

Research Team

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Recommendation:	BUY
Current Price:	RM0.730
Previous Target Price:	RM 1.25
Target Price:	↑ RM 1.41
Capital Upside/Downside:	93.2%
Dividend Yield (%):	0.0%
Total Upside/Downside:	93.2%

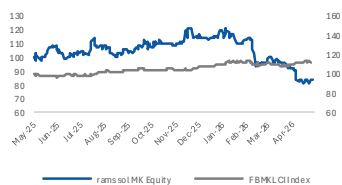
Stock information

Board	ACE
Sector	Software
Bursa / Bloomberg Code	0236 / RAMSSOL MK
Syariah Compliant	Yes
ESGRating	★★★
Shares issued (m)	404.2
Market Cap (RM' m)	295.0
52-Week Price Range (RM)	1.09-0.58
Beta (x)	0.6
Free float (%)	53.9
3M Average Volume (m)	6.0
3M Average Value (RM' m)	5.0

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 (%)	-9.3	-25.9	-19.3
Relative (%)	-11.0	-24.8	-27.3

Earnings summary

FYE (Dec)	FY25	FY26F	FY27F
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)	12.4	10.3	9.1

Source: Company, Apex Securities

Ramssol Group Bhd

Indonesia Debut adds a New Gear

- **Ramssol posted 1QFY26 core net profit of RM6.5m (+11% YoY, +64% QoQ), bringing the 3-month tally to 23% of our full-year FY26F forecast of RM28.7m and 22% of consensus (RM29.3m). We deem the results broadly in line, given the typically stronger Q2-Q3 weighting.**
- **Core earnings rebounded strongly QoQ (+64%) from a seasonally weak 4QFY25, bolstered by: (i) sustained momentum in PeopleTech (RM11.5m revenue), driven by continued demand for HCM solutions such as Darwinbox and HONO; (ii) A.I.Tech's expansion into Indonesia contributing RM7.5m in revenue alongside ongoing enterprise AI projects in Thailand; and (iii) maiden revenue contribution from AutoTech following the deployment of 500 electric motorcycles for a leading Indonesian superapp.**
- **We make no changes to our FY26/FY27F forecasts of RM28.7m/RM32.4m and introduce our FY28F earnings forecasts of RM35.3m. We maintain our BUY rating with a higher TP of RM1.41, derived from applying 20x partially diluted FY27F EPS of 7.1 sen.**

Results inline. Ramssol posted 1QFY26 core net profit of RM6.5m (+11% YoY, +64% QoQ), representing 23% of our FY26F forecast and 22% of consensus. The 1QFY26 core earnings figure is taken as reported, with no adjustments required as there were no exceptional items during the quarter (unlike 4QFY25 which required the exclusion of RM3.6m impairment on intangible assets).

QoQ. Revenue surged over 4x to RM22.2m from the seasonally weak 4QFY25 (RM5.2m), consistent with the group's historical pattern of a strong Q1 following a year-end trough. PBT swung to RM8.2m from a loss of RM2.1m in 4QFY25, primarily driven by the recovery in top line. Core PATAMI of RM6.5m compared to RM4.0m in 4QFY25 (after excluding impairment), a 64% improvement.

YoY. Revenue rose 23% YoY to RM22.2m (1QFY25: RM18.1m), driven by growth across all three core business pillars. PeopleTech recorded revenue of RM11.5m, underpinned by sustained demand for HCM solutions. A.I.Tech contributed RM7.5m, boosted by the expansion of AI-related opportunities into Indonesia as seen by the recognition of RM3.3m in revenue attributed to Indonesia during the quarter. AutoTech drove incremental revenue from the deployment of 500 electric motorcycles for a leading Indonesian superapp company. Core PATAMI growth of 11% YoY was more modest than revenue growth, partly due to higher NCI charges of RM1.4m (1QFY25: RM0.01m) reflecting A.I.Tech's growing profit contribution to minority shareholders.

Balance Sheet. The group maintained a net cash position. Cash and deposits stood at RM59.9m (4QFY25: RM49.4m), buoyed by RM9.7m in proceeds from the special issue of shares to Bumiputera investors. Total borrowings were largely stable at RM31.8m. Trade receivables eased to RM41.0m (4QFY25: RM43.5m) while contract assets declined to RM30.8m from RM37.7m, reflecting billings progress on existing projects. Other receivables rose to RM21.9m (4QFY25: RM8.3m), likely related to prepayments or deposits for new project initiatives.

Outlook. Ramssol's outlook remains supported by multi-pronged growth drivers. For PeopleTech, the AmBank EWA collaboration (via "Pay Day Now") was slated for MOU-to-MOA conversion by end-May 2026, which if executed would unlock a highly scalable, high-margin revenue stream. The Tencent Cloud distributorship adds a complementary revenue vertical to both PeopleTech and A.I.Tech. For AutoTech, Indonesia operations have commenced with the deployment of 500 EV motorcycles, while Rider Gate's integration with RTD's MySikap platform should drive transaction volumes in the used motorcycle segment. The group's orderbook stood at RM170.9m as at end-FY25, providing solid earnings visibility.

