.3	-5.8	-6.7	-9.9
<b>Profit After Tax</b>	<b>11.9</b>	<b>10.1</b>	<b>16.0</b>	<b>19.7</b>	<b>29.5</b>
Minority Interest	0.0	0.0	0.0	0.0	0.0
<b>Net Profit</b>	<b>11.9</b>	<b>10.1</b>	<b>16.1</b>	<b>19.8</b>	<b>29.5</b>
Exceptionals	-0.9	0.4	0.7	0.0	0.0
<b>Core Net Profit</b>	<b>12.8</b>	<b>9.7</b>	<b>15.4</b>	<b>19.8</b>	<b>29.5</b>

## 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)	39.6	52.2	33.0	25.6	17.2
P/B (x)	5.9	5.2	3.8	3.3	2.8
EV/EBITDA (x)	32.4	38.9	25.8	15.3	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	
<b>Fair Value (RM)</b>	<b>1.71</b>	
ESG premium/discount	0.0%	
<b>Implied Fair Value (RM)</b>	<b>1.71</b>	

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
<b>Total Current Assets</b>	<b>163.7</b>	<b>187.9</b>	<b>197.2</b>	<b>199.4</b>	<b>213.4</b>
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
<b>Total Non-Current Assets</b>	<b>5.4</b>	<b>6.6</b>	<b>7.9</b>	<b>101.5</b>	<b>235.6</b>
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
<b>Total Current Liabilities</b>	<b>79.2</b>	<b>92.2</b>	<b>66.9</b>	<b>135.5</b>	<b>240.5</b>
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
<b>Total Non-Current Liabilities</b>	<b>3.8</b>	<b>4.4</b>	<b>3.6</b>	<b>13.2</b>	<b>30.1</b>
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
<b>Total Equity</b>	<b>86.2</b>	<b>97.9</b>	<b>134.6</b>	<b>152.2</b>	<b>178.4</b>

## Cash Flow

FYE Jun (RM m)	FY22	FY23	FY24	FY25F	FY26F
<b>Pre-tax profit</b>	<b>16.4</b>	<b>13.4</b>	<b>21.9</b>	<b>26.5</b>	<b>39.5</b>
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
<b>Operating cash flow</b>	<b>6.3</b>	<b>33.4</b>	<b>1.4</b>	<b>17.1</b>	<b>56.9</b>
Capex	-0.5	-1.9	-2.1	-97.9	-144.2
Others	-3.7	1.5	3.9	1.1	1.2
<b>Investing cash flow</b>	<b>-4.2</b>	<b>-0.4</b>	<b>1.8</b>	<b>-96.8</b>	<b>-143.0</b>
Dividends paid	0.0	0.0	-2.0	-2.2	-3.2
Others	34.1	-5.6	24.1	43.9	78.7
<b>Financing cash flow</b>	<b>34.1</b>	<b>-5.6</b>	<b>22.0</b>	<b>41.7</b>	<b>75.4</b>
<b>Net cash flow</b>	<b>36.2</b>	<b>27.4</b>	<b>25.2</b>	<b>-38.0</b>	<b>-10.7</b>
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
<b>Ending cash</b>	<b>69.0</b>	<b>96.6</b>	<b>121.7</b>	<b>83.7</b>	<b>73.0</b>

## ESG Matrix Framework:

### Environment

Parameters	Rating	Comments
Climate	★★★	Scope 1 and Scope 2 GHG emissions totaled 109.7m tCO <sub>2</sub> e 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.