Sunview Group Berhad

(0262) | SUNVIEW MK) ACE |Energy

SHARIAH Compliant

Corporate Update

Maintain BUY

Revised Target Price **RM0.54** (from RM0.62)

Driven by Stronger Margins

Maintain BUY. We expect Sunview's prospects moving forward to be driven by the rising demand for rooftop solar, the ongoing progress of EPCC projects for CGPP. Sunview is among the key beneficiaries of EPCC prospects under LSS5, other upcoming large-scale solar schemes, and the long-term RE growth potential from the National Energy Transition Roadmap (NETR). We maintain our BUY recommendation on Sunview with a revised target price of RM0.54, as we peg its revised FY26F EPS of 2.7 after accounting for its latest number of shares in issue, to a PER of 20x, at a discount to its larger peers.

Below estimates. Sunview's core earnings in 4QFY25 dipped -58.9%yoy to RM2.0m, bringing its cumulative 12MFY25 core earnings to RM7.2m, down -25.3% from FY24. This is below expectations, making up 80.0% of our full-year estimates but within consensus at 96.0%.

EPCC and services. Revenue generated from EPCC-related services saw a -51.7% decline to RM222.9m, with a -24.9% decrease in PBT to RM31.3m. The decline is mainly attributable to the commencement of EPCC projects for the Corporate Green Power Programme (CGPP) which are still at initial stages as compared to the completion of major progress milestone large scale solar (LSS) projects last year.

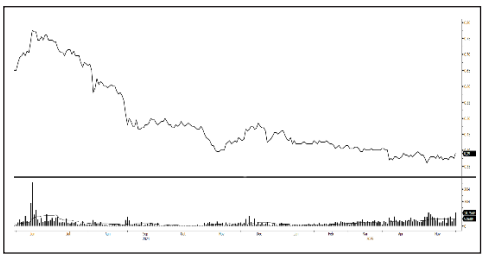
Strong outstanding order book. The group's unbilled order book currently stands at RM374.3m, providing Sunview with earnings visibility up to FY26. We expect the LSS5 EPCC projects which are progressively being awarded to aid in order book replenishment. Recall that Sunview has participated in tenders for up to 330MW of LSS5 EPCC jobs. We are optimistic on future replenishment prospects, with sizeable EPCC jobs coming from LSS5 and the upcoming LSS5+ and LSS6, on top of a strong interest in rooftop solar among commercial and industrial (C&I) and residential segments. We have previously estimated that up to RM17.0b of solar EPCC jobs are available for industry players.

Updates on overseas projects. Recall that Sunview has recently set up two new wholly-owned subsidiaries namely Sunview-Alpha LLC and Sunview Beta LLC in Uzbekistan for the proposed development of two solar plants (600MW) in Uzbekistan and is ironing out certain terms before the signing of the power purchase agreement (PPA).

Earnings estimates. Our FY26E earnings target remains largely unchanged at RM13.9m amid some minor tweaks in revenue and margin expectations.

RETURN STATISTICS	
Price @ 30th May 2025 (RM)	0.39
Expected share price return (%)	+38.5
Expected dividend yield (%)	-
Expected total return (%)	+38.5

SHARE PRICE CHART



Price performance (%)	Absolute	Relative
1 month	0.0	2.1
3months	-3.7	-1.9
12 months	-40.0	-36.2

INVESTMENT STATISTICS

FYE Mar	2024A	2025A	2026F
Revenue	465.9	226.8	486.9
Operating Profit	22.6	13.6	24.8
Profit Before Tax	16.0	9.3	18.5
Core PATAMI	9.6	7.2	13.9
Core EPS	2.1	1.2	2.6
DPS	-	-	-
Dividend Yield	-	-	-

KEY STATISTICS	
FBM KLCI	1,508.35
Issued shares (m)	510.54
Estimated free float (%)	61.92
Market Capitalisation (RM'm)	221.41
52-wk price range	RM0.35 -RM0.80
3-mth average daily volume (m)	4.38
3-mth average daily value (RM'm)	1.69
Top Shareholders (%)	
New Energy Capital Sdn Bhd	24.88
Ong Hang Ping	4.14
Chow Kian Hung	2.91

Analyst

Royce Tan Seng Hooi
royce.tan@midf.com.my
03-2173 8461

SUNVIEW GROUP BERHAD: 4QFY25 RESULTS SUMMARY

All in RM'm unless stated otherwise	Quarterly Results					Cumulative		
Income Statement	**4QFY25**	**3QFY25**	**4QFY24**	**QoQ**	**YoY**	**12MFY25**	**12MFY24**	**YoY**
Revenue	76.0	62.8	103.2	**21.1%**	**-26.3%**	226.8	465.9	**-51.3%**
Cost of sales	(66.7)	(54.0)	(84.3)	**-23.4%**	**20.9%**	(194.4)	(422.7)	**54.0%**
Gross profit	9.3	8.8	18.9	**6.6%**	**-50.6%**	32.5	43.2	**-24.9%**
Other income	0.4	1.1	0.4	**-60.4%**	**18.8%**	4.2	0.7	**480.7%**
Administrative expenses	(5.7)	(6.6)	(8.4)	**12.8%**	**32.1%**	(23.1)	(21.3)	**-8.3%**
Operating profit	4.0	3.3	10.8	**23.6%**	**-62.8%**	13.6	22.6	**-39.9%**
Finance costs	(2.0)	(2.0)	(2.9)	**-1.9%**	**29.3%**	(7.4)	(7.7)	**4.1%**
Profit before tax	2.5	2.7	8.3	**-6.5%**	**-69.9%**	9.3	16.0	**-42.1%**
Tax	(1.4)	(0.7)	(3.7)	**-103.8%**	**62.1%**	(2.9)	(6.4)	**54.3%**
Profit after tax	1.1	2.0	4.6	**-44.4%**	**-76.1%**	6.3	9.6	**-33.9%**
Core net profit	2.0	2.0	4.8	**-1.7%**	**-58.9%**	7.2	9.6	**-25.3%**

