

## Samaiden Group

### Undervalued NETR Beneficiary

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SAMAIDEN has pre-purchase 800MW of solar panels, of which 30% have been delivered, and remains confident that another 30%-40% will be secured before VAT implementation, adding the total to 70%-75% - sufficient to cover existing LSS5 and LSS5+ requirements. Near-term orderbook remain centric of EPCC LSS5+ from which arise RM700m-RM800m tender opportunities. The Group is likely to achieve a comparable EPCC market share to LSS5 (7%), supported by its utility-scale expertise. Earnings are revised downward following adjustments to LSS5+ revenue recognition assumptions, partially offset by upward revisions to LSS5 margin assumptions. As a result, TP is revised to RM1.94 (from RM2.08). Maintain OUTPERFORM. SAMAIDEN remains our preferred 2Q pick, supported by its early panel procurement strategy, which insulates earnings from near-term cost volatility.

We came away from SAMAIDEN's recent investor briefing feeling positive about its near-term execution momentum and order book visibility. The key takeaways are as follows:

**LSS5 driving earnings acceleration.** Quarterly improvement was primarily driven by increasing contributions from EPCC LSS5 utility-scale projects, as partial project phases have begun recognising solar panel deliveries, one of the largest cost components under EPCC execution. Management highlighted that LSS5 projects are expected to deliver stronger margins, supported by ongoing cost optimisation initiatives, closer collaboration with project owners, and early solar panel price lock-in strategies. EPCC progress for LSS5 currently stands at c.25% completion. Earnings momentum is expected to strengthen in the coming quarters as revenue recognition accelerates alongside continued project execution.

**Solar panel procurement largely secured ahead of VAT implementation.** SAMAIDEN has pre-purchased 800MW of solar panels one year earlier from multiple suppliers with bank guarantees in place. To date, about 30% of the panels have been delivered to project sites, while management expects an additional 30%-40% to be secured prior to VAT exposure, bringing total secured panels to roughly 70%-75%, which is sufficient to cover existing LSS5 and LSS5+ project requirements. Following recent panel price increases of c.44% to c.13 cent/W from its lowest level of c.9cent/W, utility-scale solar developers have proposed to the ST either to extend PPA tenures to 25-30 years or adjust tariff rates to offset higher panel costs, similar to the LSS4 precedent where project timelines were extended by an additional four years.

**RM2bn tender pipeline supports order book replenishment.** The pipeline comprises c.RM1b from CRESS, RM700m-RM800m from LSS5, with the remainder from C&I projects. Near-term replenishment is expected mainly from LSS5+ awards. Based on channel checks, unallocated EPCC portion is about 50%. To recap, LSS5 SAMAIDEN has secured 12% market share including 7% from EPCC totalling RM436m. While SAMAIDEN has yet to secure any EPCC packages under LSS5+, we believe it is well positioned to achieve a comparable market share, supported by its proven track record in utility-scale projects. In addition, the upcoming LSS6 programme, which is expected to incorporate BESS requirements, should provide further order book replenishment opportunities.

**Forecasts.** Earnings forecasts are revised downward by 2.4% and 4.5% for FY26 and FY27, respectively, mainly due to adjustments in

## OUTPERFORM ↔

Price : RM1.08  
Target Price : RM1.94 ↓

### Share Price Performance



KLCI	1,716.61
YTD KLCI chg	2.2%
YTD stock price chg	-19.3%

### Stock Information

Shariah Compliant	Yes
Bloomberg Ticker	SAMAIDEN MK Equity
Market Cap (RM m)	567.9
Shares Outstanding	502.6
52-week range (H)	1.62
52-week range (L)	0.91
3-mth avg. daily vol.	836,543
Free Float	32%
Beta	0.9

