

Research Team

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Recommendation:	BUY
Current Price:	RM2.24
Previous Target Price:	RM3.57
Target Price:	↔ 3.570
Capital Upside/Downside:	59.4%
Dividend Yield (%):	0.0%
Total Upside/Downside	59.4%

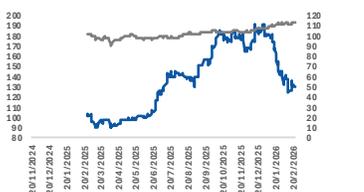
Stock information

Board	MAIN
Sector	Renewable Energy
Bursa / Bloomberg Code	0215 / SOLARMK
Syariah Compliant	Yes
ESGRating	★★★
Shares issued (m)	947.6
Market Cap (RM' m)	2,122.7
52-Week Price Range (RM)	3.39-1.52
Beta (x)	0.9
Free float (%)	50.9
3M Average Volume (m)	5.1
3M Average Value (RM' m)	14.0

Top 3 Shareholders (%)

Atlantic Blue Holdings Sdn Bhd	17.7
Urusharta Jamaah Sdn Bhd	6.4
Lim Chin Siu	6.2

Share Price Performance



	1M	3M	12M
Absolute (%)	-16.7	-29.1	28.7
Relative (%)	-18.3	-34.9	15.1

Earnings Summary	FY25	FY26F	FY27F
Revenue (RM'm)	536.8	920.5	1463.9
PATAMI (RM'm)	51.9	86.7	127.1
CNP (RM'm)	57.1	86.7	127.1
EPS - core (sen)	7.8	11.9	17.4
P/E(x)	28.6	18.8	12.8

Solarvest Holdings Berhad

Within Expectations As Utility Execution Drives Growth

- **SLVEST's 3QFY26 CNP of RM22.7m (+11.7% QoQ, +40% YoY) came in within expectations, bringing 9MFY26 CNP to RM59.9m (69% of our forecast; 77% of consensus). We deem the results in line as we expect a stronger 4QFY26 driven by higher billings from CGPP EPCC works and the initial commencement of LSS5 projects.**
- **Near-term order book replenishment will likely be supported by LSS5+, as EPCC contracts are typically awarded six to nine months after project developer appointment.**
- **Maintain a BUY recommendation with an unchanged TP of RM3.57, based on a SOP valuation and a three-star ESG rating.**

Broadly inline. After adjusting for forex loss (+RM1.6m), SLVEST's 3QFY26 core net profit (CNP) is arrived at RM22.7m, bringing 9MFY26 CNP to RM59.9m. This represents 69% of our full-year forecast and 77% of consensus. We deem the results broadly inline with our estimates as the Group enters a period of accelerated revenue recognition from CGPP projects and early-stage execution of the LSS5 pipeline.

QoQ. CNP increased by 11.7% from RM20.3m in 2QFY26. The growth was primarily fuelled by large-scale projects, particularly as LSS5 began execution reflected in the increase of revenue (+6.9% QoQ) to RM181.2m. The "Others" segment has emerged as a bright spot with PBT margins soaring to 30.9% from 2.2% in 2QFY26, delivering a 9MFY26 profit of RM3.6m (up from -RM0.4m in 9MFY25) through the gain of project development fees and environmental commodity trading. Furthermore, this JV/associate contribution growth (+314.8%) was aided by the recent acquisition of associate stakes in SDCG and Kee Ming.

YoY. CNP surged by 40% driven by (i) accelerated progress on ongoing CGPP projects compared to 3QFY25; (ii) higher share of results from associates and joint ventures, which contributed RM2.7m in 3QFY26 (3QFY25: -RM0.1m); and (iii) stronger power generation contribution as assets ramped up to stable operating levels. Despite a higher unrealised FX loss of RM1.7m this quarter, the core operations remained healthy and as a result core margin improved by 4.6%-pts to 12.5%.

