Corporate Update

Samaiden Group

(0223 | SAMAIDEN MK) Main | Utilities

SHARIAH Compliant | ESG 3 Stars | FTSE4Good

Maintain BUY

Revised Target Price **RM1.73**
(from RM1.70)

Accelerated Progress

Maintain BUY. We maintain our BUY recommendation on Samaiden with a revised SOTP-derived **TP** of **RM1.73**. We expect FY26 to be a stronger year for the group, premised on its strong order book. Samaiden is among the key beneficiaries of EPCC prospects under LSS5 and LSS5+, the upcoming LSS6 and other upcoming large-scale solar schemes, and the long-term RE growth potential from the National Energy Transition Roadmap (NETR). The group is also among those shortlisted in Dec-24 under LSS5 to develop a 99.99MW solar farm in Pasir Mas, Kelantan under LSS5. In Mar-25, Samaiden inked a 21-year power purchase agreement (PPA) with Tenaga Nasional Bhd, which will see the latter purchasing the net energy output from the facility upon the commercial operation date (COD) in Oct-27.

Above estimates. Samaiden's 2QFY26 core net profit grew +67.4%yoy to RM8.0m, driven mainly by utility scale solar EPCC projects during the quarter. The cumulative 6MFY26 core net profit saw a +39.8%yoy growth to RM13.1m, coming in above our expectations at 60.6% of our full-year projection but within consensus at 48.2%.

Key takeaways. The group's revenue surged +28.4%yoy to RM102.8m during the quarter, anchored by a stronger EPCC business, driven by the accelerated construction activities and higher progress billings from utility scale solar, coupled with higher margins. Revenue from solar generation was unchanged at RM0.2m.

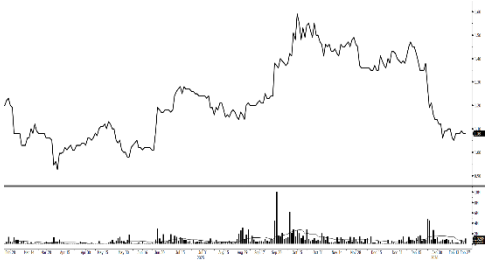
No significant impact from solar panel price hikes. Management commented that the recent cancellation of export value-added tax rebates on solar PV products from China did not have any significant impact on its performance during the period, as module supply for projects in hand were substantially secured, with limited exposure to spot pricing, attributable mainly to smaller C&I projects.

Order book. Samaiden's outstanding order book currently stand at RM600.5m, anchored by ongoing projects under the LSS5 and CGPP, providing two years of earnings visibility. Samaiden has set an ambitious target to achieve an outstanding order book of RM1.0b by FY26 and is actively bidding for jobs. We expect replenishment prospects to come from LSS5+, BESS and rooftop solar, both residential and commercial and industrial. Management previously targeted EPCC opportunities for up to 400MW LSS5+.

Earnings estimates and TP. We raise our FY26E/FY27F/FY28F earnings estimates by +19.4%/+0.7%+0.5% on the back of a stronger EPCC progress. As such, we are also revising our sum-of-the-parts (SOTP) derived **TP** to **RM1.73** from RM1.70 previously.

RETURN STATISTICS	
Price @ 25th Feb 2026 (RM)	1.08
Expected share price return (%)	+60.2
Expected dividend yield (%)	+2.8
Expected total return (%)	+63.0

SHARE PRICE CHART



Price performance (%)	Absolute	Relative
1 month	-15.6	-17.0
3months	-22.9	-31.3
12 months	-10.0	-19.3

INVESTMENT STATISTICS

FYE Jun	2026E	2027F	2028F
Revenue	415.9	463.7	512.4
Operating Profit	36.9	32.7	34.5
Profit Before Tax	35.4	42.0	57.6
Core PATAMI	25.8	30.0	40.6
Core EPS	4.6	5.3	7.2
DPS	3.0	3.0	3.0
Dividend Yield	2.8%	2.8%	2.8%

KEY STATISTICS	
FBM KLCI	1,747.81
Issue shares (m)	448.24
Estimated free float (%)	32.11
Market Capitalisation (RM'm)	542.44
52-wk price range	RM0.91 - RM1.62
3-mth average daily volume (m)	0.81
3-mth average daily value (RM'm)	1.05
Top Shareholders (%)	
Datuk Chow Pui Hee	29.59
Foon Fong Yeng	17.39
Chudenko Corp	16.70

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Samaiden Group Berhad: 2QFY26 Results Summary