### Major Shareholders

Hee Ir Chow Pui	29.4%
Chudenko Corp	17.3%
Chudenko Corp	16.6%

### Summary Earnings Table

FYE Jun (RM m)	2025A	2026F	2027F
Turnover	353.6	438.8	566.8
Operating Profit	33.5	45.0	54.4
Profit Before Tax	25.9	40.4	48.2
<b>Net Profit</b>	<b>20.1</b>	<b>30.8</b>	<b>36.6</b>
<b>Core Net Profit</b>	<b>25.4</b>	<b>30.8</b>	<b>36.6</b>
Consensus (NP)	-	27.2	34.8
Earnings Revision	-	-2.4%	-4.5%
Core EPS (sen)	5.2	6.3	7.5
Core EPS Growth (%)	58.1	21.2	18.9
NDPS (sen)	1.5	1.1	1.1
NTA per Share (RM)	0.3	0.4	0.5
PER (x)	20.7	17.1	14.4
PBV (x)	3.3	2.7	2.1
Net Gearing (x)	(0.3)	(0.4)	(0.7)
Net Div. Yield (%)	1.4	1.0	1.0

02 March 2026

FY26F revenue recognition for EPCC, primarily relating to LSS5+ project as the majority of billings is now expected to be recognised in FY27. This is partially offset by upward revisions to margin assumptions particularly for LSS5, supported by the Group's early procurement strategy, which should largely insulate from cost pressures.

**Valuations.** As a result, we lower our **TP to RM1.94** (from RM2.08), based on our SoP valuation. Our TP imputes a 5% premium to reflect the Group's 4-star ESG rating as appraised by us (see page 4). Current valuations remain compelling, with the stock trading at forward PERs of 17x/14x for FY26F/FY27F, at a discount to SLVEST's 22x/18x despite comparable growth prospects. Based on our data checks, panel prices have risen to c.13cent/W (+25% YTD), driven by tighter shipments during the CNY period and front-loading ahead of the 9% VAT implementation, a trend expected to persist until April. In this environment, SAMAI DEN has received c.30% of 800MW solar panels to date, with an additional 30%-40% expected to be received before VAT implementation, is better positioned to manage near-term cost volatility and is therefore our **preferred pick for 2Q**. Beyond April, panel prices are expected to normalise as front-loading effects fade and demand stabilises post-VAT. This should gradually restore sentiment towards players with later delivery schedules, such as **SLVEST (OP: RM2.45)**.

**Investment case.** We continue to like SAMAI DEN for: (i) the bright outlook of the RE sector in Malaysia, underpinned by the government's goal of RE making up 70% of total generation mix by 2050, (ii) the increased commercial viability of solar power projects on low solar panel prices and the export potential of RE, (iii) its position as one of the top players in the local solar EPCC market, (iv) its ability to provide end-to-end solutions, including financing, and (v) its proven track record in delivering projects on time and within budget. Maintain **OUTPERFORM**.

**Risks to our call include:** (i) the government's dial-back on RE policy, (ii) influx of new players in the EPCC space, intensifying competition, (iii) project execution risks, including cost overruns and project delays, and (iv) escalating cost of solar panels.

#### Exhibit 1: Sum-of-Parts (SoP) Valuation

Business/Asset	Value (RM m)	Basis
EPCC	965.3	30x FY27F PER
CGPP	19.5	DCF with a discount rate of 5.5%
LSS5	42.3	DCF with a discount rate of 5.6%
LSS5+	9.8	DCF with a discount rate of 5.6%
C&I	3.9	DCF with a discount rate of 5.6%
Biomass	60.5	DCF with a discount rate of 5.6%
<b>Asset Valuation</b>	<b>-42.0</b>	
Proceeds from warrant conversion	1059.2	
	101.9	
Enlarged share base (m shares)	1161.0	
Fully-diluted TP before ESG (RM/share)	1.85	
ESG premium (RM/share)	0.09	5% based on a 4-star rating
<b>TP after ESG (RM/share)</b>	<b>1.94</b>	

Source: Kenanga Research

#### Exhibit 2: Solar Module Prices

Module Type (TOPCon Bifacial)	USD/w							
	Week1	Week2	Week3	Week4	Week5	Week6	Week7	YTD (%)
182mm, 72 cells (580-590w)	0.10	0.11	0.11	0.12	0.12	0.12	0.12	20%
210mm, 60 cells (630-655w)	0.10	0.11	0.12	0.12	0.12	0.12	0.13	25%
210mm, 60 cells (700-725w)	0.10	0.11	0.12	0.12	0.12	0.12	0.13	25%
210R, 60 cells (610-635w)	0.00	0.11	0.12	0.12	0.12	0.12	0.13	N.A.