Earnings Revision. We make no changes to our FY26/FY27F core earnings forecasts of RM28.7m/RM32.4m, as the results were broadly in line. We will reassess our assumptions

following the upcoming analyst briefing for more granular segment-level guidance. We also introduce our FY28F core earnings forecast of RM35.3m

Valuation. Maintain BUY with a higher TP of RM1.41, derived from applying 20x partially diluted FY27F EPS of 7.1 sen. Our target multiple is justified by: (i) strong double-digit earnings growth trajectory over our forecast period; (ii) strategic positioning to benefit from the region's accelerating digital transformation via its HCM, AI and AutoTech verticals; and (iii) emerging growth catalysts from the EWA platform and Indonesia expansion. At the current price of RM0.73, the stock trades at ~10.3x FY26F core PE, which we view as undemanding given the structural growth drivers.

Results Note

Tuesday, 19 May, 2026

Results Comparison

FYE Dec (RM m)	1QFY26	1QFY25	yoy (%)	4QFY25	qoq (%)	3MFY26	3MFY25	yoy (%)
Revenue	22.2	18.1	22.6	5.2	325.0	22.2	18.1	22.6
EBITDA	9.2	7.2	27.7	(0.7)	nm	9.2	7.2	27.7
Pre-tax profit	8.2	6.1	34.7	(2.1)	nm	8.2	6.1	34.7
Net profit	6.5	5.8	11.3	0.3	1,937.3	6.5	5.8	11.3
Core net profit	6.5	5.8	11.3	4.0	64.4	6.5	5.8	11.3
Core EPS (sen)	1.6	1.4	11.3	1.0	64.4	1.6	1.4	11.3
EBITDA margin (%)	41.3	39.7		(12.6)		41.3	39.7	
PBT margin (%)	36.7	33.4		(40.3)		36.7	33.4	
Core net profit margin (%)	29.3	32.2		75.7		29.3	32.2	

Source: Company, Apex Securities

Earnings Summary

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Revenue	62.8	77.6	103.8	118.8	131.9
EBITDA	21.0	29.6	45.7	52.0	57.5
Pre-tax profit	15.8	25.0	40.5	46.3	51.1
Net profit	13.6	19.3	28.7	32.4	35.3
Core net profit	13.4	23.0	28.7	32.4	35.3
Core EPS (sen)	4.1	5.9	7.1	8.0	8.7
P/E (x)	17.8	12.4	10.3	9.1	8.4
P/B (x)	2.6	2.3	1.8	1.5	1.3
EV/EBITDA (x)	13.9	9.9	6.4	5.6	5.1
Dividend Yield (%)	0.4%	0.0%	0.7%	0.7%	0.7%
Net Gearing (%)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash

Source: Company, Apex Securities

Segmental Breakdown

FYE Dec (RM m)	1QFY26	1QFY25	yoy (%)	4QFY25	qoq (%)	3MFY26	3MFY25	yoy (%)
Revenue								
Malaysia	13.8	12.6	9.0	5.2	163.5	13.8	12.6	9.0
Singapore	-	-	nm	-	nm	-	-	nm
Thailand	5.0	5.5	(8.0)	-	nm	5.0	5.5	(8.0)
Indonesia	3.3	0.0	nm	-	nm	3.3	0.0	nm
Vietnam	0.1	-	nm	-	nm	0.1	-	nm
Total	22.2	18.1	22.6	5.2	325.0	22.2	18.1	22.6
EBIT								
Malaysia	3.4	4.9	(30.7)	6.6	(48.4)	3.4	4.9	(30.7)
Singapore	-	(0.2)	100.0	(0.2)	100.0	-	(0.2)	100.0
Thailand	3.2	2.1	49.1	(8.1)	139.3	3.2	2.1	49.1
Indonesia	1.6	(0.3)	575.8	-	nm	1.6	(0.3)	575.8
Vietnam	0.0	-	nm	-	nm	0.0	-	nm
Total	8.2	6.6	24.4	(1.7)	583.8	8.2	6.6	24.4
EBIT margin (%)								
Malaysia	24.8%	38.9%		126.4%		24.8%	38.9%	
Singapore	n.a	n.a		n.a		n.a	n.a	
Thailand	63.3%	39.1%		n.a		63.3%	39.1%	
Indonesia	46.5%	n.a		n.a		46.5%	n.a	
Vietnam	8.8%	n.a		n.a		8.8%	n.a	
Aggregate Total	36.7%	36.2%		-32.3%		36.7%	36.2%	