Outlook. We anticipate a robust 4QFY26 as CGPP projects reach peak execution and additional LSS5 contracts are finalized. Management remains confident in mitigating the removal of China's 9% VAT rebate (effective April 2026), having proactively locked in 2GW of modules in 2H2025. Consequently, only 600MW of the current order book remains exposed, with the remainder protected by pass-through clauses. Furthermore, the strengthening of the Ringgit is expected to minimize any residual cost impact. On the retail front, the introduction of Solar ATAP on 1 January 2026 should sustain the C&I annual revenue run-rate, estimated at c.RM200m.

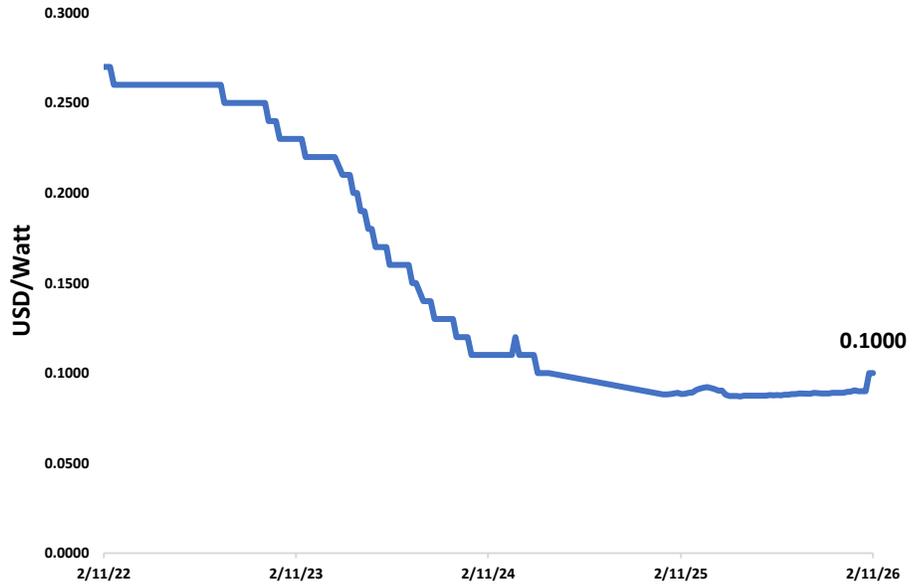
Order book. As of 31 Dec 2025, SLVEST's unbilled order book stood at RM1.54bn (87% utility; 13% C&I and residential), equivalent to 2.88x its FY25 revenue.

Earnings revision. No change to our earnings forecasts.

Valuation. Maintain a **BUY** rating on **SLVEST** with an unchanged **TP of RM3.57**, based on a SOP valuation and a three-star ESG rating. We believe SLVEST is well-positioned to capitalise on government renewable energy initiatives like CRESS and ATAP, thanks to its unique in-house solar financing and its position as Malaysia's largest solar EPCC player.

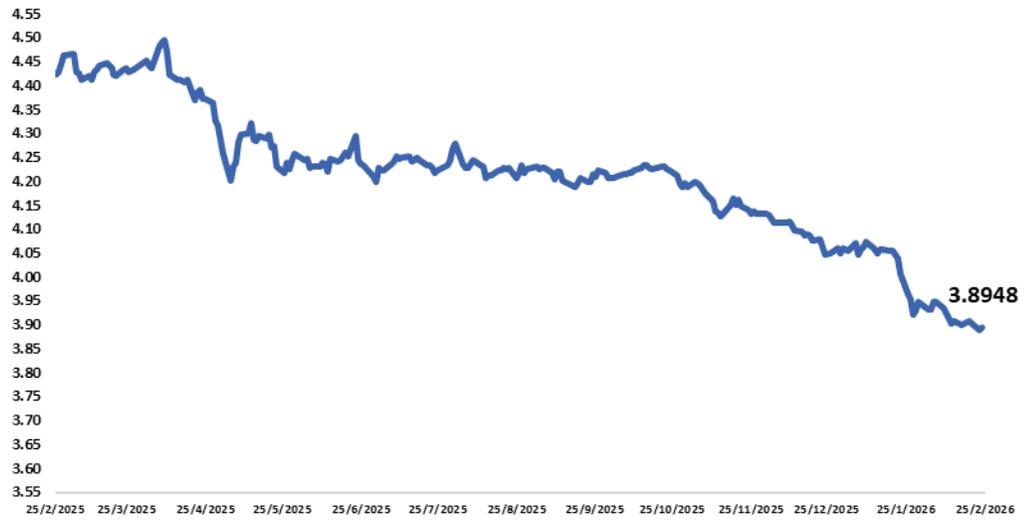
Risks. Increase in solar module costs. Heavy reliance on government initiatives. Intense market competition.