Source: Kenanga Research

Note: Prices are presented in USD/W. RMB-denominated module prices were converted into USD using an RMB/USD exchange rate of 0.15 (as of 27 February 2026).

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## Peer Table Comparison

Name	Rating	Last Price (RM)	Target Price (RM)	Upside	Market Cap (RM m)	Shariah Compliant	Current FYE	Core EPS (sen)		Core EPS Growth		PER (x) - Core Earnings		PBV (x)	ROE	Net Div. Div. (sen)	Net Div Yld
								1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.
<b>Stocks Under Coverage</b>																	
KJTS GROUP BHD	OP	0.800	1.30	62.5%	552.4	Y	12/2026	3.1	3.7	18.1%	20.0%	26.1	21.7	3.1	15.1%	0.0	0.8%
PEKAT GROUP BHD	OP	1.33	1.72	29.3%	939.3	Y	12/2026	8.5	9.2	22.4%	7.3%	15.6	14.5	2.4	18.6%	0.0	0.0%
SAMAIDEN GROUP BHD	OP	1.13	1.94	71.7%	567.9	Y	06/2026	6.3	7.5	21.3%	18.8%	17.9	15.0	2.8	17.4%	0.0	1.0%
SOLARVEST HOLDINGS BHD	OP	2.22	3.45	55.4%	2,106.1	Y	03/2026	10.3	14.3	51.9%	39.2%	21.5	15.5	4.4	22.7%	0.0	0.0%
SWIFT ENERGY TECHNOLOGY BHD	OP	0.190	0.470	147.4%	190.2	Y	09/2026	1.3	2.0	-29.3%	53.8%	14.6	9.5	2.4	19.1%	0.0	0.0%
<b>Sector Aggregate</b>					<b>939.3</b>					<b>21.3%</b>	<b>20.0%</b>	<b>18.7</b>	<b>15.5</b>	<b>2.4</b>	<b>17.4%</b>		<b>0.8%</b>

Source: Kenanga Research

\*Note that Sunview numbers based on Bloomberg consensus

**Stock ESG Ratings:**

	Criterion	Rating			
<b>GENERAL</b>	Earnings Sustainability & Quality	★	★	★	★
	Community Investment	★	★	★	★
	Workers Safety & Wellbeing	★	★	★	★
	Corporate Governance	★	★	★	
	Anti-Corruption Policy	★	★	★	
	Emissions Management	★	★	★	
<b>SPECIFIC</b>	Transition to Renewables	★	★	★	★
	Reliable Energy & Fair Tariff	★	★	★	★
	Effluent/Waste Management	★	★	★	
	Ethical Practices	★	★	★	★
	Supply Chain Management	★	★	★	
	Customer Satisfaction	★	★	★	★
<b>OVERALL</b>		★	★	★	★

☆ denotes half-star  
 ★ -10% discount to TP  
 ★★ -5% discount to TP  
 ★★★ TP unchanged  
 ★★★★ +5% premium to TP  
 ★★★★★ +10% premium to TP

**Stock Ratings are defined as follows:**

**Stock Recommendations**

OUTPERFORM : A particular stock’s Expected Total Return is MORE than 10%  
 MARKET PERFORM : A particular stock’s Expected Total Return is WITHIN the range of -5% to 10%  
 UNDERPERFORM : A particular stock’s Expected Total Return is LESS than -5%

**Sector Recommendations\*\*\***

OVERWEIGHT : A particular sector’s Expected Total Return is MORE than 10%  
 NEUTRAL : A particular sector’s Expected Total Return is WITHIN the range of -5% to 10%  
 UNDERWEIGHT : A particular sector’s Expected Total Return is LESS than -5%

**\*\*\*Sector recommendations are defined based on market capitalisation weighted average expected total return for stocks under our coverage.**

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