

Samaiden Group Berhad

TP: RM1.96 (+81.3%)
Results that Radiate
Last Traded: RM1.08
BUY (ESG: ★★★★★)

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Review

- Samaiden Group Berhad's (SAMAIDEN) IHFY26 result came in within expectations. The group reported a core net profit of RM8.2mn (+87% YoY) for its 2QFY26, which brought IHFY26 core net profit to RM13.6mn (+64% YoY), accounting for 49%/50% of our/consensus' full year estimates.
- 2QFY26 revenue rose 28% YoY driven by commencement and progressive construction of several utility-scale solar projects, which includes the Nextenaga LSS4 project as well as LSS5 projects.
- Bottomline grew at a faster pace (+87% YoY) given stronger margins reflective of improved project mix in the period. The recent cancellation of export VAT rebates on solar panels from China did not have any significant impact as module supply for secured projects has been largely secured with little exposure to spot pricing.
- Similarly, on sequential basis, revenue grew by 17% QoQ reflecting accelerated construction activities and higher progress billings from the group's utility-scale solar projects. Operating margins help up well, while bottomline was boosted by lower effective tax rate during the quarter.

Impact

- No change to our earnings forecasts.

Outlook

- The latest set of result underpins our thesis of improving earnings delivery in FY26F driven by stronger project margins on the back of better cost efficiency (from project location proximity and optimised design) and cheap solar module cost locked in ahead of project execution.
- EPCC orderbook stood at RM601mn as at end-December 2025, which is still strong relative to the RM617.5mn levels at end of the prior (September 2025) quarter, considering the >RM100mn burn-rate in 2QFY26. The latest orderbook represents 1.7x the group's record FY25 revenue, with management targeting to hit a RM1bn orderbook within CY26F driven by the upcoming LSS5+ EPCC awards following conclusion of the LSS5+ auction in September 2025.
- Under Budget 2026, the government announced that the LSS6 auction (2GW) will be launched in CY26. SAMAIDEN is still looking to compete for new assets in LSS6, albeit not necessarily through a majority stake. More importantly, LSS6 will sustain the pipeline of EPCC jobs for the group beyond FY26F-27F.
- In addition, SAMAIDEN is well positioned to tap on the additional 300MW quota under the Feed-in-Tariff (FiT) program, where it is also looking to secure more new assets (biogas, biomass or minihydro) and EPCC prospects. Under the previous FiT2.0 auction SAMAIDEN secured the rights to develop three RE assets comprising a biogas plant in Kelantan

Share Information

Bloomberg Code	SAMAIDEN MK
Stock Code	0223
Listing	Main Market
Share Cap (mn)	502.3
Market Cap (RMmn)	542.5
52-wk Hi/Lo (RM)	1.62/0.91
12-mth Avg Daily Vol ('000 shrs)	772.3
Estimated Free Float (%)	32.1
Beta	1
Major Shareholders (%)	Chow Pui Hee - 29.4 Foon Fong Yeng - 10.7 Chudenko Corp - 9.5

Forecast Revision (%)

	FY26	FY27
Forecast Revision (%)	0.0	0.0
Core Net Profit (RM mn)	27.6	37.3
Consensus	27.2	34.8
TA/Consensus (%)	101.7	107.1
Previous Rating	Buy (Maintained)	
Consensus Target Price (RM)	1.78	

Financial Indicators

	FY26	FY27
Net Debt/Equity (x)	net cash	net cash
ROA (%)	4.2	4.9
ROE (%)	14.2	16.0
NTA/Share (RM)	0.4	0.5
P/NTA (x)	2.8	2.3

Scorecard

	% of FY	
vs TA	49	Within
vs Consensus	50	Within

Share Performance

Price Change (%)	SAMAIDEN FBMKLCI	
1 mth	(15.6)	1.6
3 mth	(25.5)	8.4
6 mth	(7.7)	9.1
12 mth	(10.0)	11.5

(12-Mth) Share Price relative to the FBMKLCI



Source: Bloomberg

(1.5MW) and two biomass plants located in Johor (5.5MW) and Terengganu (11.0MW).

- The group's 2 CGPP assets are due for completion, potentially by 3QFY26. Once operational, we expect annual earnings contribution of ~RM2mn, which will boost SAMAI DEN's recurring earnings base.

Valuation & Recommendation

- Re-affirm **Buy** at unchanged sum-of-parts derived TP of **RM1.96**. We continue to like SAMAI DEN as one of the key beneficiaries of an upcycle in RE plant-up underpinned by a solid orderbook, strong net cash position and strong pipeline of RE assets to boost recurring income.
- Share price has retraced -26% in the past 3 months, following news of China's rollback of solar PV export tax rebate. Valuations are now undemanding at 17x CY26F PER, a discount to historical mean of 20x.
- Key catalysts: (1) LSS5+ EPCC contract awards; (2) CRESS/CREAM EPCC contract awards; (3) New power generation asset wins under LSS6 and CRESS. Key risks are a sharp rise in raw material cost such as solar modules and delays in project implementation.

