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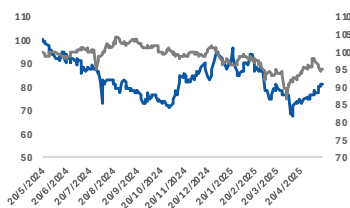
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Recommendation:	BUY
Current Price:	RM 1.05
Previous Target Price:	RM 1.71
Target Price:	↓ RM 1.60
Capital Upside/Downside:	52.4%
Dividend Yield (%):	0.0%
Total Upside/Downside	52.4%

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)	470.5
52-Week Price Range (RM)	1.4-0.91
Beta (x)	1.2
Free float (%)	42.4
3M Average Volume (m)	0.3
3M Average Value (RM' m)	0.3

Top 3 Shareholders	(%)
Datuk Ir. Chow Pui Hee	30.0
Chudenko Corp	18.6
Oversea-Chinese Banking Corp Ltd	2.6

Share Price Performance



	1M	3M	12M
Absolute (%)	1.9	-14.6	-23.4
Relative (%)	0.3	-11.7	-19.2

Earnings Summary	FY24	FY25F	FY26F
Revenue (RM' m)	227.2	312.3	472.3
PATAMI (RM' m)	14.3	18.3	28.2
CNP (RM' m)	13.6	18.3	28.2
EPS - core (sen)	3.0	4.1	6.3
P/E (x)	34.6	25.8	16.7

Samaiden Group Berhad

Below Expectations

- **SAMAIEN's 3QFY25 CNP rose 8.7% qoq and 4.5% yoy to RM4.3m, bringing 9MFY25 CNP to RM12.1m, which fell below expectations, accounting for 53% of our in-house forecast and 57% of market estimates. The shortfall was primarily due to lower-than-expected revenue recognition from CGPP projects.**
- **Concurrently, SAMAIEN announced that it has secured a RM100.7m EPCC contract for a 27.6MWac solar PV project under LSS5, spanning two years and two months with completion targeted by July 2027.**
- **After incorporating recent contract wins, we estimate SAMAIEN's unbilled order book at ~RM696.1m, equivalent to 3.1x FY24 revenue.**
- **Near-term order book replenishment is anticipated to remain robust, primarily fuelled by LSS5, with an estimated c.50% of EPCC project opportunities still unallocated. SAMAIEN's remaining LSS5 EPCC target stands at 8% to achieve a 10% share, which we believe is readily achievable following its recent 99.99MWac solar project win as a project developer.**
- **Maintain BUY recommendation with a lower target price of RM1.60 (from RM1.71), based on sum-of-parts (SOP) valuation, and appraised with three-star ESG rating.**

Below expectations. Excluding fair value gain on investment (-RM0.8m) and other adjustments (+RM0.1m), 3QFY25 core net profit (CNP) came in at RM4.3m, bringing 9MFY25 CNP to RM12.1m (+13.3% yoy). The result was below expectations, representing 53% of our estimates and 57% of market estimates respectively. The earnings miss was primarily attributable to lower-than-expected contribution in the EPCC division, mainly impacted by slower progresses from CGPP projects and slower growth in C&I projects.

qoq. 3QFY25 CNP grew by 8.7%, primarily due to greater contributions from the EPCC division, as evidenced by 11.4% surge in segmental revenue. Notably, the PBT margin declined 0.8%-pts qoq, which we believed was attributable to higher revenue contribution from lower-margin utility-scale solar EPCC projects and higher administrative costs.

yoy. 3QFY25 CNP rose by 4.5% yoy, likely due to higher contributions from electricity sales from solar plants (segmental revenue +232.7% from a low base), increased revenue recognition from EPCC projects (segmental revenue +18.7%).

LSS5 win. Concurrently, SAMAIEN announced that it has secured an EPCC contract valued at RM100.7m from GUV Fajar Timur Sdn Bhd for a 27.6MWac large-scale solar photovoltaic (LSSPV) project in Pasir Mas, Kelantan. The project, part of the Large-Scale Solar 5 (LSS5) programme under Category 2 (10MWac to <30MWac), is set to take two years and two months scheduled for completion by July 2027. Assuming an 8% PBT margin, this could translate into an average annual PBT of RM4.1m, representing 11% of our forecasted Group PBT for FY25F. This marks SAMAIEN's second EPCC contract win under LSS5 this year, bringing the total to RM209.3m, which represents a 2% market share in terms of capacity for LSS5 EPCC contracts.

