

JS Solar Holding Berhad (JSSOLAR)

Journey to Sustainability: Where the Future Shines

- **Started in 2018, JS Solar Holding Berhad is a Malaysian renewable energy solutions provider specialising in EPCC and contracting services for solar PV systems, as well as O&M services. The group focuses on rooftop solar projects for residential, commercial and industrial buildings, while also undertaking utility-scale solar PV projects and long-term system maintenance.**
- **We project 3-year earnings CAGR of 10.6%, with core PAT anticipated to reach RM9.1m-RM10.8m over the next three years. This growth is underpinned by (i) the group's introduction of BESS, (ii) expansion in Sabah for more utility-scale projects, and also (iii) continuous market share expansion leveraging various government initiatives.**
- **We assign a fair value of RM0.45 per share for JSSOLAR, indicating a 45.2% upside from the IPO price of RM0.31. This valuation is based on a PE multiple of 15.3x pegged to mid-FY27f EPS of 2.95 sen.**

Investment highlights

Introduction of BESS. In August 2023, JSSOLAR collaborated with Huawei and N.U.R Distribution to serve as a main contractor providing EPCC services for a 1.0 MWac/ 2.0 MWh Battery Energy Storage Systems (BESS) project in KHTP, Kedah. The project has been successfully completed in April 2025. With this pilot project, it enhances JSSOLAR's knowledge and experience about BESS, positioning the group to introduce more BESS projects together with its EPCC services moving forward, contributing to higher top-line growth.

Proxy of Tenaga. The group has a revenue concentration toward its major customer, GSPARX, which is a subsidiary of Tenaga Nasional Berhad (TNB), reflecting JSSOLAR's role as one of the indirect key partners in the deployment of the country's rooftop solar PV system. Given that JSSOLAR is a registered Strategic Partner as System Installer (SPSI) vendor of GSPARX, it allows JSSOLAR to tender for any solar PV system projects throughout Peninsular Malaysia to be awarded by GSPARX. Hence, this allows the group to basically ride on the country's renewable energy goals. As of FY25, GSPARX contributed 30.7% of JSSOLAR's revenue.

Further expansion in Sabah. The group plans to establish a sales and support office in Kota Kinabalu, Sabah to strengthen its presence in the growing Sabah renewable energy market, supported by initiatives such as SELCO-PV Sabah and LSS-Sabah 2024. Backed by its proven track record in Peninsular Malaysia and the ongoing 5.9MWac Tawau Project, this expansion will enhance local visibility, improve service response times, and capture new business opportunities in Sabah and East Malaysia.

Strong regulatory credentials to undertake projects of any scale. The group is registered with key authorities, including SEDA as a solar PV service provider, CIDB as a Grade 7 contractor (unlimited project size), and the Energy Commission as a Class A Electrical Contractor (no voltage or capacity limit). These credentials position the group to handle large and complex solar PV projects in Malaysia.

Ongoing orderbook of RM39.7m. As at 31 July 2025, JSSOLAR's order book stood at RM39.7m, comprising unrecognised revenue from its ongoing EPCC, contracting, and O&M projects. The majority (93.6%) is expected to be realised in FY26, with the balance flowing into FY27 and beyond, providing some near-term earnings visibility.

IPO Note – Not rated

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Non-Rated

Share price	RM0.31
Target price	RM0.45
Previous TP	-
Capital upside	45.2%
Dividend return	-
Total return	45.2%

Company profile

Incorporated since 2018, JS Solar Holding Berhad is primarily involved in providing (i) EPCC services for solar PV systems, (ii) contracting services and (iii) O&M services.

