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Recommendation:	BUY
Current Price:	RM0.895
Previous Target Price:	RM 1.45
Target Price:	RM 1.25
Capital Upside/Downside:	39.7%
Dividend Yield (%):	0.0%
Total Upside/Downside:	39.7%

Stock information	
Board	ACE
Sector	Software
Bursa / Bloomberg Code	0236 / RAMSSOL MK
Syariah Compliant	Yes
ESGRating	★★★
Shares issued (m)	404.2
Market Cap (RM' m)	361.7
52-Week Price Range (RM)	1.09-0.735
Beta(x)	0.7
Free float (%)	53.9
3M Average Volume (m)	4.6
3M Average Value (RM' m)	4.6

Top 3 Shareholders	(%)
Tan Chee Seng	19.4
Urusharta Jamaah Sdn Bhd	6.4
Liew Yu Hoe	5.1

Share Price Performance



	1M	3M	12M
Absolute (%)	-12.3	-7.7	8.5
Relative (%)	-11.0	-12.4	-0.5

Earnings summary			
FYE (Dec)	FY25	FY26F	FY26F
Revenue (RM' m)	77.6	103.8	118.8
PATAMI (RM' m)	19.3	28.7	32.4
CNP (RM' m)	23.0	28.7	32.4
EPS - core (sen)	5.9	7.1	8.0
P/E(x)	15.2	12.6	11.2

Source: Company, Apex Securities

Ramssol Group Bhd

Finishing Inline

- **Ramssol posted 4QFY25 core net profit of RM4.0m (-47% QoQ, 5.4x YoY), bringing FY25's sum to RM23.0m (+70%). We deem the results within our (104%) but above consensus (123%) expectations.**
- **Core earnings for 4QFY25/FY25 surged 5.4x/+70%, bolstered by: (i) robust organic growth in PeopleTech, driven by accelerating demand for HRMS solutions such as Oracle, Darwinbox, and HONO; and (ii) a full-year contribution from A.I.Tech following its 51% acquisition in June 2024, alongside a demand uptick in enterprise AI software services.**
- **We trimmed our FY26/FY27F forecasts by 11% and 10%, respectively to account for more conservative estimates in the PeopleTech and A.I.Tech divisions, following some delays in revenue recognition for new project initiatives.**
- **Post-earnings adjustments and accounting for higher share base from its recent placement exercise, we maintain BUY rating but with a lower TP of RM1.25 (from RM1.45) derived from applying 20x partially diluted FY26F EPS.**

Results inline. Ramssol posted 4QFY25 core net profit of RM4.0m (-47% QoQ, 5.4x YoY), bringing FY25's sum to RM23.0m (+70%). We deem the results within our (104%) but above consensus (123%) expectations. 4QFY25 results were arrived after excluding impairment on intangible assets (RM3.6m).

QoQ. Core net profit plummeted 47% impacted by a seasonally lower top line. The decline stems from lower productivity in the PeopleTech and A.I.Tech units due to year-end leave and lower staffing availability, alongside the booking of bonus payout during the quarter.

YoY/YTD. Core earnings surged (5.4x YoY / +70% YTD), bolstered by: (i) robust organic growth in PeopleTech, driven by accelerating demand for HRMS solutions such as Oracle, Darwinbox, and HONO; and (ii) a full-year contribution from A.I.Tech following its 51% acquisition in June 2024, alongside a demand uptick in enterprise AI software services.

Outlook. Ramssol's outlook is underpinned by a multitude of growth drivers across its key business pillars. Recall that Ramssol inked a strategic collaboration with AmBank to offer earned wage access (EWA) to AmBank's employees via "Pay Day Now" platform, management updated that the MOU period with AmBank is completed and slated for conversion into MOA by end-May. Additionally, its appointment as Southeast Asia's distributor for Tencent Cloud adds a revenue vertical to PeopleTech and A.I.Tech via a more comprehensive suite of software and AI solutions available for customers. For AutoTech, Rider Gate's integration with the RTD's MySikap platform (enabling seamless ownership transfers) is expected to drive transaction volumes and market share gain in the used motorcycle market. All in, these initiatives enhance earnings visibility and solidify the group's multi-year growth trajectory. The group's orderbook stood at RM170.9m as at end-FY25 (vs RM148.4m as at end-3QFY25).

