

Company Name : Wasco Greenergy Berhad

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Wasco Greenergy optimistic on long-term prospects, unfazed by soft debut on Bursa

KUALA LUMPUR: Renewable energy engineering specialist Wasco Greenergy Bhd made its debut on the Main Market of Bursa Malaysia today, opening at 95 sen, slightly below the initial public offering (IPO) price of RM1 amid broad market softness.

A total of 1.73 million shares were traded at the opening bell.

Speaking at a press conference after the listing ceremony, CEO Lee Yee Chong said: "This is a short-term market performance. It is mainly driven by market sentiment and profit-taking. But long term, our fundamentals remain strong. We believe we are going to do better."

The counter closed at 88 sen, 12 sen or 12% below the IPO price, on 24 million shares traded.

Despite the muted opening, the listing marks a major milestone for the syariah-compliant group, which provides engineered steam energy systems and integrated engineering, procurement, construction and commissioning (EPCC) solutions for industrial clients in Malaysia, Indonesia and select overseas markets.

Greenergy, formerly operating under Wasco Thermal and Wasco AgroTech, is part of the Wasco Bhd group.

Greenergy's business is anchored in biomass-fired boilers, gas-fired boilers, heat recovery steam generators and Shinko steam turbine generator systems. Its solutions support energy-intensive sectors such as palm oil, oleochemicals, paper milling, food processing and heavy industries that rely on continuous, reliable steam supply.

According to Frost & Sullivan, demand for engineered steam systems is expected to grow steadily across Asean, driven by the need for greater operational efficiency and tightening emissions standards. Indonesia, in particular, is seeing rising adoption as the country undertakes industrial expansion and strengthens its renewable energy (RE) regulations.

Lee said the company is positioned to ride this momentum, especially as industries move to reduce Scope 1 emissions and replace fossil-fuel systems with biomass alternatives.

"We are excited to be in this bioenergy segment. With decarbonisation and ESG drivers, plus supportive government regulations, we see positive momentum," he said, adding that beyond palm oil, industries are increasingly looking to convert from fossil fuel to biomass technology to reduce carbon emissions.

As at September 2025, Greenergy held an order book of RM249 million, with 80-90% derived from renewable-energy projects. The orders comprise steam boiler EPCC jobs, steam turbine solutions and after-sales services.

By geography, the turbine business is driven largely by Indonesia, which contributes around 70% of turbine-related orders, while Malaysia accounts for 70% of boiler orders. In addition, the company continues to serve palm oil players in Latin America and Africa along the equatorial belt.

The order book will be recognised progressively over the next two to three years, excluding recurring after-sales orders that flow in monthly.

Lee said the company's financial performance improved in the third quarter following a slower first half, which was affected by regulatory adjustments in Indonesia.

"Overall, for the nine months, revenue was slightly lower but profitability was slightly higher. We expect performance to return to normal levels moving forward."

Lee noted that the policy environment remains supportive for biomass and renewable energy. In Malaysia, the government recently rolled out a 300MW RE quota, of which 150MW is allocated for biomass.

"Biomass energy is very much relevant to Malaysian industry. We have industrial users who need steam, and we have abundant biomass waste locally," he said.

Indonesia, meanwhile, is pushing B50 biodiesel adoption and expanding its oil palm plantation area by 600,000 hectares, developments that may stimulate further demand for steam energy systems.

However, Lee acknowledged that clearer regulatory direction in Indonesia would help accelerate investment decisions. “We will continue to work closely with customers and policymakers to understand the way forward,” he said.

The IPO raised RM75 million in gross proceeds. Of this, the largest share, RM38.2 million (50.9%), will be deployed into the company’s Asset Ownership Programme, which involves owning and operating steam plant assets to generate recurring income.

A further RM5.5 million (7.3%) will fund expansion in Indonesia, while RM12.5 million (16.7%) will be used to upgrade equipment, machinery and Greenergy’s headquarters in Shah Alam.

Greenergy is also planning RM5 million in digitalisation investments, including AI-enabled tools, ERP systems and remote monitoring capabilities, aimed at helping clients improve efficiency and reduce downtime.

Another RM4 million (5.3%) is earmarked for research and development, with the remaining RM9.8 million allocated for listing expenses.

Despite the share price pullback on debut, Lee emphasised the company’s long-term prospects and differentiated market positioning.

“Our strength lies in offering integrated solutions from biomass equipment to power generation, boilers and turbines. This gives us a niche and the technical depth to support decarbonisation across industries,” he said.

“This listing is a meaningful milestone. We remain focused on disciplined execution and sustainable long-term performance.”