Stock information

Bursa Code	0369
Bloomberg ticker	JSSOLAR MK
Listing market	ACE
Share issued (m)	325.0
Market Cap (m)	100.8
Shariah compliant	YES
MITI allocation	YES

Major shareholders

Rantai Inspirasi	19.6
Sa Chee Peng	16.9
Ikwan Hafiz Bin Jamaludin	16.2

Earnings snapshot

FYE (Mar)	FY25	FY26f	FY27f
PATMI (m)	8.0	9.1	10.1
EPS (sen)	2.5	2.8	3.1
P/E (x)	12.6	11.1	10.0

Timetable of IPO

Opening of application	28 August
Closing of application	9 September
Balloting of application	11 September
Allotment of the IPO shares	19 September
Listing on the ACE market	23 September



Tailwinds from favourable government policies. According to Malaysia’s estimated installed solar power generation capacity under the National Energy Transition Roadmap (NETR), contributions from solar energy is projected to increase more than 9-fold, from 6.0GW in 2025 to 56.0GW in 2050, with at least 2.5GW of floating solar by 2040. Other favourable government policies include NEM, LSS projects, CGPP, CRESS, NEP, GITA, SOLARIS and SELCO, which are all expected to drive the growth of JSSOLAR’s moving forward. To capture the growth of the solar sector, the group has allocated RM2.5m (10.4% of IPO proceeds) for working capital purpose and RM1.5m (6.4% of IPO proceeds) for business expansion and marketing activities.

Market share expansion anticipated. According to the IMR report, the market share of JSSOLAR varies between 4.5% to 14.3%. (i) JSSOLAR achieved a cumulative solar PV systems installed capacities of 104.0MW under its EPCC services for solar PV systems, comparing against the total installed capacity for solar PV systems of 2,306.0MW in 2024, it represents a market share of 4.5%. (ii) Meanwhile, the group achieved a revenue of RM104.2m in FY25 for the provision of EPCC services for solar PV systems, comparing against the value of solar PV EPCC services of RM728.0m in 2024, it represents a market share of 14.3%. We believe JSSOLAR’s market share will continue to expand, underpinned by the group’s plan to establish sales and support offices in Muar, Johor and Kota Kinabalu, Sabah, coupled with intensified marketing efforts through exhibitions and roadshows, which will in-turn strengthening the group’s market presence across Malaysia.

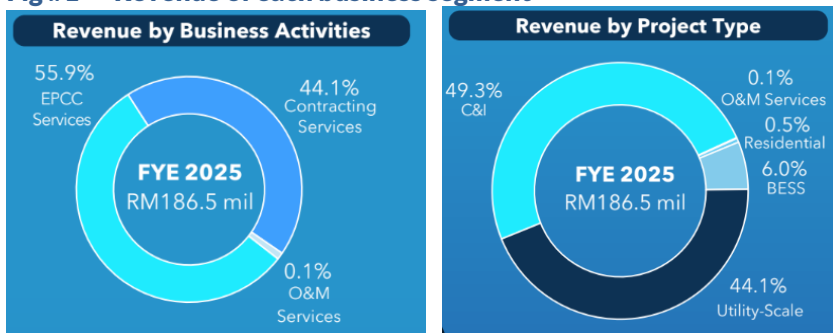
Company background

Incorporated since 2018, JS Solar Holding Berhad is a renewable energy solutions provider specialising in (i) EPCC services for solar PV systems, (ii) contracting services for utility-scale solar PV systems, and (iii) operations and maintenance (O&M) services.

The group’s core business lies in delivering turnkey EPCC solutions, covering design, engineering, procurement, installation, testing and commissioning of solar PV systems, primarily for rooftop installations on residential, commercial, and industrial buildings. Complementing this, JSSOLAR provides contracting services as a subcontractor for ground-mounted, utility-scale solar PV projects, handling selected scopes such as procurement, installation and integration works.

The group also offers O&M services to ensure consistent system performance, encompassing real-time monitoring, preventive maintenance and corrective repairs under contracts ranging from 1 to 25 years. With integrated capabilities across project execution and system maintenance, JSSOLAR positions itself as a comprehensive renewable energy solutions provider in Malaysia’s growing solar industry.

