Corporate Update

Sunview Group Berhad

(0262 | SUNVIEW MK) ACE | Energy

SHARIAH Compliant

ESG 2 Stars

Maintain **SELL**

Unchanged Target Price **RM0.30**

Wins RM290m EPCC Job from Malakoff

Maintain SELL. We maintain our **SELL** recommendation on Sunview with an unchanged target price of **RM0.30** as the group's earnings continue to disappoint. While we are positive on the renewable energy subsector, especially the solar EPCC players that are expected to benefit from the various schemes and policies and the longer-term National Energy Transition Roadmap (NETR), we believe compressed margins from fixed-sum contracts could weigh on profitability.

Timely project win. Just a week after an underwhelming quarterly earnings announcement, Sunview has secured a RM289.7m solar PV plant project from Malakoff Evergreen Sdn Bhd (MEVSB) to be built at Sungai Likau, Bintulu. While Sunview did not provide the specifications of the project, we believe this is a 100MW solar PV facility, going by past news reports.

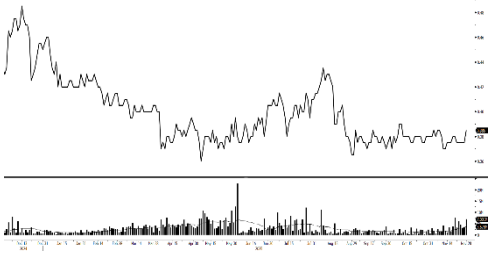
Details of the project. In Oct-25, MEVSB, a 70% subsidiary of Malakoff Corp Bhd, entered into a 30-year PPA with SESCO, scheduled to begin in 2028. The RM289.7m EPCC contract awarded to Sunview is a fixed contract sum, which may pose margin risks to the group considering the recent cancellation of export value-added tax rebates on solar PV products from China, which may see an increase in solar module prices.

Boost to order book. Recall that the group had recently proposed a diversification in its principal business to include solar power generation. While potential stronger earnings from power generation would bode well for Sunview, its bread and butter are still in solar EPCC. The group's unbilled order book with the new win is now RM366.2m. We expect future replenishment prospects to come from LSS5+, on top of ongoing rooftop solar jobs.

Earnings estimates and TP. We maintain our earnings estimates after trimming it last week post-results. We are also maintaining our target price of RM0.30 as we peg Sunview's FY27F EPS of 1.5 sen to a PER of 20x, at a discount to its larger peers.

RETURN STATISTICS	
Price @ 5th Mar 2026 (RM)	0.355
Expected share price return (%)	-15.5
Expected dividend yield (%)	-
Expected total return (%)	-15.5

SHARE PRICE CHART



Price performance (%)	Absolute	Relative
1 month	2.9	4.1
3months	-4.1	-10.7
12 months	-12.3	-20.2

INVESTMENT STATISTICS

FYE Sept	2025A	2026F	2027F
Revenue	379.1	360.2	396.3
Operating Profit	-57.7	24.0	25.8
Profit Before Tax	-66.1	13.2	13.9
Core PATAMI	-71.3	8.9	9.3
Core EPS	-0.11	1.4	1.5
DPS	-	-	-
Dividend Yield	-	-	-

KEY STATISTICS	
FBM KLCI	1,713.20
Issue shares (m)	540.91
Estimated free float (%)	56.76
Market Capitalisation (RM'm)	201.54
52-wk price range	RM0.29 - RM0.44
3-mth average daily volume (m)	5.63
3-mth average daily value (RM'm)	2.05
Top Shareholders (%)	
New Energy Capital Sdn Bhd	24.88
Ong Hang Ping	4.14
Chow Kian Hung	2.91

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FINANCIAL SUMMARY

Profit or Loss (RM'm)	2023A	2024A	2025A	2065F	2027F
Revenue	347.0	465.9	379.1	299.2	329.1
EBIT	25.9	-57.7	21.7	21.0	22.5
PBT	21.5	16.0	-66.1	12.0	12.6
Taxation	(8.5)	(5.1)	(4.2)	(3.1)	(3.3)
PAT	13.0	10.9	(70.3)	8.9	9.3
Core earnings	13.0	10.9	(71.3)	8.9	9.3
EPS (sen)	2.8	2.1	-0.11	1.4	1.5
PER (x)	17.0	20.4	-	25.0	23.8
DPS (sen)	-	-	-	-	-
Dividend yield (%)	-	-	-	-	-

Cash Flow (RM'm)	2023A	2024A	2025A	2065F	2027F
PBT	21.5	16.0	13.1	15.0	15.9
Depreciation	3.2	4.0	6.9	5.5	5.5
Change in NWC	3.9	(89.6)	(57.4)	41.2	(32.1)
Operating cash flow	**2.0**	**(72.5)**	**26.5**	**18.2**	**18.2**
Capital expenditure	(4.2)	(5.4)	(5.7)	(5.3)	(5.3)
Investing cash flow	**(3.0)**	**11.6**	**(7.4)**	**(3.6)**	**(3.6)**
Debt raised/(repaid)	(15.0)	(2.7)	24.9	(11.0)	(11.0)
Dividends paid	-	-	-	-	-
Financing cash flow	**56.6**	**48.5**	**53.4**	**23.6**	**24.6**
Net cash flow	**55.5**	**11.9**	**7.3**	**38.2**	**39.2**
Beginning cash flow	**1.9**	**27.4**	**7.9**	**15.3**	**53.5**
Ending cash flow	**57.4**	**7.9**	**15.3**	**53.5**	**92.7**

Balance Sheet (RM'm)	2023A	2024A	2025A	2026F	2027F
PPE	40.6	43.7	52.9	54.5	56.1
Intangible assets	17.3	16.8	18.6	17.3	18.3
Non-current assets	**57.9**	**79.9**	**95.8**	**97.4**	**99.0**
Trade receivables	44.6	57.8	55.1	99.6	93.6
Cash & bank balances	87.4	51.1	73.7	49.5	26.9
Current assets	**226.6**	**279.0**	**415.5**	**333.6**	**380.9**
Long-term debt	31.9	36.6	128.6	63.2	72.7
Non-current liabilities	**32.7**	**37.1**	133.0	70.3	70.3
Short-term debt	58.1	91.7	**288.1**	**160.0**	**169.5**
Trade payables	38.4	100.1	45.6	50.1	55.1
Current liabilities	**148.2**	**201.7**	**46.2**	**50.8**	**55.8**
Share capital	81.6	108.8	137.4	137.4	137.4
Reserves	30.7	40.3	48.2	82.7	117.2
Equity	**103.5**	**140.5**	**177.0**	**220.1**	**254.6**

Profitability Ratios (%)	2023A	2024A	2025A	2065F	2027F
EBIT margin	7.5%	4.3%	5.7%	7.2%	7.0%
PBT margin	6.2%	3.4%	3.5%	4.2%	4.0%
PATAMI margin	3.7%	2.3%	2.1%	3.1%	3.0%
Core PATAMI margin	3.7%	2.3%	1.8%	3.1%	3.0%

Source: Bloomberg, MBSBR

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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