Outlook. We expect sustained qoq improvement in earnings in the upcoming quarter, supported by the accelerated growth phase of the S-curve for CGPP EPCC projects. Near-term order book replenishment is expected to be driven by LSS5, with an estimated 50% of EPCC project opportunities still unallocated. SAMAIEN's remaining LSS5 EPCC target stands at 8% to achieve a 10% market share or a capacity of 200MWac, which we believe is readily achievable. This confidence is reinforced by its recent award of a 99.99MWac solar project under LSS5 as a project developer. Incorporating recent contract wins, we estimate SAMAIEN's unbilled order book at ~RM696.1m, equivalent to 3.1x FY24 revenue, ensuring earnings visibility for the next three years.

Earnings revision. Post-results, we adjusted our CGPP project progress assumptions to reflect slower revenue recognition, with half of the revenue recognition projected to be recognised in FY26F. We also lowered our margin assumptions for utility-scale projects, anticipating

compressed margins due to intensified competition. However, we maintained our order book assumption for the solar division at ~RM650m for FY25F, supported by a favourable energy transition outlook. Consequently, we reduced our FY25F–FY26F earnings forecasts by 20.5% and 26.4% respectively.

Valuation & Recommendation. Factoring in the earnings reduction, we maintain our **BUY** recommendation with a lower TP of **RM1.60 (from RM1.71)** based on sum-of-parts (SOP) and appraised with three-star ESG rating. We continue to favour SAMADEN for its (i) expertise in ground-mounted solar PV projects, (ii) industry-leading low gearing with a net cash position as of 3QFY25, 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.

Company Update

Tuesday, 27 May, 2025

Results Comparison

FYE Jun (RM m)	3QFY25	3QFY24	yoy (%)	2QFY25	qoq (%)	9MFY25	9MFY24	yoy (%)	Comments
Revenue	89.2	75.0	18.9	80.0	11.4	218.6	170.0	28.6	
EBITDA	6.6	5.1	31.2	6.6	0.1	17.8	13.1	36.2	
Pre-tax profit	6.6	5.6	17.1	6.6	0.0	17.5	13.8	27.2	
PAT(-MI)	5.0	4.1	22.6	4.8	5.9	13.1	10.2	28.2	
Core net profit	4.3	4.1	4.5	3.9	8.7	12.1	10.7	13.3	CNP improved due to greater contribution
Core EPS (sen)	1.0	1.0	4.5	1.0	8.7	3.0	2.6	13.3	from EPCC
EBITDA margin (%)	7.4	6.7		8.3		8.2	7.7		
PBT margin (%)	7.4	7.5		8.2		8.0	8.1		
Core PATMI margin (%)	4.8	5.5		4.9		5.6	6.3		

Source: Company, Apex Securities

Segmental Breakdown

FYE Jun (RM m)	3QFY25	3QFY24	yoy (%)	2QFY25	qoq (%)	9MFY25	9MFY24	yoy (%)	Comments
Revenue									
EPCC	89.0	75.0	18.7	79.9	11.4	218.1	169.9	28.4	EPCC surged primarily due to greater
Power Supply	0.2	0.0	232.7	0.2	0.6	0.5	0.1	253.3	progresses from utility-scale projects
Others	-	-	-	-	-	-	-	-	
Total	89.2	75.0	18.9	80.0	11.4	218.6	170.0	28.6	

Source: Company, Apex Securities

Company Update

Tuesday, 27 May, 2025

Financial Highlights

Income Statement

FYE Jun (RM m)	FY22	FY23	FY24	FY25F	FY26F
Revenue	150.7	170.8	227.2	312.3	472.3
Gross Profit	25.5	25.8	35.5	37.3	59.6
EBITDA	16.7	14.3	22.7	29.0	49.1
Depreciation & Amortisation	-0.6	-1.0	-1.0	-4.3	-10.0
EBIT	16.1	13.3	21.7	24.8	39.0
Net Finance Income/ (Cost)	-0.8	-1.2	-1.6	-0.4	-1.4
Associates & JV	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	15.4	12.1	20.1	24.3	37.6
Tax	-4.5	-3.3	-5.8	-6.1	-9.4
Profit After Tax	10.9	8.7	14.3	18.2	28.2
Minority Interest	0.0	0.0	0.0	0.0	0.0
Net Profit	10.9	8.8	14.3	18.3	28.2
Exceptionals	-0.9	0.4	0.7	0.0	0.0
Core Net Profit	11.8	8.4	13.6	18.3	28.2