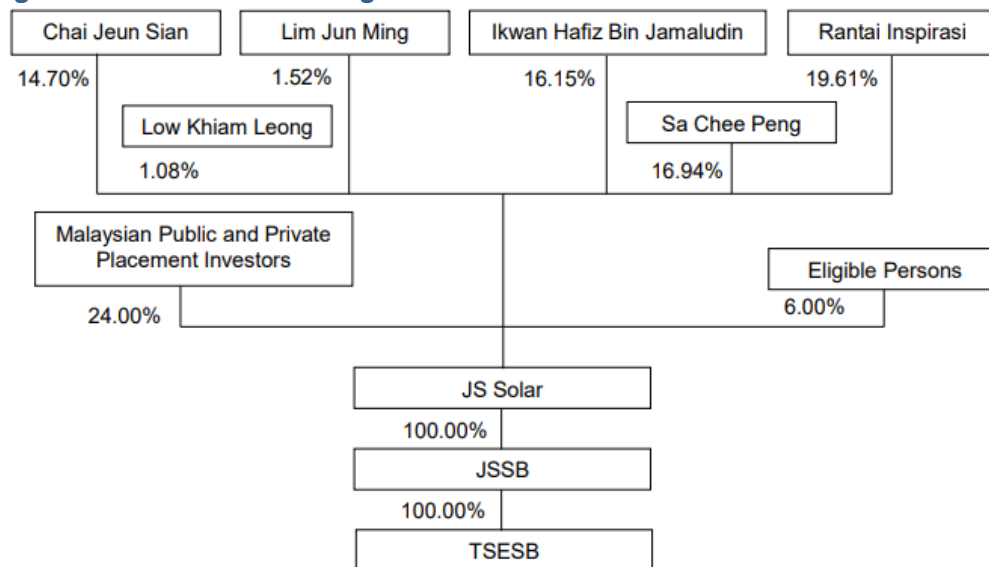
Fig #1 Revenue of each business segment



Source: JS Solar Holding Berhad



Fig #2 Post-IPO shareholding structure



Source: JS Solar Holding Berhad

Substantial Shareholders & Key Senior Management

1. Ikwan Hafiz Bin Jamaludin – Promoter & Substantial Shareholder

Mr. Ikwan, aged 38, holds a Master of Engineering in Mechanical Engineering from Imperial College London. With over 14 years' experience in the energy sector spanning renewable and non-renewable industries, he has held roles with GE Oil & Gas, GE Power & Water and later served as Managing Director & CEO of N.U.R Power Sdn Bhd.

2. Sa Chee Peng – Substantial Shareholder

Mr. Sa, aged 55, holds a Bachelor's degree in Agriculture Business from Universiti Putra Malaysia. He has over 25 years' experience in sales, marketing and operations, and is currently a director of KVC Industrial Supplies Sdn Bhd, overseeing its group operations.

3. Chai Jeun Sian – Promoter, Substantial Shareholder & Managing Director

Mr. Chai, aged 46, holds a Bachelor of Engineering (Hons) in Mechanical & Manufacturing Engineering from Liverpool John Moores University. With more than 20 years' experience, including 16 years in renewable energy, he co-founded JSSB in 2018 and has since led its strategic growth, business development and overall operations.

4. Lim Jun Ming – Chief Technology Officer

Mr. Lim, aged 41, holds a Bachelor of Engineering (Hons) in Electronic Engineering from Universiti Tunku Abdul Rahman. A registered engineer with BEM and member of IEM, he has over 15 years' technical experience in solar PV and telecommunications, and now oversees all technical, design and project implementation functions.

5. Yee Chai Yin – Chief Financial Officer

Ms. Yee, aged 39, holds a Bachelor of Accounting (Hons) from Universiti Utara Malaysia and an MBA from Anglia Ruskin University, UK. She is a Chartered Accountant (MIA) and ASEAN CPA, with over 10 years' experience across audit, finance, and corporate leadership, and is responsible for the Group's finance, internal controls and reporting.