Source: Company, Apex Securities

Results Note

Tuesday, 19 May, 2026

Financial Highlights

Income Statement

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Revenue	62.8	77.6	103.8	118.8	131.9
Gross Profit	37.5	50.8	67.5	77.2	85.8
EBITDA	21.0	29.6	45.7	52.0	57.5
Depreciation & Amortisation	3.4	2.6	3.1	3.4	3.8
EBIT	17.6	27.0	42.6	48.6	53.7
Net Finance Income/ (Cost)	-1.8	-2.0	-2.1	-2.3	-2.6
Associates & JV	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	15.8	25.0	40.5	46.3	51.1
Tax	-1.2	-5.7	-7.9	-9.3	-10.2
Profit After Tax	14.7	19.3	32.6	37.1	40.9
Minority Interest	1.0	0.0	3.9	4.7	5.6
Net Profit	13.6	19.3	28.7	32.4	35.3
Exceptionals	-0.3	3.6	0.0	0.0	0.0
Core Net Profit	13.4	23.0	28.7	32.4	35.3

Key Ratios

FYE Dec	FY24	FY25	FY26F	FY27F	FY28F
Core EPS (sen)	4.1	5.9	7.1	8.0	8.7
P/E (x)	17.8	12.4	10.3	9.1	8.4
BVPS	0.28	0.32	0.40	0.48	0.58
P/B (x)	2.6	2.3	1.8	1.5	1.3
EV/EBITDA (x)	13.9	9.9	6.4	5.6	5.1
DPS (sen)	0.3	0.0	0.5	0.5	0.5
Dividend Yield (%)	0.4%	0.0%	0.7%	0.7%	0.7%
EBITDA margin (%)	33.5%	38.2%	44.0%	43.8%	43.6%
EBIT margin (%)	28.0%	34.8%	41.1%	40.9%	40.7%
PBT margin (%)	25.2%	32.2%	39.0%	39.0%	38.7%
PAT margin (%)	23.3%	24.9%	31.4%	31.2%	31.0%
NP margin (%)	21.7%	24.9%	27.7%	27.3%	26.8%
CNP margin (%)	21.3%	29.6%	27.7%	27.3%	26.8%
ROE (%)	11.8%	17.5%	18.2%	17.2%	15.9%
ROA (%)	8.7%	13.5%	13.8%	13.0%	12.0%
Gearing (%)	25.2%	23.2%	21.9%	20.5%	19.3%
Net gearing (%)		Net Cash	Net Cash	Net Cash	Net Cash

Valuations

	FY27F
Outstanding shares (m)	404.2
Assumed partial (50%) warrant dilution (m)	54.2
Number of diluted shares	458.3
Diluted core EPS (sen)	7.1
P/E multiple (x)	20.0
Fair Value (RM)	1.41
ESG premium/discount	0.0%
Implied Fair Value (RM)	1.41

Source: Company, Apex Securities

Balance Sheet

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Cash	30.1	34.2	60.5	85.7	118.6
Receivables	33.7	38.3	42.7	52.1	57.8
Other current assets	29.3	29.3	29.3	29.3	29.3
Total Current Assets	93.2	101.8	132.5	167.1	205.8
Fixed Assets	3.0	4.1	5.0	5.7	6.4
Intangibles	54.8	61.1	67.2	73.0	78.5
Other non-current assets	3.2	3.2	3.2	3.2	3.2
Total Non-Current Assets	61.1	68.4	75.4	81.9	88.1
Short-term debt	14.4	15.4	17.9	20.4	22.9
Payables	10.1	5.9	8.0	9.1	10.1
Other current liabilities	3.3	3.3	3.3	3.3	3.3
Total Current Liabilities	27.8	24.6	29.2	32.8	36.3
Long-term debt	13.7	14.7	17.2	19.7	22.2
Other non-current liabilities	1.1	1.1	1.1	1.1	1.1
Total Non-Current Liabilities	14.8	15.8	18.3	20.8	23.3
Shareholder's equity	112.9	131.1	157.8	188.2	221.5
Minority interest	-1.4	-1.4	2.5	7.2	12.7
Total Equity	111.5	129.8	160.4	195.4	234.3

Cash Flow

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Pre-tax profit	15.8	25.0	40.5	46.3	51.1
Depreciation & amortisation	3.4	2.6	3.1	3.4	3.8
Changes in working capital	-16.0	-8.8	-2.3	-8.3	-4.7
Others	3.9	-5.7	-7.9	-9.3	-10.2
Operating cash flow	7.1	13.1	33.4	32.2	39.9
Net capex	-8.0	-10.0	-10.0	-10.0	-10.0
Others	0.0	0.0	0.0	0.0	0.0
Investing cash flow	-8.0	-10.0	-10.0	-10.0	-10.0
Borrowings	6.3	2.0	5.0	5.0	5.0
Dividends paid	0.0	-1.1	-2.0	-2.0	-2.0
Others	14.6	0.0	0.0	0.0	0.0
Financing cash flow	21.0	0.9	3.0	3.0	3.0
Net cash flow	20.0	4.0	26.4	25.2	32.9
Beginning cash and cash equivalent	-2.0	18.0	22.0	48.4	73.5
Forex	-0.03	0.00	0.00	0.00	0.00
Ending cash and cash equivalent	18.0	22.0	48.4	73.5	106.5
Bank overdraft and fixed deposits	12.2	12.2	12.2	12.2	12.2
Cash and bank balances	30.1	34.2	60.5	85.7	118.6

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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As of **Tuesday, 19 May, 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.