



# Solarvest order book hits record RM1.4bil

Sentiment	Positive	Frequency	Daily
Outlet Country	Malaysia	Outlet Language	English
Impressions	582,136	Circulation	291,068
PR Value	174,641	Page	7

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## Firm eyes upside from Bess-drive opportunities

### CORPORATE

PETALING JAYA: Renewable energy (RE) specialist Solarvest Holdings Bhd's latest large-scale solar 5 (LSS5) contract win of RM103mil from the Penang Development Corp (PDC) announced on March 26 ensures the company continues to be a firm bet to clinch more projects.

This includes LSS5+, LSS6 and other initiatives under the Net Energy Metering (NEM) programme.

Analysts believe the latest contract secured from the PDC not only enhances earnings visibility and raises the outstanding order book to a record high of nearly RM1.4bil.

With year-to-date contracts worth RM504mil, this accounts for roughly a quarter of the order book assumptions for the financial year ending March 31, 2026 (FY26).

Last week, the company won an RM401mil contract under the LSS5 programme from Tenaga Nasional Bhd (TNB).

Hong Leong Investment Bhd (HLIB) Research, which has maintained a "buy" call on the stock with a target price of RM2.25, said the company could be a prime beneficiary of LSS5+ and LSS6 project roll-outs over the next 24 months as the government accelerates energy transition.

**"We estimate that the three LSS programmes could fetch a total EPCC value amounting to RM15bil to RM18bil, helping to prolong the company's order book growth cycle."**

Hong Leong Investment Bhd Research

"We estimate that the three LSS programmes could fetch a total engineering, procurement, construction and commissioning (EPCC) value amounting to RM15bil to RM18bil, helping to prolong the company's order book growth cycle," it said.

The research house noted that further upside to these estimates could be possible due to requirements from the battery energy storage system (Bess) requirements under LSS6.

**"TNB's RM42.8bil spending plans should also facilitate above-trend capacity growth rates while the need for more RE supply could come under the NEM and corporate RE supply scheme programmes when data centres become operational."**

Kenanga Research, which has raised Solarvest's target price to RM2.69 from RM2.65 while maintaining its "outperform" call, said there was a strong influx of

opportunities from the LSS5 rollout and from the additional 500MW quota under the NEM programme.

"Based on our estimates, we expect Solarvest to stand a strong chance to secure at least 30% of the total photovoltaic system EPCC jobs under LSS5, which we estimate at RM5bil, translating to RM1.5bil," it said.

Philip Capital has also maintained a "buy" call on the stock with an unchanged target price of RM2.54.

It estimates that the outstanding order book ensures earnings visibility until FY27.

"Solarvest is bidding for a combined 5.5GW of solar projects in Malaysia, potentially translating into a RM11bil EPCC contract value," it said, adding that a total of RM4bil to RM5bil of LSS5 EPCC contracts were expected to be awarded this year.