Company: Wasco Greenergy Berhad

Date: 18 May 2026

Source: Focus Malaysia

Despite declines in earnings, revenue figures, Wasco Greenergy still posts a profitable 1Q FY2026

WASCO Greenergy Bhd, the renewable-energy (RE) arm of Wasco Bhd (previously Wah Seong Corp Bhd), has reported a profitable 1Q FY2026 ended March 31, 2026 underpinned by resilient gross profit margins, a growing orderbook of RM244.7 mil and strong cash and cash equivalents of RM126.7 mil.

Nevertheless, the group's earnings as evident from its pre-tax profit was lower year-on-year (yoy) at RM4.9 mil (1Q FY2025: RM6.31 mil) and likewise that of its net profit at RM4.08 mil (1Q FY2025: RM4.67 mil).

This was primarily attributable to the revenue variance, partially mitigated by improved tax efficiency and a higher interest income of RM900,000 which reflects the group's well-managed cash position.

For the period under review, Wasco Greenergy posted revenue of RM54.37 mil which is 11.5% lower yoy from RM61.45 mil in the corresponding quarter last year.

The variance was primarily driven by the timing of steam turbine deliveries (13 units in its 1Q FY2026 compared with 22 units in 1Q FY2025) and softer contributions from after-sales services in view of seasonal impact of the festive period on project delivery schedules.

However, this was partially offset by increased project activities from the engineering, procurement, construction and commissioning (EPCC) of biomass steam energy systems.

Optimistic on future market demand

Against this backdrop, the group nevertheless preserved its gross profit margin at approximately 24.5% compared with 24.3% in 1Q FY2025 which reflects disciplined project execution and cost management. Its gross profit stood at RM13.3 mil from RM14.9 mil a year ago.

"1Q FY2026 reflects the timing of project deliveries and execution milestones across our business segments," commented Wasco Greenergy's group CEO Lee Yee Chong.

"While the quarter recorded a more moderate revenue performance compared with the same quarter last year, the group remained profitable and continued to maintain healthy gross profit margins through disciplined project execution and on-going contributions from our biomass steam energy systems business."

Added Lee: “Built on more than four decades of engineering expertise, we continue to strengthen our execution capabilities, expand our engineering capacity and maintain operational discipline across our projects.

“Backed by an orderbook of RM244.7 mil and healthy cash reserves of RM126.7 mil, we remain well-positioned to deliver industrial energy solutions to customers across the palm oil and process industries.”

Looking ahead, the group expects demand for efficient and sustainable steam energy systems to remain supported by industrial decarbonisation initiatives, energy efficiency requirements and continued investments within the palm oil and process industries in Malaysia and the broader ASEAN region.

In this regard, Wasco Greenergy will continue to advance project execution, technology enhancement and digitalisation initiatives while actively pursuing new contract opportunities across selected key markets.

In parallel, advancing selected build-own-operate (BOO) opportunities remains part of the group’s long-term strategy to strengthen recurring income streams and support sustainable value creation.

At 2.45pm, Wasco Greenergy was down 3.5 sen or 5.88% to 56 sen with 252,900 shares traded, thus valuing the company at RM280 mil. – May 18, 2026