5. Lee Pek Fang – General Manager

Ms. Lee, aged 34, holds a Bachelor of Arts (Hons) in Business & Management from the University of Sunderland, UK. She has more than 10 years' experience in project coordination, contracts and procurement within the solar PV industry, and currently oversees contract management, licensing, procurement and sales support functions.

Fig #3 Corporate milestones

Year	Milestones
2018	<ul style="list-style-type: none"> Incorporation of JSSB and commencement of business Registered as a Grade 7 contractor under CIDB Registered with the EC as an Electrical Contractor under Class C
2020	<ul style="list-style-type: none"> Registered Strategic Partner as System Installer (SPSI) vendor of GSPARX, a green energy solution provider wholly-owned by TNB
2022	<ul style="list-style-type: none"> Registered with MOF as a company providing green technology services, thereby allowing JSSB to supply green energy materials and services to agencies under the Government Registration with EC was upgraded to Class A Electrical Contractor
2023	<ul style="list-style-type: none"> Certified by the MGTC to use the MyHIJAU mark as a solar PV service provider. MyHIJAU is a Government initiative to promote the sourcing and purchasing of green products and services in Malaysia. Strategic collaboration agreement with N.U.R. Distribution Sdn Bhd and Huawei to deploy an "In Front of the Meter Battery Energy Storage System" in Malaysia in order to perform proof of concept. JSSB provided EPCC services for this project.
2024	<ul style="list-style-type: none"> A consortium of JSSB and Samaiden Sdn Bhd, a wholly-owned subsidiary of Samaiden Group Berhad, to provide EPCC services for the 50 MWac KHTP Project.

Source: JS Solar Holding Berhad

Fig #4 Utilisation of proceeds

Use of proceeds	RM'm	%	Estimated time frame
Regulatory fees and renovation costs for the New Office	3.2	13.2	Within 6 months
Repayment of borrowings	12.7	52.6	Within 3 months
Business expansion and marketing activities	1.5	6.4	Within 18 months
Working capital	2.5	10.4	Within 12 months
Estimated listing expenses	4.2	17.4	Within 3 months
Total	24.2	100.0	

Source: JS Solar Holding Berhad

Business overview

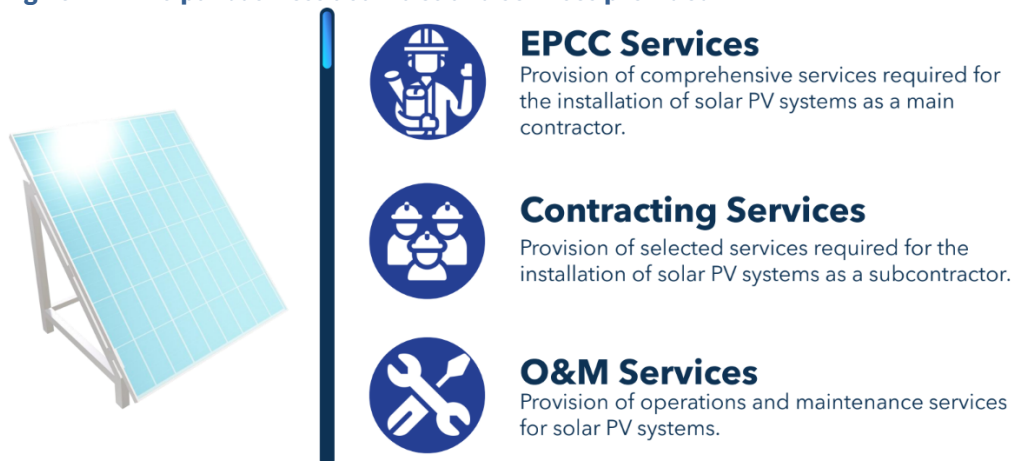
EPCC Services (55.9% of FYE25 revenue). The group is primarily engaged in providing EPCC services for solar PV systems, acting as the main contractor for building owners and solar investors. Its services cover project design, regulatory approvals, procurement of equipment, civil and structural works, system installation, and final commissioning. Projects are mainly rooftop solar PV systems for residential, commercial, industrial, and public facilities, with experience extending to floating solar and battery energy storage systems (BESS).