Figure 1: Solar Module Price Trend



Source: Bloomberg, Apex Securities

Figure 2: YTD USD/MYR Trend



Source: Bloomberg, Apex Securities

Results Note

Wednesday, 25 Feb, 2026

Results Comparison

FYE Mar (RM m)	3QFY26	3QFY25	yoy (%)	2QFY26	qoq (%)	9MFY26	9MFY25	yoy (%)	Comments
Revenue	181.2	135.4	33.8	169.5	6.9	488.4	312.0	56.6	
COGS	(129.0)	(97.9)	31.8	(121.5)	6.2	(347.8)	(219.2)	58.6	
Grossprofit	52.2	37.5	39.2	48.0	8.9	140.6	92.7	51.7	
EBITDA	37.4	25.8	45.2	35.4	5.8	101.3	62.1	63.0	
Depreciation & Amortisation	(10.6)	(3.2)	231.0	(6.8)	54.8	(21.0)	(9.1)	131.6	
EBIT	26.8	22.6	18.9	28.5	(5.9)	80.3	53.1	51.3	
Net interest	(2.1)	(2.5)	(14.4)	(2.4)	(11.2)	(8.0)	(6.8)	18.3	
Associates/JV	2.7	(0.1)	nm	0.7	314.8	4.0	(0.1)	nm	
Pre-tax profit	27.4	20.0	36.9	26.8	2.4	76.3	46.2	65.1	
Tax expenses	(5.8)	(4.7)	24.6	(7.4)	(21.6)	(19.1)	(13.1)	46.0	
Profit after tax	21.6	15.4	40.7	19.4	11.5	57.2	33.2	72.6	
(-) Minority interest	0.6	1.0	(40.4)	0.6	(9.1)	1.6	1.7	(4.0)	
PAT (-MI)	21.0	14.4	46.3	18.7	12.3	55.6	31.5	76.7	<i>driven by accelerated progression CGPP</i>
Core net profit	22.7	16.2	40.0	20.3	11.7	59.9	33.3	79.6	<i>projects and LSSS Commencement</i>
Core EPS (sen)	2.3	2.3		2.3		6.6	4.7		
DPS (sen)	-	-		-		-	-		
EBITDA margin (%)	20.7	19.0		20.9		20.7	19.9		
PBT margin (%)	15.1	14.8		15.8		15.6	14.8		
Effective tax rate (%)	21.2	23.3		27.7		25.0	28.3		
Core PATMI margin (%)	12.5	12.0	4.6	12.0		12.3	10.7		

Source: Company, Apex Securities

Segmental Breakdown

FYE Mar (RM m)	3QFY26	3QFY25	yoy (%)	2QFY26	qoq (%)	9MFY26	9MFY25	yoy (%)	Comments
Revenue Breakdown									
EPCC	183.3	111.0	65.1	194.8	(5.9)	564.1	296.8	90.1	<i>Driven by Accelerated CGPP Progress</i>
O&M	3.6	3.4	4.1	3.6	0.4	11.1	10.3	7.4	
Power Supply	8.5	6.1	39.9	8.0	5.4	24.2	19.6	23.1	
Others	16.6	16.9	(1.4)	8.9	86.0	28.2	26.6	6.0	
Adjustment	(30.7)	(2.0)	1,453.7	(45.9)	(33.0)	(139.2)	(41.4)	236.4	
Total	181.2	135.4	33.8	169.5	6.9	488.4	312.0	56.6	
Profit Before Tax (PBT) Breakdown									
EPCC	16.2	18.2	(10.7)	25.0	(35.2)	60.8	39.9	52.3	<i>higher billing volume and margin</i>
O&M	(0.1)	0.8	nm	0.2	nm	1.0	1.8	(45.7)	<i>expansion from CGPP project mix.</i>
Power Supply	3.5	1.5	126.7	3.3	4.2	9.9	5.8	69.5	
Others	5.1	0.4	1,270.7	(0.7)	nm	3.6	(0.4)	nm	
Adjustment	2.8	(0.8)	nm	(1.1)	nm	1.1	(0.8)	nm	
Total	27.4	20.0	36.9	26.8	2.4	76.3	46.2	65.1	
PBT margin (%)									
EPCC	8.8%	16.3%		12.8%		10.8%	13.4%		
O&M	-4.1%	23.7%		6.4%		8.8%	17.5%		
Power Supply	41.1%	25.4%		41.6%		40.9%	29.7%		
Others	30.9%	2.2%		-7.8%		12.6%	-1.7%		
Adjustment									
Total	15.1%	14.8%		15.8%		15.6%	14.8%		