FINANCIAL SUMMARY

Profit or Loss (RM'm)	**2022A**	**2023A**	**2024A**	**2025A**	**2026F**
Revenue	99.3	347.0	465.9	226.8	328.9
EBIT	13.4	25.9	20.0	13.6	25.4
PBT	10.9	21.5	16	9.3	18.8
Taxation	-2	-8.5	-5.1	-2.9	-4.9
PAT	8.9	13	10.9	7.2	13.9
Core earnings	8.9	12.9	10.9	7.2	13.9
EPS (sen)	1.9	2.8	2.1	1.2	2.6
PER (x)	20.5	14.0	18.3	33.5	15.2
DPS (sen)	-	-	-	-	-
Dividend yield (%)	-	-	-	-	-

Cash Flow (RM'm)	**2022A**	**2023A**	**2024A**	**2025A**	**2026F**
PBT	10.9	21.5	16.0	9.3	18.8
Depreciation	3.2	4.0	6.2	4.7	3.2
Change in NWC	3.9	(89.6)	26.3	-20.4	3.9
Operating cash flow	**2.0**	**(69.6)**	**3.5**	**17.6**	**2.0**
Capital expenditure	(4.2)	(5.4)	(5.3)	(5.4)	(4.2)
Investing cash flow	**(3.0)**	**6.2**	**(3.6)**	**(5.4)**	**(3.0)**
Debt raised/(repaid)	(15.0)	(2.7)	(10.0)	(15.9)	(15.0)
Dividends paid	-	-	-	-	-
Financing cash flow	**56.6**	**47.9**	**22.6**	**12.5**	**56.6**
Net cash flow	**55.5**	**11.9**	**22.5**	**(1.6)**	**55.5**
Beginning cash flow	**1.9**	**57.4**	**69.3**	**11.9**	**1.9**
Ending cash flow	**57.4**	**69.3**	**91.8**	**10.4**	**57.4**

Balance Sheet (RM'm)	**2022A**	**2023A**	**2024A**	**2025A**	**2026F**
PPE	39.2	40.6	43.7	54.5	50.1
ROU assets	17.3	17.3	16.8	39.6	17.3
Non-current assets	**57.2**	**57.9**	**79.9**	**94.1**	**86.3**
Trade receivables	31.4	44.6	56.3	76.9	49.5
Cash & bank balances	20.1	87.4	51.1	39.4	99.6
Current assets	101.1	226.6	279.0	353.2	251.2
Long-term debt	42.7	31.9	36.6	48.3	18.9
Non-current liabilities	**43.1**	**32.7**	**37.1**	**48.8**	**20.6**
Short-term debt	10.1	58.1	91.7	76.6	70.3
Trade payables	19.3	38.4	100.1	140.6	63.2
Current liabilities	**60.4**	**148.2**	**201.7**	**223.2**	**143.4**
Share capital	24.2	81.6	108.8	137.4	137.4
Reserves	17.7	30.7	40.3	46.7	36.0
Equity	**54.7**	**103.5**	**140.5**	**155.8**	**173.4**

Profitability Ratios (%)	**2022A**	**2023A**	**2024A**	**2025A**	**2026F**
EBIT margin	13.5%	7.5%	4.3%	6.0%	7.7%
PBT margin	10.9%	6.2%	3.4%	4.1%	5.7%
PATAMI margin	9.0%	3.7%	2.3%	2.8%	4.2%
Core PATAMI margin	9.0%	3.7%	2.3%	3.2%	4.2%

Source: Bloomberg, MIDFR

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MIDF AMANAH INVESTMENT BANK: GUIDE TO RECOMMENDATIONS

STOCK RECOMMENDATIONS

BUY	Total return is expected to be >10% over the next 12 months.
TRADING BUY	The stock price is expected to rise by >10% within 3 months after a Trading Buy rating has been assigned due to positive news flow.
NEUTRAL	Total return is expected to be between -10% and +10% over the next 12 months.
SELL	Total return is expected to be <-10% over the next 12 months.
TRADING SELL	The stock price is expected to fall by >10% within 3 months after a Trading Sell rating has been assigned due to negative news flow.

SECTOR RECOMMENDATIONS

POSITIVE	The sector is expected to outperform the overall market over the next 12 months.
NEUTRAL	The sector is to perform in line with the overall market over the next 12 months.
NEGATIVE	The sector is expected to underperform the overall market over the next 12 months.

ESG RECOMMENDATIONS* - source Bursa Malaysia and FTSE Russell

☆☆☆☆	Top 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆☆	Top 26-50% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆	Top 51%- 75% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆	Bottom 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell

* ESG Ratings of PLCs in FBM EMAS that have been assessed by FTSE Russell in accordance with FTSE Russell ESG Ratings Methodology