Figure 1: SAMAI DEN SOP Valuation

Unit/Assets	Value (RMm)	Basis
EPCC	616.9	20x CY26F PER
CGPP-1 (29.9MW) (30%-owned)	17.9	Equity value (DCF, WACC: 5%)
CGPP-2 (13.4MW)	27.1	Equity value (DCF, WACC: 5%)
LSS5 Pasir Mas (100.0MW)	143.4	Equity value (DCF, WACC: 5%)
LSS5+ Segamat (100.0MW) (70%-owned)	88.5	Equity value (DCF, WACC: 5%)
Biogas Bachok FiT2.0 (1.5MW)	7.7	Equity value (DCF, WACC: 6%)
Biomass Tangkak FiT2.0 (5.5MW) (88%-owned)	24.3	Equity value (DCF, WACC: 6%)
Biomass Kemaman FiT2.0 (11.0MW) (51%-owned)	28.8	Equity value (DCF, WACC: 6%)
Gross SOP	954.5	
Add: Cash proceeds from warrants	109.8	
Ex-all SOP	1,064.4	
Enlarged share base (m)	560.0	
SOP value (RM/share)	1.90	
ESG premium/(discount)	3.0%	
Target Price (RM/share)	1.96	

Figure 2: Quarterly Result Analysis

FYE Jun (RM mn)	2Q25	1Q26	2Q26	QoQ (%)	YoY (%)	1HFY25	1HFY26	YoY (%)
Revenue	80.0	88.1	102.8	16.7	28.4	129.4	190.9	47.5
Core EBITDA	6.5	10.2	11.7	15.5	79.5	11.8	21.9	85.8
Depreciation & Amortisation	(0.3)	(0.5)	(0.4)	(21.0)	39.6	(0.6)	(0.9)	64.7
Core EBIT	6.3	9.6	11.3	17.5	81.3	11.2	21.0	86.8
Net Finance Costs	0.0	(0.9)	(1.3)	46.6	(3,748.6)	(0.0)	(2.1)	21,380.0
Associates	0.4	0.8	0.8	0.4	123.3	(0.1)	(0.4)	360.9
EI	(0.1)	(0.4)	(0.0)			(0.2)	1.6	
Pretax Profit	6.6	9.2	10.8	17.2	64.9	10.9	20.1	83.5
Taxation	(1.8)	(3.1)	(1.8)	(42.4)	(1.7)	(2.9)	(4.9)	71.5
MI	(0.0)	(0.1)	(0.0)	(98.6)	(92.9)	(0.0)	(0.1)	217.4
Reported Net Profit	4.8	6.2	9.0	45.7	89.9	8.1	15.2	88.2
Core Net Profit	4.4	5.4	8.2	52.6	87.2	8.3	13.6	63.9
Core EPS (sen)	1.0	1.2	1.8	52.6	87.2	1.8	3.0	63.9
DPS (sen)	0.0	1.4	0.0	n.m.	n.m.	1.5	1.4	n.m.
				%-points	%-points			%-points
Core EBITDA Margin (%)	8.2	11.5	11.4	(0.1)	3.2	9.1	11.5	2.4
Core Net Margin (%)	5.5	6.1	8.0	1.9	2.5	6.4	7.1	0.7

Source: Company, TA Securities

Figure 3: Earnings Summary

FYE 30 Jun (RM mn)	2024	2025	2026F	2027F	2028F
Revenue	227.2	353.6	402.0	487.7	653.3
Core EBITDA	23.0	31.3	41.0	53.6	104.3
Core EBITDA Margin (%)	10.1	8.9	10.2	11.0	16.0
Pretax Profit	21.9	25.9	35.5	47.5	63.4
Reported Net Profit	16.0	20.2	27.6	37.3	49.1
Core Net Profit	14.9	22.8	27.6	37.3	49.1
Core EPS (sen)	3.0	4.5	5.5	7.4	9.8
Core EPS Growth (%)	44.5	52.6	21.4	34.9	31.8
Core PER (x)	36.4	23.8	19.6	14.6	11.0
DPS (sen)	0.7	1.5	1.4	1.9	2.4
Dividend Yield (%)	0.6	1.4	1.3	1.7	2.3

Sector Recommendation Guideline

OVERWEIGHT: The total return of the sector, as per our coverage universe, exceeds 12%.

NEUTRAL: The total return of the sector, as per our coverage universe, is within the range of 7% to 12%.

UNDERWEIGHT: The total return of the sector, as per our coverage universe, is lower than 7%.

Stock Recommendation Guideline

BUY : Total return of the stock exceeds 12%.

HOLD : Total return of the stock is within the range of 7% to 12%.

SELL : Total return of the stock is lower than 7%.

Not Rated: The company is not under coverage. The report is for information only.

Total Return of the stock includes expected share price appreciation, adjustment for ESG rating and gross dividend. Gross dividend is excluded from total return if dividend discount model valuation is used to avoid double counting.

Total Return of the sector is market capitalisation weighted average of total return of the stocks in the sector.

ESG Scoring & Guideline

	Environmental	Social	Governance	Average
Scoring	★★★★	★★★★	★★★★	★★★★
Remark	SAMAIDEN is involved in the EPCC of RE power generation plants and also owns RE generation assets. It is also constantly monitoring subcontractors and suppliers to avoid environmental incidents and hazards.	There are comprehensive occupational safety and health standards in place. There is also comprehensive employee engagement and development plans in place to nurture the talents within the group.	SAMAIDEN applies the majority of the best practices of the Malaysian Code on Corporate Governance. 33% of the board members are female and 67% of board members are independent non-executive directors.	

★★★★★ (≥80%)	: Displayed market leading capabilities in integrating ESG factors in all aspects of operations, management and future directions.	+5% premium to target price
★★★★ (60-79%)	: Above adequate integration of ESG factors into most aspects of operations, management and future directions.	+3% premium to target price
★★★ (40-59%)	: Adequate integration of ESG factors into operations, management and future directions.	No changes to target price
★★ (20-39%)	: Have some integration of ESG factors in operations and management but are insufficient.	-3% discount to target price
★ (<20%)	: Minimal or no integration of ESG factors in operations and management.	-5% discount to target price

Disclaimer

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As of Thursday, February 26, 2026, the analyst, Hafriz Hezry, who prepared this report, has interest in the following securities covered in this report:
(a) nil

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