AWC Berhad

Seventh Contract Win in FY26

Newsbreak

- AWC Berhad announced that its wholly-owned subsidiary, Ambang Wira Facilities Sdn Bhd (AWFSB), has accepted a Letter of Acceptance issued by the Public Works Department of Malaysia (JKR) for the facilities management and maintenance of Kompleks Masjid Putra, Putrajaya. The contract is valued at RM52.3m and spans 5 years and 3 months, commencing on 1 February 2026 and ending on 30 April 2031. This award expands AWC's footprint in public-sector facilities management and brings total contract wins in FY26 to approximately RM382m.

M+ Global View

- We view this latest award as positive for AWC, reinforcing the group's position in Malaysia's facilities management space. The long tenure of more than 5 years provides stable earnings visibility for the Facilities Division through FY26–FY31.

- Assuming a conservative NP margin between 8%-10%, this contract is expected to contribute around RM4.2-RM5.2m to earnings during the period.

Valuation & Recommendation

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

- **Maintain BUY with a TP of RM0.66.** We maintain our Buy recommendation for AWC with an unchanged TP of RM0.66. The target price is derived based on a P/E ratio of 10.0x pegged to mid-FY27f fully-diluted EPS of 6.58 sen.

Company update

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BUY

Share price	**RM0.575**
Target price	RM0.660
Previous TP	RM0.660
Capital upside	14.8%
Dividend return	-
Total return	14.8%

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)	427.7
Market Cap (m)	245.9
52W High/Low	1.14 / 0.50
Est. Free float (%)	42.1
Beta (x)	2.1
3-mth avg vol ('000)	1323.0
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	-18.4	8.5	-37.2
Relative	-17.8	6.9	-37.4

Earnings snapshot

FYE (Jun)	FY25	FY26f	FY27f
PATMI (m)	24.9	27.1	29.2
EPS (sen)	5.8	6.3	6.8
P/E (x)	9.9	9.1	8.4

Relative performance chart



Financial Forecast

All items in (RM m) unless otherwise stated

Balance Sheet

FYE Jun (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Cash	119	134	132	149	173
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**	**443**	**474**	**506**
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	241	270	302
Minority interest	-	-	-	-	-
Equity	**212**	**229**	**241**	**270**	**302**

Cash Flow Statement

FYE Jun (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Profit before taxation	32	32	36	38	43
Depreciation & amortisation	-	-	-	-	-
Changes in working capital	5	10	2	(7)	(5)
Share of JV profits	-	-	-	-	-
Taxation	(8)	(7)	(9)	(9)	(10)
Others	2	(7)	-	-	-
Operating cash flow	**32**	**28**	**29**	**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**	**13**	**18**	**23**
Forex	(1)	(1)	-	-	-
Others	-	-	-	-	-
Beginning cash	119	119	119	132	149
Ending cash	119	134	132	149	173

Income Statement

FYE Jun (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Revenue	**399**	**412**	**428**	**460**	**481**
EBITDA	33	34	36	40	44
EBIT	33	34	36	40	44
Net finance income/ (co	(1)	(2)	0	(2)	(1)
Associates & JV	-	-	-	-	-
Profit before tax	**32**	**32**	**36**	**38**	**43**
Tax	(8)	(7)	(9)	(9)	(10)
Net profit	**24**	**25**	**27**	**29**	**32**
Minority interest	(5)	-	-	-	-
Core earnings	**19**	**25**	**27**	**29**	**32**
Exceptional items	-	-	-	-	-
Reported earnings	19	25	27	29	32

Valuation & Ratios

FYE Jun (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Core EPS (sen)	4.6	5.8	6.3	6.8	7.6
P/E (x)	12.6	9.9	9.1	8.4	7.6
EV/EBITDA (x)	2.5	2.5	2.3	2.1	1.9
DPS (sen)	2.3	-	-	-	-
Dividend yield	4.0%	-	-	-	-
BVPS (RM)	0.5	0.5	0.6	0.6	0.7
P/B (x)	1.2	1.1	1.0	0.9	0.8
EBITDA margin	8.3%	8.2%	8.3%	8.7%	9.1%
EBIT margin	8.3%	8.2%	8.3%	8.7%	9.1%
PBT margin	8.1%	7.7%	8.3%	8.3%	8.8%
Net margin	4.9%	6.0%	6.3%	6.3%	6.7%
ROE	8.9%	11.3%	11.9%	11.4%	11.3%
ROA	4.4%	5.7%	6.2%	6.4%	6.6%
Net gearing	CASH	CASH	CASH	CASH	CASH

Source: M+ Research

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(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