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Recommendation:	BUY
Current Price:	RM 1.21
Previous Target Price:	RM 1.40
Target Price:	↑ RM 1.45
Capital Upside/ Downside:	19.8%
Dividend Yield (%):	2.3%
Total Upside / Downside	22.1%

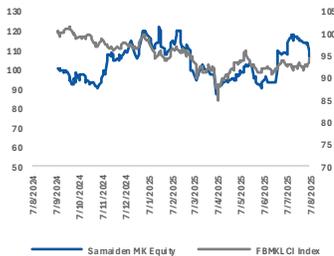
Stock information

Board	MAIN
Sector	Renewable Energy
Bursa / Bloomberg Code	0223 / SAMAIENMK
Syariah Compliant	Yes
ESGRating	★★★
Sharesissued (m)	450.7
Market Cap (RM' m)	545.3
52-Week Price Range (RM)	1.33-0.91
Beta (x)	1.2
Free float (%)	42.7
3MAverage Volume (m)	0.7
3MAverage Value (RM' m)	0.8

Top 3 Shareholders

	(%)
Datuk Ir. Chow Pui Hee	29.8
Chudenko Corp	18.5
Oversea-Chinese Banking Corp Ltd	2.6

Share Price Performance



	1M	3M	12M
Absolute (%)	4.3	18.6	7.1
Relative (%)	2.9	14.0	12.2

Earnings Summary	FY25	FY26F	FY27F
Revenue (RM'm)	353.6	539.6	549.8
PATAMI (RM'm)	20.2	23.2	25.4
CNP (RM'm)	21.8	23.2	25.4
EPS - core (sen)	4.8	5.2	5.6
P/E(x)	25.0	23.5	21.4

Samaiden Group Berhad

Post-results briefing takeaways

- **Earnings improvement expected in FY26, from (i) conversion of RM711m order book, (ii) accelerated recognition from two CGPP projects, and (iii) execution of LSS5.**
- **Recurring income proportion projected to increase to about 3-4% in FY26 (from <1% currently), keeping the pathway to 10% by 2027 intact.**
- **We have revised our earnings forecasts upward by 16.7% and 2.9% for FY26F and FY27F respectively, reflecting accelerated revenue recognition from CGPP and LSS projects.**
- **Maintain BUY recommendation with revised target price of RM1.45 (from 1.40), based on sum-of-parts (SOP) valuation, and appraised with three-star ESG rating.**

We attended SAMAIEN’s post-results briefing recently and below are the key takeaways:

Earnings set to improve in FY26 from (i) conversion of RM711m order book (2.0x FY25 revenue), (ii) accelerated recognition from two CGPP projects (RM91.2m total), and (iii) execution of LSS5. Within EPCC, near-term support will come from accelerated recognition of the two CGPP projects (RM91.2m total), with LSS5 scheduled to progress from 2QFY26 onwards, driving earnings growth. EPCC mix is also expected to tilt toward higher-margin rooftop solar projects, driven by a front-loaded SELCO programme through end-2025. Furthermore, the commencement of CGPP projects by end-2025 is expected to support earnings through electricity sales, lifting recurring income to ~3-4% in FY26 (from <1%) and keeping the Group on track to achieve its 10% recurring contribution target by 2027.

The tender funnel has expanded to c.RM2.5bn (from RM1.5-1.8bn previously), indicating robust order replenishment. Near-term EPCC awards are likely to be driven by LSS5 and LSS5+, where SAMAIEN is aiming for a 20% market share in each scheme. To date, the Group has already secured 11.6% market share in LSS5 and 5% in LSS5+. We believe this internal target remains attainable, underpinned by SAMAIEN’s proven track record in utility-scale solar and its strong balance sheet with a net cash position. The outlook under CRESS is also constructive as solar interest has reaccelerated following the SAC reduction from RM0.25/kWh to RM0.20/kWh. Management reports more than ten re-engaged offtakers representing about 300MWac as pricing narrows, making CRESS more competitive relative to GET.

Costs remain under close watch. China’s recent anti-involution backdrop has pushed solar module prices about 10% higher and kept volatility elevated, pressuring EPCC margins across the industry. We believe the impact on SAMAIEN remains manageable, given its strong cash flow position, which enables bulk procurement of solar panels and should partially cushion the cost increase. Meanwhile, battery costs have declined by 47% from their peak to c.USD160/kWh, or c.RM675/kWh (based on RM4.22/USD as of 5 Sep 2025). This reduction lowers BESS capital costs and is expected to unlock additional demand under SELCO and CRESS, where BESS is increasingly a requirement.

Earnings revision. We have revised our earnings forecasts upward by 16.7% and 2.9% for FY26F and FY27F respectively, primarily reflecting accelerated revenue recognition from CGPP and LSS projects. We have also made housekeeping adjustments.