Key Ratios

FYE Jun (RM m)	FY22	FY23	FY24	FY25F	FY26F
EPS (sen)	2.6	1.9	3.0	4.1	6.3
P/E (x)	40.0	56.1	34.6	25.8	16.7
P/B (x)	5.5	4.8	3.5	3.1	2.6
EV/EBITDA (x)	32.3	40.0	26.2	17.5	8.5
DPS (sen)	0.0	0.0	0.5	0.0	0.0
Dividend Yield (%)	0.0%	0.0%	0.5%	0.0%	0.0%
EBITDA margin (%)	11.1%	8.4%	10.0%	9.3%	10.4%
EBIT margin (%)	10.7%	7.8%	9.6%	7.9%	8.3%
PBT margin (%)	10.2%	7.1%	8.8%	7.8%	8.0%
PAT margin (%)	7.2%	5.1%	6.3%	5.8%	6.0%
NP margin (%)	7.2%	5.1%	6.3%	5.9%	6.0%
CNP margin (%)	7.8%	4.9%	6.0%	5.9%	6.0%
ROE (%)	13.6%	8.6%	10.1%	12.0%	15.6%
ROA (%)	7.0%	4.3%	6.6%	7.0%	7.5%
Gearing (%)	13.8%	6.6%	6.3%	11.6%	35.8%
Net gearing (%)	Net Cash	Net Cash	Net Cash	Net Cash	29.4%

Valuations

Value (RM' m)	Valuation methodology
EPCC	752.70
Solar assets	42.83
Proceeds from warrants/ ESOS	101.79
SOP Value	897.32
Enlarged share base (m share)	559.90
Fair Value (RM)	1.60
ESG premium/ discount	0.0%
Implied Fair Value (RM)	1.60

Source: Company, Apex Securities

Balance Sheet

FYE Jun (RM m)	FY22	FY23	FY24	FY25F	FY26F
Cash	80.2	108.2	132.2	55.3	11.6
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	46.7	69.1
Total Current Assets	163.7	187.9	197.2	158.6	141.7
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	14.2	51.9
Payables	62.5	70.6	56.8	68.7	103.2
Other current liabilities	5.7	17.0	3.5	18.9	26.4
Total Current Liabilities	79.2	92.2	66.9	101.9	181.5
Long-term debt	0.9	1.9	1.8	3.6	13.0
Other non-current liabilities	2.9	2.4	1.8	1.8	1.8
Total Non-Current Liabilities	3.8	4.4	3.6	5.3	14.7
Shareholder's equity	86.0	97.8	134.5	152.7	181.0
Minority interest	0.2	0.1	0.1	0.1	0.1
Total Equity	86.2	97.9	134.6	152.8	181.1

Cash Flow

FYE Jun (RM m)	FY22	FY23	FY24	FY25F	FY26F
Pre-tax profit	16.4	13.4	21.9	24.3	37.6
Depreciation & amortisation	0.6	1.0	1.0	4.3	10.0
Changes in working capital	-8.6	24.9	-15.1	-10.8	15.1
Others	-2.0	-5.9	-6.3	-5.6	-8.0
Operating cash flow	6.3	33.4	1.4	12.1	54.7
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	0.0	0.0
Others	34.1	-5.6	24.1	7.8	44.5
Financing cash flow	34.1	-5.6	22.0	7.8	44.5
Net cash flow	36.2	27.4	25.2	-76.9	-43.7
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	44.8
Ending cash	69.0	96.6	121.7	44.8	1.0

ESG Matrix Framework:

Environment

Parameters	Rating	Comments
Climate	★★★	Scope 1 and Scope 2 GHG emissions totaled 109.7m tCO ₂ 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 + dividend yield

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.