

20 May 2026

## Samaiden Group

### Strong Margins Recorded

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SAMAIDEN's 9MFY26 results were deemed within expectations despite accounting for 69% of our full-year forecast, as 4QFY26 earnings should catch up when LSS5 EPCC projects enter the steeper S-curve recognition phase. The key positive was margin resilience, which we attribute to the early stage of LSS5 execution, where recognition of lower-margin components such as solar panels and inverters remained limited. Order book stood at RM488.4m, or 1.4x FY25 revenue. Near-term replenishment remains driven by LSS5+, supported by its proven utility-scale EPCC track record, and c.RM1.4bn unutilised sukuk facilities. Maintain OUTPERFORM and TP of RM1.94.

**Within expectations.** After adjusting for a RM1.1m FV gain on short-term investments, SAMAIDEN's 3QFY26 CNP came in at RM8.0m, bringing 9MFY26 CNP to RM21.1m (+72% YoY). This accounted for 69% of our full-year forecast and 70% of consensus estimate. We deem the results to be within expectations, as the slight shortfall is expected to be offset in 4QFY26, with the LSS5 projects moving into the steeper part of the S-curve, supporting stronger progress recognition.

**QoQ,** CNP was broadly stable at RM8.0m (+1%), despite revenue declining 34% to RM67.9m, mainly due to lower progress recognition as LSS5 projects remained in the early site preparation phase. Nevertheless, CNP margin expanded sharply by 6.9 ppts to 11.8%, which we attribute to the limited recognition of solar panel and inverter costs at this stage, as these key components typically carry lower margins.

**YoY,** CNP rose strongly by 72%, mainly driven by higher EPCC work progress from ongoing CGPP and LSS projects. We believe the stronger performance was supported by a better project mix, particularly from CGPP projects, which typically carry better margins due to higher contracted prices. In addition, we partly attribute the margin expansion to lower procurement costs following the strengthening of MYR against USD (USD/MYR averaged RM3.94 in Mar-26 vs. RM4.43 in Mar-25). As a result, PATMI margin expanded by 2.6 ppts.

**Outlook.** Earnings momentum is expected to improve in 4QFY26, driven by accelerated execution of LSS5 EPCC projects as they enter the steeper phase of the S-curve recognition cycle. Margins may normalise slightly, but high single-digit margins remain achievable, supported by early solar panel procurement for existing LSS5 projects. SAMAIDEN's pre-purchased solar panels, currently stored at rented facilities, provide better cost visibility amid the recent module price rebound from c.USD0.09/W to c.USD0.11/W. Near-term order book replenishment from LSS5+ remains the key catalyst, with sizeable capacity still unallocated. Backed by its proven utility-scale solar track record and c.RM1.4bn unutilised sukuk facilities, SAMAIDEN remains well-positioned to scale its LSS5+ market share from the current c.5%, potentially closer to its c.12% share under LSS5.

**Forecasts.** Maintained.

**Valuations.** We maintain our TP at **RM1.94**, derived from a sum-of-parts (SoP) valuation, implying a blended 25x FY27F PER and incorporating a 5% ESG premium based on our internal assessment.

## OUTPERFORM ↔

Price : **RM1.08**  
Target Price : **RM1.94** ↔

### Share Price Performance



KLCI	1,727.27
YTD KLCI chg	2.8%
YTD stock price chg	-13.6%

### Stock Information

Shariah Compliant	Yes
Bloomberg Ticker	SAMAIDEN MK EQUITY
Market Cap (RM m)	636.2
Shares Outstanding	525.8
52-week range (H)	1.62
52-week range (L)	0.90
3-mth avg. daily vol.	989,739
Free Float	31%
Beta	1.0

### Major Shareholders

Hee Ir Chow Pui	28.1%
Chudenko Corp	20.7%
Oversea-Chinese Bank	15.9%

### Summary Earnings Table

FYE June (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>26.9</b>	<b>30.8</b>	<b>36.6</b>
Consensus (NP)	-	30.0	35.6
Earnings Revision	-		
Core EPS (sen)	5.5	6.3	7.5
Core EPS Growth (%)	75.7	14.2	18.9
NDPS (sen)	1.5	1.1	1.1
NTA per Share (RM)	0.3	0.4	0.5
PER (x)	19.5	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

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**Investment case.** We continue to like SAMAIIDEN 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 falling 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 overrun and project delays, and (iv) escalating cost of solar panels, although unlikely amid US slapping tariffs on Southeast Asia manufactured solar panels.