Valuation & Recommendation. Following our earnings revision, we raise our TP to **RM1.45** (from RM1.40), based on a sum-of-parts (SOP) valuation and incorporating a three-star ESG rating. Maintain **BUY**. We continue to favour SAMAIEN for its (i) **expertise in ground-mounted solar PV projects**, (ii) industry-leading **low gearing** with a net cash position as of 4QFY25, 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)	FY23	FY24	FY25	FY26F	FY27F
Revenue	170.8	227.2	353.6	539.6	549.8
Gross Profit	25.8	35.5	47.6	58.8	62.1
EBITDA	14.3	20.2	27.4	34.8	38.6
Depreciation & Amortisation	-1.0	-0.2	-1.1	-1.1	-2.0
EBIT	13.3	20.0	26.3	33.6	36.6
Net Finance Income/ (Cost)	0.1	1.9	-0.4	-2.5	-2.6
Associates & JV	0.0	0.0	-0.1	-0.1	-0.1
Pre-tax Profit	13.4	21.9	25.9	31.0	33.9
Tax	-3.3	-5.8	-5.7	-7.8	-8.5
Profit After Tax	10.1	16.0	20.1	23.3	25.4
Minority Interest	0.0	0.0	-0.1	0.0	0.0
Net Profit	10.1	16.0	20.2	23.2	25.4
Exceptionals	0.4	0.7	-1.6	0.0	0.0
Core Net Profit	9.7	15.3	21.8	23.2	25.4

Key Ratios

FYE Jun (RM m)	FY23	FY24	FY25	FY26F	FY27F
EPS (sen)	2.2	3.4	4.8	5.2	5.6
P/E(x)	56.2	35.6	25.0	23.5	21.4
P/B(x)	5.6	4.1	3.3	3.0	2.8
EV/EBITDA (x)	45.2	33.1	23.7	21.7	18.3
DPS (sen)	0.0	0.5	2.2	2.5	2.8
Dividend Yield (%)	0.0%	0.4%	1.8%	2.1%	2.3%
EBITDA margin (%)	8.4%	8.9%	7.8%	6.4%	7.0%
EBIT margin (%)	7.8%	8.8%	7.4%	6.2%	6.7%
PBT margin (%)	7.8%	9.6%	7.3%	5.7%	6.2%
PAT margin (%)	5.9%	7.0%	5.7%	4.3%	4.6%
NP margin (%)	5.9%	7.1%	5.7%	4.3%	4.6%
CNP margin (%)	5.7%	6.7%	6.2%	4.3%	4.6%
ROE (%)	9.9%	11.4%	13.0%	12.9%	13.1%
ROA (%)	5.0%	7.4%	3.8%	3.3%	3.7%
Gearing (%)	6.6%	6.3%	64.0%	65.5%	66.2%
Net gearing (%)	Net Cash				

Valuations

Value (RM' m)	Valuation methodology
EPCC	631.55
REassets	78.49
Proceeds from warrants/ ESOS	101.79
SOP Value	811.83
Enlarged share base (m share)	559.90
Fair Value (RM)	1.45
ESG premium/ discount	0.0%
Implied Fair Value (RM)	1.45

Source: Company, Apex Securities

Balance Sheet

FYE Jun (RM m)	FY23	FY24	FY25	FY26F	FY27F
Cash and bank balances	108.2	132.2	212.4	327.3	289.4
Receivables	37.2	54.1	326.4	329.6	332.9
Inventories	0.5	0.4	0.3	0.2	0.1
Other current assets	41.9	12.6	2.1	5.9	5.8
Total Current Assets	187.9	199.4	541.2	663.1	628.3
Fixed Assets	3.4	4.1	17.6	30.6	42.8
Other non-current assets	3.3	3.8	8.7	8.7	8.7
Total Non-Current Assets	6.6	7.9	26.3	39.3	51.6
Short-term debt	4.5	6.6	105.0	94.5	102.9
Payables	70.6	40.4	184.8	288.5	243.8
Other current liabilities	17.0	22.2	101.9	109.5	107.2
Total Current Liabilities	92.2	69.2	391.6	492.4	454.0
Long-term debt	1.9	1.8	2.3	23.6	25.7
Other non-current liabilities	2.4	1.8	5.9	5.9	5.9
Total Non-Current Liabilities	4.4	3.6	8.2	29.6	31.7
Shareholder's equity	97.8	134.3	167.4	180.0	193.9
Minority interest	0.1	0.1	0.3	0.3	0.3
Total Equity	97.9	134.4	167.7	180.3	194.2

Cash Flow

FYE Jun (RM m)	FY23	FY24	FY25	FY26F	FY27F
Pre-tax profit	13.4	21.9	25.9	31.0	33.9
Depreciation & amortisation	1.0	0.2	1.1	1.1	2.0
Changes in working capital	24.9	-16.0	-34.9	104.4	-50.1
Others	-5.9	-3.6	-8.5	-5.2	-5.8
Operating cash flow	33.4	2.4	-16.4	131.3	-20.0
Capex	-1.9	-2.2	-20.5	-14.1	-14.2
Others	1.5	4.4	-20.6	2.2	2.5
Investing cash flow	-0.4	2.2	-41.1	-11.9	-11.7
Dividends paid	0.0	-2.0	-9.2	-10.6	-11.6
Others	-5.6	22.1	122.3	6.1	5.4
Financing cash flow	-5.6	20.0	113.1	-4.5	-6.1
Net cash flow	27.4	24.7	55.6	114.9	-37.9
Forex	0.2	0.1	-0.1	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0
Beginning cash	69.0	96.6	121.4	176.9	291.8
Ending cash	96.6	121.4	176.9	291.8	253.9

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 + 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.