Source: Company, Apex Securities

Results Note

Wednesday, 25 Feb, 2026

Financial Highlights

Income Statement

FYE Mar (RM m)	FY23	FY24	FY25	FY26F	FY27F
Revenue	365.5	497.0	536.8	920.5	1463.9
Gross Profit	65.0	99.2	149.5	249.3	363.2
EBITDA	35.9	62.5	96.2	150.1	205.2
Depreciation & Amortisation	-4.1	-7.4	-12.5	-16.6	-21.8
EBIT	31.8	55.1	83.7	133.5	183.4
Net Finance Income/ (Cost)	-4.1	-7.9	-12.1	-21.8	-17.8
Associates & JV	0.0	0.0	2.6	7.3	8.1
Pre-tax Profit	27.7	47.2	74.2	119.0	173.7
Tax	-7.5	-13.1	-20.8	-30.9	-45.2
Profit After Tax	20.2	34.1	53.3	88.1	128.6
Minority Interest	0.5	1.4	1.4	1.4	1.5
Net Profit	19.7	32.6	51.9	86.7	127.1
Exceptionals	3.8	-2.4	-5.2	0.0	0.0
Core Net Profit	15.9	35.1	57.1	86.7	127.1

Key Ratios

FYE Mar (RM m)	FY23	FY24	FY25	FY26F	FY27F
EPS (sen)	2.2	4.8	7.8	11.9	17.4
P/E(x)	102.8	46.6	28.6	18.8	12.8
P/B(x)	8.3	6.9	4.5	3.6	2.8
EV/EBITDA(x)	44.7	25.2	15.1	9.3	7.2
DPS (sen)	0.0	0.0	0.0	0.0	0.0
Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EBITDA margin (%)	9.8%	12.6%	17.9%	16.3%	14.0%
EBIT margin (%)	8.7%	11.1%	15.6%	14.5%	12.5%
PBT margin (%)	7.6%	9.5%	13.8%	12.9%	11.9%
PAT margin (%)	5.5%	6.9%	9.9%	9.6%	8.8%
NP margin (%)	5.4%	6.6%	9.7%	9.4%	8.7%
CNP margin (%)	4.3%	7.1%	10.6%	9.4%	8.7%
ROE (%)	8.0%	14.9%	15.7%	19.2%	21.9%
ROA (%)	3.3%	6.7%	5.5%	7.0%	8.5%
Gearing (%)	53.1%	73.7%	88.9%	87.8%	55.7%
Net gearing (%)	16.4%	25.7%	50.8%	55.0%	29.4%

Valuations	Equity Value (RM' m)	Valuation method
EPCC	2557.20	30x FY27FPER
Associates	86.39	10x FY27FPER
Solar assets	598.76	Ke=9.6%
Proceeds from warrant s/ ESOS	67.58	
SOP Value	3309.93	
Enlarged share base (m share)	927.68	
Fair Value (RM)	3.57	
ESG premium/discount	0.0%	
Implied Fair Value (RM)	3.57	

Source: Company, Apex Securities

ESG Matrix Framework:

Environment

Parameters	Rating	Comments
Climate	★★★	Emission intensity ratios were reduced to 0.60x from 0.64x in 2024 for Scope 1, and to 0.43x from 0.65x for Scope 2.
Waste & Effluent	★★★	3R (Reduce, Reuse, Recycle) initiative was implemented, with 3R bins placed in each office.
Energy	★★	Energy consumption increased by 27% in fuel for FY24, while electricity consumption was reduced by 11.6%.
Water	★★★	Water consumption intensity decreased by 43.8%, from 0.0064m ³ in the previous year to 0.0036m ³ .
Compliance	★★★	The Group complies with all local and international environmental regulations.

