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AWC Berhad

Another Contract Win for Facilities Management

Newsbreak

- AWC Berhad announced that its wholly-owned subsidiary, Ambang Wira Facilities Sdn Bhd, has received a Letter of Award (LoA) from TM Technology Services Sdn Bhd, a wholly-owned subsidiary of Telekom Malaysia Berhad, for the provision of Integrated Facilities Management (IFM) services for TM Data Centres and Buildings in TM Central 1. The five-year contract, valued at RM99.1m, will commence on 1 November 2025 and run until 31 October 2030.

M+ Global View

- This contract win is positive for AWC and will further expand its order book from RM692.3m to RM791.4m, providing solid earnings visibility with a 1.9x cover ratio over FY25 revenue. Meanwhile, it represents 23.2% of our FY26 full-year revenue target.

- Assuming a 10% margin, we believe this project will provide ~RM9.9m throughout the project period.

Valuation & Recommendation

- **Forecast.** As this job win is within our expectation, we maintained the earnings forecast.

- **Maintained HOLD with a TP of RM0.805.** As the share price has already rallied ahead of this announcement, we maintain our Hold recommendation with a TP of RM0.805. The target price is derived based on a P/E ratio of 10.0x pegged to mid-FY27f EPS of 8.05 sen.

Company update

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BUY

Share price	**RM0.760**
Target price	**RM0.805**
Previous TP	**RM0.805**
Capital upside	5.9%
Dividend return	-
Total return	5.9%

Company profile

AWC Berhad is an engineering group specialising in integrated facilities management, including building maintenance, automated waste collection, M&E engineering, and rail-related works, serving clients across Malaysia, Singapore, and the Middle East.

Stock information	
Bursa Code	7579
Bloomberg ticker	AWCF MK
Listing market	MAIN
Share issued (m)	344.0
Market Cap (m)	261.4
52W High/Low	1.14 / 0.50
Est. Free float (%)	41.2
Beta (x)	2.1
3-mth avg vol ('000)	962.6
Shariah compliant	Yes

Major shareholders	**%**
K-Capital Sdn. Bhd.	25.3
Dato' Ahmad Kabeer Bin	6.2
Mohamed Nagoor Mastrack Sdn Bhd	4.4

Share price vs. KLCI (%)

Hist. return	1M	3M	12M
Absolute	9.4	34.5	-8.4
Relative	9.2	26.1	-9.1

Earnings snapshot

FYE (Jun)	FY25	FY26f	FY27f
PATMI (m)	24.9	25.7	29.0
EPS (sen)	7.2	7.5	8.4
P/E (x)	10.4	10.1	8.9

Relative performance chart



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Financial Forecast

All items in (RM m) unless otherwise stated

Balance Sheet

FYE Jun (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Cash	119	134	130	148	171
Receivables	158	142	155	166	174
Inventories	29	27	29	31	32
PPE	19	19	20	20	20
Others	116	107	107	107	107
Assets	**442**	**428**	**441**	**473**	**504**
Debts	107	97	93	89	85
Payables	91	83	90	96	100
Others	32	19	19	19	19
Liabilities	**230**	**199**	**202**	**204**	**204**
Shareholder's equity	212	229	240	269	301
Minority interest	-	-	-	-	-
Equity	**212**	**229**	**240**	**269**	**301**

Cash Flow Statement

FYE Jun (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Profit before taxation	32	32	34	38	42
Depreciation & amortis	-	-	-	-	-
Changes in working cap	5	10	2	(7)	(5)
Share of JV profits	-	-	-	-	-
Taxation	(8)	(7)	(8)	(9)	(10)
Others	2	(7)	-	-	-
Operating cash flow	**32**	**28**	**28**	**22**	**27**
Net capex	(3)	(3)	-	-	-
Others	(96)	7	-	-	-
Investing cash flow	**(99)**	**4**	**-**	**-**	**-**
Changes in borrowings	82	(10)	(4)	(4)	(4)
Issuance of shares	7	3	2	-	-
Dividends paid	(10)	-	-	-	-
Others	5	(5)	-	-	-
Financing cash flow	**83**	**(12)**	**(2)**	**(4)**	**(4)**
Net cash flow	**17**	**20**	**11**	**17**	**23**
Forex	(1)	(1)	-	-	-
Others	-	-	-	-	-
Beginning cash	119	119	119	130	148
Ending cash	119	134	130	148	171

Income Statement

FYE Jun (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Revenue	**399**	**414**	**428**	**460**	**481**
EBITDA	33	34	36	40	44
EBIT	33	34	36	40	44
Net finance income/ (co	(1)	(2)	(2)	(2)	(2)
Associates & JV	-	-	-	-	-
Profit before tax	**32**	**32**	**34**	**38**	**42**
Tax	(8)	(7)	(8)	(9)	(10)
Net profit	**24**	**25**	**26**	**29**	**32**
Minority interest	(5)	-	-	-	-
Core earnings	**19**	**25**	**26**	**29**	**32**
Exceptional items	-	-	-	-	-
Reported earnings	19	25	26	29	32

Valuation & Ratios

FYE Jun (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Core EPS (sen)	5.7	7.3	7.6	8.5	9.4
P/E (x)	13.3	10.4	10.1	8.9	8.1
EV/EBITDA (x)	2.9	2.9	2.7	2.4	2.2
DPS (sen)	2.9	-	-	-	-
Dividend yield	3.8%	-	-	-	-
BVPS (RM)	0.6	0.7	0.7	0.8	0.9
P/B (x)	1.2	1.1	1.1	1.0	0.9
EBITDA margin	8.3%	8.1%	8.3%	8.7%	9.1%
EBIT margin	8.3%	8.1%	8.3%	8.7%	9.1%
PBT margin	8.1%	7.7%	7.9%	8.3%	8.8%
Net margin	4.9%	6.0%	6.0%	6.3%	6.7%
ROE	8.9%	11.3%	11.3%	11.4%	11.3%
ROA	4.4%	5.7%	5.9%	6.4%	6.6%
Net gearing	CASH	CASH	CASH	CASH	CASH

Source: M+ Research

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As of **Friday, 31 Oct, 2025**, the analyst(s), Kieran Lim, whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:

(a) nil.

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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