Contracting Services (44.1% of FYE25 revenue). The group also undertakes contracting services for utility-scale, ground-mounted solar PV projects, where it acts as a subcontractor for selected scopes such as installation and integration works. Unlike its EPCC services, this segment excludes full project design and planning.



O&M Services (0.04% of FYE25 revenue). Complementing its installation services, the group provides operations and maintenance (O&M) services to ensure long-term system performance. Services include real-time monitoring, preventive maintenance, and corrective repairs, with contractual periods ranging from 1 to 25 years. O&M is typically bundled with EPCC projects but is also offered as a standalone service.

Fig #5 Principal business activities and services provided



Source: JS Solar Holding Berhad

Fig #6 SWOT analysis of JSSOLAR

Strength	Weakness
<ul style="list-style-type: none"> • Proven track record in solar EPCC services, with a cumulative installed solar PV capacity of 376.3MWp • Recurring income through O&M services • Different regulatory credentials to undertake projects of any scale 	<ul style="list-style-type: none"> • Relatively low NP margin • Limited recurring income • Small market cap • Working capital dependency as high upfront costs required for EPCC projects
Opportunity	Threat
<ul style="list-style-type: none"> • Market share expansion through IPO proceeds for working capital • Introduction of BESS along with EPCC services • Malaysia's 40% RE Target by 2035 • Other favourable government's policies like NETR, NEM and LSS projects 	<ul style="list-style-type: none"> • Customer concentration risk • Intense competition in solar EPCC industry • Rising input costs following China's anti-involution policy • Project execution risk

Source: M+ Research

Financials

Revenue and income highlights. The group reported a RM46.1m or 32.9% YoY growth in revenue, increasing from RM140.4m in FY24 to RM186.5m in FY25, which was contributed by the contracting services for solar PV systems.

- (i) Revenue from contracting services for solar PV systems rose by RM72.9m or 775.1% from RM9.4m in FY24 to RM82.3m in FY25. The increase was mainly contributed by (i) the completion for the supply of solar PV modules for the 50 MWac KHTP Project, (ii) higher percentage of completion of the 50 MWac KHTP Project and (iii) higher percentage of completion of the 5.9 MWac Tawau Project.



- (ii) Meanwhile, revenue generated from the EPCC services for solar PV systems decreased by RM26.8m or 20.4%, from RM131.0m in FY24 to RM104.2m in FY25. This was mainly due to lower revenue generated from C&I projects, following the completion of 13 projects secured for the installation of solar PV systems on the rooftops of shopping malls located in various states in Peninsular Malaysia.
- (iii) The revenue from O&M services primarily consisted of the deferred O&M revenue, arising from the O&M services bundled and included in EPCC services contracts. The revenue from this segment represents 0.04% of JSSOLAR's total revenue in FY25

Following the increase in revenue, core PAT saw an increase of RM1.6m or 25.0%, from RM6.4m to RM8.0m.

Balance sheet. The group held a total asset of RM81.3m in FY25, a decrease of RM12.8m or 13.6% YoY from RM94.1m in FY24. This was primarily due to the decrease in inventories and trade receivables. Meanwhile, the total liabilities also decreased simultaneously, from RM84.6m in FY24 to RM63.7m in FY25, attributed to the decrease in contract liabilities and current tax liabilities. Lastly, the total equity of the group saw a surge from RM9.6m in FY24 to RM17.6m in FY25. The group is in a gearing position of 1.17 times prior to the listing.