Social

Diversity	★★★	Female representation stands at 19.7% in the workforce and 30% at the management level, meeting the MCCG's recommendation of 30% female directors on the Board.
Human Rights	★★★	Enforces strict policies against human trafficking, forced labor, and child labor.
Occupational Safety and Health	★★★	A total of 6,474 hours of training have been conducted. No fatalities, with a reduction in the total recordable incident rate (TRIR) to 0, from 1 case last year.
Labour Practices	★★★	Adheres to all relevant labor laws.

Governance

CSR Strategy	★★★	Actively engaged with communities, contributing RM58,494 to various initiatives.
Management	★★★	Among the board members, 30% (2 out of 6) were female, while 60% (6 out of 10) were independent directors.
Stakeholders	★★★	Regularly organizes corporate events and holds an annual general meeting (AGM) for investors.

Overall ESG Scoring: ★★★

Balance Sheet

FYE Mar (RM m)	FY23	FY24	FY25	FY26F	FY27F
Cash and bank balances	72.6	112.9	138.1	148.0	152.6
Receivables	109.8	99.8	292.7	348.6	418.3
Inventories	21.0	13.6	17.4	24.4	34.1
Other current assets	96.7	70.6	231.2	291.0	366.2
Total Current Assets	300.1	296.9	679.3	812.0	971.3
Fixed Assets	168.6	215.7	246.3	315.0	414.4
Intangibles	0.1	0.0	0.4	0.4	0.4
Other non-current assets	5.6	7.8	104.6	107.3	108.0
Total Non-Current Assets	174.2	223.5	351.4	422.7	522.8
Short-term debt	17.3	9.5	141.9	198.0	161.4
Payables	108.2	67.1	202.2	201.4	330.2
Other current liabilities	39.4	28.3	124.6	167.7	243.0
Total Current Liabilities	165.0	105.0	468.7	567.1	734.6
Long-term debt	87.5	163.8	180.5	198.0	161.4
Other non-current liabilities	24.4	16.5	18.7	18.7	18.7
Total Non-Current Liabilities	111.9	180.3	199.2	216.7	180.1
Shareholder's equity	193.3	230.8	357.4	444.1	571.2
Minority interest	4.1	4.4	5.4	6.8	8.3
Total Equity	197.4	235.2	362.8	450.9	579.5

Cash Flow

FYE Mar (RM m)	FY23	FY24	FY25	FY26F	FY27F
Pre-tax profit	27.7	47.2	74.2	119.0	173.7
Depreciation & amortisation	4.1	7.4	12.5	16.6	21.8
Changes in working capital	27.2	-17.8	-181.8	-83.2	48.7
Others	-2.5	-6.0	-19.1	-30.9	-45.2
Operating cash flow	56.5	30.8	-114.2	21.5	199.1
Capex	-137.0	-53.3	-50.2	-85.2	-121.3
Others	0.1	-8.0	-21.3	0.0	0.0
Investing cash flow	-136.9	-61.3	-71.5	-85.2	-121.3
Dividends paid	0.0	0.0	0.0	0.0	0.0
Others	89.3	54.3	212.8	73.6	-73.2
Financing cash flow	89.3	54.3	212.8	73.6	-73.2
Net cash flow	8.9	23.8	27.1	9.9	4.6
Forex	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0
Beginning cash	28.0	36.9	60.8	87.8	97.8
Ending cash	36.9	60.8	87.8	97.8	102.4

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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As of **Wednesday, 25 Feb, 2026**, the analyst(s), whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:

(a) nil.