Earnings Revision. Despite FY25 results closing in line, we have trimmed our FY26/FY27F forecasts by 11%/10% to account for more conservative estimates in the PeopleTech and A.I.Tech divisions, following some delays in revenue recognition for new project initiatives.

Valuation. Post-earnings adjustments and accounting for higher share base arising from its recent placement exercise, we maintain **BUY** rating but with a lower TP of **RM1.25** (from RM1.45) derived from applying 20x partially diluted FY26F EPS of 6.3 sen.

Results Note

Monday, 02 Mar, 2026

Results Comparison

FYE Dec (RM m)	4QFY25	4QFY24	yoy (%)	3QFY25	qoq (%)	12MFY25	12MFY24	yoy (%)
Revenue	5.2	10.5	(50.0)	29.4	(82.2)	77.6	61.7	25.9
EBITDA	(0.7)	3.0	nm	13.9	nm	29.5	20.6	43.7
Pre-tax profit	(2.1)	1.8	nm	12.8	nm	24.9	15.8	57.1
Net profit	0.3	0.6	(48.5)	7.5	(95.7)	19.3	13.5	43.2
Core net profit	4.0	0.6	537.4	7.5	(47.0)	23.0	13.5	70.1
Core EPS (sen)	1.0	0.2	537.4	1.9	(47.0)	5.9	3.5	70.1
EBITDA margin (%)	(12.6)	28.8		47.3		38.1	33.3	
PBT margin (%)	(40.3)	17.4		43.5		32.0	25.7	
Core net profit margin (%)	75.7	5.9		25.4		29.6	21.9	

Source: Company, Apex Securities

Earnings Summary

FYE Dec (RM m)	FY23	FY24	FY25	FY26F	FY27F
Revenue	30.4	62.8	77.6	103.8	118.8
EBITDA	9.9	21.0	28.2	45.7	52.0
Pre-tax profit	7.2	15.8	25.0	40.5	46.3
Net profit	6.3	13.6	19.3	28.7	32.4
Core net profit	6.6	13.4	23.0	28.7	32.4
Core EPS (sen)	16	3.3	5.7	7.1	8.0
P/E (x)	34.6	218	15.2	12.6	11.2
P/B (x)	4.5	3.2	2.8	2.3	1.9
EV/EBITDA (x)	37.2	17.5	13.0	8.0	7.1
Dividend Yield (%)	0.0%	0.3%	0.0%	0.6%	0.6%
Net Gearing (%)	0.1	Net Cash	Net Cash	Net Cash	Net Cash

Source: Company, Apex Securities

Valuations	FY26F
Outstanding shares (m)	404.2
Assumed partial (50%) warrant dilution	54.2
Number of diluted shares	458.3
Diluted core EPS (sen)	6.3
P/E multiple (x)	20.0
Fair Value (RM)	1.25
ESG premium/discount	0.0%
Implied Fair Value (RM)	1.25

Source: Company, Apex Securities

Results Note

Monday, 02 Mar, 2026

ESG Matrix Framework:

Environment

Parameters	Rating	Comments
Climate	★★★	Actively supports paperless operations and cloud-based platforms to reduce carbon footprint across business operations.
Waste & Effluent	★★★	Promotes digitalisation to minimise physical waste generation through its core HR and enterprise solutions.
Energy	★★★	Operates primarily in digital and office environments with emphasis on energy-conscious operations; no renewable energy usage reported, energy consumption stood at 175,749 Kilowatt hours.
Water	★★★	Water usage is minimal due to business nature; no 0.475 mega-liters of usage
Compliance	★★★	Fully complies with local environmental regulations and ISO 9001 standards; no violations reported.

Social

Diversity	★★★	Maintains a gender-balanced workforce with at least 40% representation from each gender across Group executive and management level.
Human Rights	★★★	Enforces Code of Conduct that prohibits discrimination and supports equal opportunity employment.
Occupational Safety and Health	★★★	No workplace incidents reported; maintains ISO 45001:2018 certification
Labour Practices	★★★	Nil.

Governance

CSR Strategy	★★★	Established Ramssol Foundation; CSR activities include donations, education partnerships, and social initiatives.
Management	★★★	ESG matters led by Executive Committee and Group MD; board includes mix of executive and independent directors.
Stakeholders	★★★	Regular engagements apart from 4x analyst briefings per annum, 1x AGM per annum

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.