Cash flow. Despite the increase in PBT, the group recorded a lower net cash from operations, decreasing from RM4.5m in FY24 to RM3.5m in FY25 following higher tax paid. Meanwhile, cash flow used in investing activities reduced drastically from a net outflow of RM3.3m in FY24 to a net outflow of only RM0.7m in FY25, due to lesser in both addition in other investments and purchase of property, plant and equipment. Lastly, cash flow from financing activities recorded from an outflow of RM3.1m in FY24 to an inflow of RM2.2m in FY25, thanks to the absence of net loans repayment to shareholders.

Earnings forecasts. Moving forward, we project a 3-year earnings CAGR of 10.6%, with core PATMI expected to reach RM9.1m, RM10.1m, and RM10.8m over the next three years, largely supported by (i) the group's introduction of BESS, (ii) expansion in Sabah for more utility-scale projects, and also (iii) continuous BESS market share expansion leveraging various government initiatives.

Fig #7 Financial Highlights

FYE Mar (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Revenue	140.4	186.5	190.2	204.4	219.1
EBITDA	10.1	13.4	13.1	14.1	15.0
EBIT	9.7	13.0	12.7	13.5	14.5
PBT	9.2	11.3	12.0	13.3	14.3
PAT	6.4	8.0	9.1	10.1	10.8
PATMI – Core	6.4	8.0	9.1	10.1	10.8
PATMI – Reported	6.4	8.0	9.1	10.1	10.8
% change YoY – Core PATMI	564%	25%	14%	11%	7%
Core EPS (sen)	2.0	2.5	2.8	3.1	3.3
P/E (x)	15.7	12.6	11.1	10.0	9.3
EV/EBITDA (x)	8.4	6.3	6.4	6.0	5.6
DPS (sen)	0.4	3.0	-	-	-
Yield (%)	1%	10%	0%	0%	0%
BVPS (RM/share)	0.0	0.1	0.2	0.2	0.2
P/B (x)	10.5	5.7	2.0	1.7	1.4
ROE (%)	107%	59%	27%	18%	17%
Net Gearing (%)	1.2	0.7	CASH	CASH	CASH

M+ Research



Valuations

We assign a fair value of RM0.45 per share for JSSOLAR, representing a 45.2% upside from its IPO price of RM0.31. This valuation is based on a P/E ratio of 15.3x, pegged to the mid-FY27F EPS of 2.95 sen.

Although the average 12-months forward P/E and historical P/E of its peers stood at 19.1x to 20.6x, we believe a 20% discount to the lower-end of the range is justified, reflecting JSSOLAR's lower NP margin and smaller market capitalization. JSSOLAR has a NP margin of 4.3% and market capitalization of RM100.8m, lower than its peers' average of 8.1% and RM11.2bn, respectively.

Fig #8 Peer comparison

Company	Market Group	FYE	Price (RM)	Market Cap (RM'm)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)
JS Solar Holding Bhd	Ace	Mar	0.31	100.8	*12.6	**10.0	*59.0	*4.3
Tenaga Nasional Bhd	MAIN	Dec	13.24	77,177.8	16.2	13.9	7.9	8.3
Pekati Group Bhd	ACE	Dec	1.62	1,044.8	28.5	23.5	22.4	7.7
Solarvest Holdings Bhd	MAIN	Mac	2.26	1,841.2	27.4	N/A	18.1	9.7
Northern Solar Holdings Bhd	ACE	Mac	0.74	292.7	25.5	N/A	25.9	13.4
BM GreenTech Bhd	MAIN	Mac	1.48	1,017.9	15.0	14.9	13.6	9.3
Samaiden Group Bhd	MAIN	Jun	1.14	513.4	24.1	21.5	13.4	5.7
Cypark Resources Bhd	MAIN	Apr	0.84	691.2	N/A	28.0	(0.9)	(3.8)
Yinson Holdings BHD	MAIN	Jan	2.42	7,062.4	7.3	12.5	18.0	14.6
Avg ex-JS Solar Holding Berhad				11,205.2	20.6	19.1	14.8	8.1

Source: M+ Research (*FY25, **FY27f)

Investment risks

Dependence on major customer. GSPARX contributed 22.5%, 68.0%, 72.5% and 30.7% of revenue in FYE22–25. Contracts are secured on a project basis without long-term agreements. Loss or reduced engagement from GSPARX could materially impact financial performance.