### Results Highlights

FYE Jun (RM m)	3Q26	2Q26	QoQ	3Q25	YoY	9M26	9M25	YoY
Revenue	67.9	102.8	-34%	89.2	-24%	258.8	218.6	18%
Cost of sales	-52.5	-86.5	-39%	-79.7	-34%	-212.6	-191.3	11%
<b>Gross Profit</b>	<b>15.3</b>	<b>16.3</b>	<b>-6%</b>	<b>9.4</b>	<b>63%</b>	<b>46.2</b>	<b>27.3</b>	<b>69%</b>
Other income	2.1	2.1	-1%	1.1	81%	5.8	3.7	57%
Administrative expenses	-4.0	-6.0	-33%	-3.6	11%	-15.2	-12.3	24%
<b>Operating Profit</b>	<b>13.4</b>	<b>12.4</b>	<b>8%</b>	<b>7.0</b>	<b>92%</b>	<b>36.7</b>	<b>18.7</b>	<b>97%</b>
Finance costs	-1.1	-1.5	-27%	-0.4	202%	-4.0	-1.1	277%
Impairments	0.0	0.0	-70%	-0.1	-73%	-0.4	-0.1	201%
<b>Profit before tax</b>	<b>12.3</b>	<b>10.8</b>	<b>14%</b>	<b>6.6</b>	<b>87%</b>	<b>32.3</b>	<b>17.5</b>	<b>85%</b>
Tax expense	-3.2	-1.8	78%	-1.6	102%	-8.1	-4.4	82%
Non-controlling Interests	0.0	0.0	1900%	0.0	-58%	-0.1	-0.1	31%
<b>Net Profit</b>	<b>9.1</b>	<b>9.0</b>	<b>1%</b>	<b>5.0</b>	<b>82%</b>	<b>24.3</b>	<b>13.1</b>	<b>86%</b>
<b>Core Net Profit</b>	<b>8.0</b>	<b>8.0</b>	<b>1%</b>	<b>4.4</b>	<b>83%</b>	<b>21.1</b>	<b>12.3</b>	<b>72%</b>
GP Margin	22.6%	15.8%		10.6%		17.8%	12.5%	
Operating Margin	19.7%	12.0%		7.8%		14.2%	8.6%	
PBT Margin	18.1%	10.5%		7.4%		12.5%	8.0%	
Net Margin	13.4%	8.8%		5.6%		9.4%	6.0%	
Core Net Margin	11.8%	7.8%		4.9%		8.2%	5.6%	
Effective tax rate	25.9%	16.5%		24.0%		25.0%	25.3%	

Source: Company, Kenanga Research

### Exhibit 2: Solar Module Prices

Module Type (TOPCon Bifacial)	USD/w							
	Week15	Week16	Week17	Week18	Week19	Week15	Week16	YTD (%)
182mm, 72 cells (580-590w)	0.11	0.11	0.11	0.11	0.11	0.11	0.11	13%
210mm, 60 cells (630-655w)	0.11	0.11	0.11	0.11	0.11	0.11	0.11	13%
210mm, 60 cells (700-725w)	0.11	0.11	0.11	0.11	0.11	0.11	0.11	14%
210R, 60 cells (610-635w)	0.12	0.11	0.11	0.11	0.11	0.12	0.11	N.A.

Source: Kenanga Research

Note: RMB-denominated module prices are converted into USD based on the end-of-week RMB/USD exchange rate.

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

<b>Business/Asset</b>	<b>Value (RM m)</b>	<b>Basis</b>
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>	<u>-42.0</u>	
Proceeds from warrant conversion	<u>1059.2</u>	
	101.9	
Enlarged share base (m shares)	<u>1161.0</u>	
Fully-diluted TP before ESG (RM/share)	1.85	
ESG premium (RM/share)	<u>0.09</u>	5% based on a 4-star rating
<b>TP after ESG (RM/share)</b>	<u>1.94</u>	

Source: Kenanga Research

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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. (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>																	
CHEEDING HOLDINGS BHD	OP	0.640	0.700	9.4%	510.2	Y	03/2026	4.3	5.3	30.8%	23.5%	15.0	12.1	5.7	48.6%	1.1	1.7%
KAWAN RENEGY BHD	OP	0.515	0.730	41.7%	283.3	Y	10/2026	4.8	6.1	11.9%	27.8%	10.8	8.4	2.0	20.7%	140.0	271.8%
KJTS GROUP BHD	OP	0.765	1.34	75.2%	528.3	Y	12/2026	3.0	3.7	17.0%	21.6%	25.2	20.7	2.3	11.8%	60.9	79.6%
PEKAT GROUP BHD	OP	1.53	1.72	12.4%	1,083.7	Y	12/2026	8.5	9.2	22.4%	7.3%	17.9	16.7	2.7	18.2%	0.0	0.0%
SAMAIDEN GROUP BHD	OP	1.21	1.94	60.3%	636.2	Y	06/2026	6.3	7.5	21.3%	18.8%	19.1	16.1	3.0	17.4%	1.1	0.9%
SOLARVEST HOLDINGS BHD	OP	2.59	3.45	33.2%	2,470.2	Y	03/2026	10.3	13.3	51.9%	29.5%	25.1	19.4	5.1	22.7%	0.0	0.0%
SWIFT ENERGY TECHNOLOGY BHD	OP	0.170	0.470	176.5%	170.1	Y	09/2026	1.3	2.0	-29.3%	53.8%	13.1	8.5	2.2	19.1%	0.0	0.0%
<b>SECTOR AGGREGATE</b>					<b>5,682.1</b>												
										<b>24.5%</b>	<b>23.1%</b>	<b>21.9</b>	<b>17.8</b>	<b>3.3</b>	<b>22.6%</b>		<b>50.6%</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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