



KEMENTERIAN TENAGA DAN SUMBER ASLI

# KERATAN SURAT KHABAR

SURAT KHABAR	:	NST - Business			
TARIKH	:	6/8/2021 (JUMAAT)	MUKA SURAT	:	20
JABATAN	:	ST			



Solarvest Holdings Bhd's higher valuation is premised on the potential solar asset win in Sarawak, stabilising solar panel prices and market optimism, according to RHB Investment Bank Bhd.

INVESTOR OPTIMISM

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## RHB Research keeps 'buy' call on Solarvest on potential job wins

**KUALA LUMPUR:** Solarvest Holdings Bhd is expected to gain from potential contract wins in the coming months, which will continue to fuel investors' optimism on the stock.

RHB Investment Bank Bhd (RHB Research) said demand for solar energy continued to be robust.

Solarvest's RM66 million contract win from Grooveland Sdn Bhd to develop a large-scale solar (LSS) photovoltaic plant in Bota, Perak, could fuel the growth.

RHB Research said this contract win would bring Solarvest's total LSS4 (the fourth cycle of Energy Commission's LSS programme) contract wins to date to RM196 million.

"This is within our expecta-

tions, as we had imputed about RM600 million worth of LSS4 job wins in our forecasts.

"This is Solarvest's third win within a month and we expect more LSS4 contract flows in the coming months as discussions with other shortlisted LSS bidders are ongoing," it said in a note yesterday.

RHB Research has maintained a "buy" call on Solarvest with a new target price of RM1.51 from RM1.32 per share previously.

"Our higher valuation is premised on the potential solar asset win in Sarawak, stabilising solar panel prices and market optimism on more LSS4-related contract wins, as seen in the 22 per cent share price appreciation since our last upgrade on July 16,"

it added.

The research house said Solarvest had shown its interest in the 50MWac floating solar system project at Sarawak Energy's Batang Ai hydroelectric dam as an asset owner.

"We understand the outcome of this bid may be known towards the end of the year. While details are scarce, we are positive on this as any win will provide further upside to our forecast.

"This could also mark Solarvest's entry into Sarawak and lead to further job wins in the future once it starts gaining traction."

RHB Research said Solarvest's earnings should recover strongly once works were allowed to resume.