Reliance on subcontractors. Project execution depends on subcontractors for labour-intensive works. Poor quality, delays and/or non-performance may require the group to bear rectification costs, affecting overall margins and profitability.

Foreign currency exposure. Purchases of key materials such as solar PV modules and inverters are partly in USD. MYR depreciation against USD may increase procurement costs for the group.

Project cost overrun risk. Most contracts are fixed-price. Unforeseen events such as foreign exchange fluctuations, material cost increases, or subcontractor issues may result in higher costs and lower margins.

Dependence on key management. The group relies on its Managing Director and senior management for strategic direction and technical expertise. Loss of key personnel without timely replacement may impact business continuity and performance.

Environmental, Social & Governance (ESG) Practices

Environmental

- **Renewable energy advocacy.** The group supports Malaysia's transition to clean energy by providing EPCC services for solar PV systems and has installed a



rooftop PV system at its head office.

- **Sustainable operations.** Energy-efficient practices such as turning-off lights when not in use, installation of inverter air-conditioning system and implementation of virtual meetings are carried out to reduce energy consumption and carbon footprint. The group also uses EV forklifts and promotes safe material handling.
- **Certified compliance.** It collaborates with ISO-certified suppliers and is MGTC-certified, allowing the use of the MyHIJAU mark as recognition of adherence to environmental standards.

Social

- **Workplace safety.** A Health & Safety Policy aligned with OSHA is enforced, including mandatory PPE usage, site risk assessments, and regular inspections. Employees receive training for high-risk tasks.
- **Inclusive and ethical workforce.** The group promotes diversity, equal opportunities, and a positive work culture, ensuring fair treatment regardless of gender, ethnicity, or age.

Governance

- **Malaysian Code on Corporate Governance (MCCG).** The board comprises 80% independent directors (4 out of 5) and 40% women (2 out of 5), exceeding MCCG recommendations for independence and gender diversity.
- **Anti-Bribery and Whistleblowing policies.** The group enforces Anti-Bribery and Corruption and Whistleblowing Policies in line with MACC Act 2009.

Overall ESG comments: We view JS Solar Holding Berhad's ESG practices as fair and acceptable. Governance appears sound, with the group exceeding MCCG practices by having 80% independent directors and 60% female board representation. Policies are also in place for anti-bribery and whistleblowing practices. Socially, the group enforces a comprehensive Health & Safety Policy aligned with OSHA, including regular site assessments, mandatory PPE usage, and training for high-risk tasks. Environmentally, we cheer JSSOLAR's role in promoting renewable energy adoption throughout the country through its EPCC services and the installation of rooftop solar PV systems at its head office. The group also implements different energy-efficient measures and engages ISO-certified suppliers to ensure sustainable operations across its value chain.

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Stock recommendation guide

BUY	The share price is expected to appreciate more than 10% over the next 12 months
HOLD	The stock price is expected to range between -10% and +10% over the next 12 months
SELL	The share price is expected to fall more than 10% over the next 12 months
TRADING BUY	The share price is projected to rise more than 10% over the next three (3) months due to an ongoing or impending corporate development. The stock price is also expected to be volatile over the next three months
TRADING SELL	The stock price is expected to fall more than 10% over the next three months due to an ongoing or impending corporate developments. The stock price is also expected to be volatile over the next three months
NOT RATED	No recommendation is assigned



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