FYE Jun (RMm)	2Q25	1Q26	2Q26	QoQ	YoY	6MFY25	6MFY26	YTD
Revenue	80.0	88.1	102.8	16.7%	28.4%	129.4	190.9	47.5%
Gross profit	10.0	14.6	16.3	11.8%	63%	17.9	30.8	72.6%
Admin expenses	(4.5)	(5.2)	(6.0)	15.0%	32%	(8.7)	(11.2)	28.6%
Other income	1.4	1.6	2.1	29.1%	45%	2.5	3.7	45.4%
Operating profit	**6.9**	**11.0**	**12.4**	**12.9%**	**79%**	**11.7**	**23.4**	**99.4%**
Finance cost	(0.3)	(1.4)	(1.5)	9.6%	486%	(0.7)	(2.9)	316.4%
PBT	**6.6**	**9.2**	**10.9**	**17.7%**	**66%**	**10.9**	**20.1**	**84.0%**
Tax	(1.8)	(3.1)	(1.8)	-42.4%	-2%	(2.9)	(4.9)	71.5%
PAT	4.7	6.1	9.0	47.4%	90%	8.1	15.2	87.8%
MI	(0.0)	(0.1)	(0.0)	-98.6%	-93%	(0.0)	(0.1)	217.4%
Net profit	4.8	6.2	9.0	45.7%	90%	8.1	15.2	88.2%
Core net profit	**4.8**	**5.1**	**8.0**	**55.1%**	**67.4%**	**9.4**	**13.1**	**39.8%**
EPS (sen/share)	0.85	0.91	1.42			1.67	2.33	39.8%
DPS (sen/share)	1.50	1.40				1.50	1.40	-6.7%
Margins:				***ppts***	***ppts***			
Gross	12.5%	16.5%	15.8%	*-0.7*	*3.4*	13.8%	16.2%	
EBIT	8.6%	12.4%	12.0%	*-0.4*	*3.4*	9.0%	12.2%	
PBT	8.2%	10.5%	10.6%	*0.1*	*2.4*	8.4%	10.5%	
Core net profit	6.0%	5.8%	7.8%	*1.9*	*1.8*	7.2%	6.9%	

Source: Company, MBSBR

Sum-of-the-parts valuation

Units	Equity Value	Basis
EPCC business	718.9	PER (26x PER)
FiT- Bachok	6.5	*DCF (WACC: 6%)*
FiT - Kemaman	24.5	*DCF (WACC: 6%)*
FiT - Tangkak	22.8	*DCF (WACC: 6%)*
LSS5	137.7	*DCF (WACC: 6%)*
CGPP	61.1	*DCF (WACC: 6%)*
Total SOP	**971.5**	
Shares out	562.3	
Value/share (RM)	**1.73**	

Source: MBSBR

Financial Summary

Profit or Loss (RM'm)	2024A	2025A	2026E	2027F	2028F
Revenue	227.2	353.6	415.9	463.7	512.4
EBIT	23.5	28.4	36.9	32.7	34.5
PBT	21.9	25.9	35.4	42.0	57.6
Taxation	-5.8	-5.7	-9.5	-11.1	-15.0
PAT	16.0	20.1	25.8	31.0	42.6
Core earnings	16.0	19.0	25.8	30.0	40.6
EPS (sen)	2.9	3.9	4.6	5.3	7.2
PER (x)	37.8	28.0	23.5	20.3	15.0
DPS (sen)	0.70	1.50	3.0	3.0	3.0
Dividend yield (%)	0.6%	1.4%	2.8%	2.8%	2.8%

Cash Flow (RM'm)	2024A	2025A	2026E	2027F	2028F
PBT	21.9	25.9	35.4	41.0	55.6
Depreciation	1.0	1.5	13.0	18.3	24.4
Change in NWC	-47.8	-34.9	8.9	10.7	10.9
Operating cash flow	**2.4**	**-16.4**	**41.9**	**51.8**	**68.6**
Capital expenditure	-2.1	-20.5	-26.9	-40.7	-61.7
Investing cash flow	**2.2**	**-41.1**	**-26.9**	**-40.7**	**-61.7**
Debt raised/(repaid)	-0.1	97.7	0.2	1.1	1.5
Dividends paid	-2.0	-9.2	-5.9	-5.9	-5.9
Financing cash flow	**20.0**	**113.1**	**-5.7**	**-4.8**	**-4.4**
Net cash flow	24.6	55.6	4.8	6.1	2.3
Beginning cash flow	**96.6**	**121.4**	**175.9**	**180.7**	**187.8**
Ending cash flow	**121.3**	**176.9**	**185.1**	**188.0**	**192.3**

Balance Sheet (RM'm)	2024A	2025A	2026E	2027F	2028F
PPE	5.2	17.6	40.7	63.1	100.4
ROU assets	2.7	8.7	2.7	2.7	2.7
Non-current assets	**7.9**	**26.3**	**43.4**	**65.8**	**103.1**
Trade receivables	47.5	299.6	74.3	82.8	91.5
Cash & bank balances	132.2	212.4	196.8	203.1	205.6
Current assets	197.2	567.5	382.0	408.7	431.9
Long-term debt	1.8	2.3	2.4	3.4	4.9
Non-current liabilities	**3.6**	**8.2**	**4.2**	**5.2**	**6.7**
Short-term debt	6.6	105.0	6.6	6.6	6.6
Trade payables	37.5	182.6	169.1	188.5	208.3
Current liabilities	**66.9**	**391.6**	**242.4**	**266.3**	**290.6**
Share capital	85.0	106.5	106.5	107.5	108.5
Reserves	49.4	0.6	71.8	94.8	128.5
Equity	**134.6**	**167.7**	**178.9**	**202.9**	**237.6**

Profitability Ratios (%)	2024A	2025A	2026E	2027F	2028F
EBIT margin	10.3%	8.0%	8.9%	7.0%	6.7%
PBT margin	9.6%	7.3%	8.5%	9.1%	11.2%
PATAMI margin	7.1%	5.7%	6.2%	6.7%	8.3%
Core PATAMI margin	7.1%	5.4%	6.2%	6.5%	7.9%
ROE	11.9%	11.4%	14.5%	14.8%	17.1%

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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