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BY JUSTIN LIM

PMW International Bhd, a manufacturer of moulds, machinery and concrete poles for power and telecommunications networks, is set to debut on the ACE Market of Bursa Malaysia on Nov 18. The listing positions the company as a proxy to the country's expanding infrastructure and digital connectivity landscape.

The group is making a strategic expansion into Sarawak with a new manufacturing facility in Tanjung Manis. The move is aimed at capturing rising demand from state-led infrastructure initiatives, including Sarawak's coastal highways, as well as ongoing nationwide fibre and 5G roll-outs.

Group CEO Lee Hon Hwa says the expansion marks a key step for PMW to strengthen its presence in Sarawak as the state's infrastructure spending accelerates.

"Looking at Sarawak's infrastructure development, with plans to build new highways, airports and ports over the next 10 to 15 years, moving into Tanjung Manis is a key driver for our growth," he tells *The Edge* in an interview.

The Sarawak facility is expected to further improve PMW's production efficiency and logistics by reducing the cost of transporting from Peninsular Malaysia to Sabah and Sarawak. The plant, scheduled for completion in the fourth quarter of 2027, will produce spun piles and poles for power distribution cables, telecommunications equipment and street lighting.

The facility will complement PMW's existing factories in Perak and Sabah, which currently have a combined annual production capacity of 230,000 tonnes. Once fully operational, the Tanjung Manis plant will add more than 50% to PMW's current capacity, with an annual output of 122,000 tonnes of spun piles and 6,200 tonnes of spun poles, bringing the company's total installed capacity to about 358,000 tonnes.

The Tanjung Manis facility will be developed under a joint venture with the Sarawak Timber Industry Development Corporation (STIDC), which will provide land and development rights. PMW will retain the majority stake in the JV firm.

The project will be financed mainly through the proceeds from its upcoming

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listing, with 77% of PMW's initial public offering (IPO) funds, or RM46.71 million, earmarked for the facility.

Priced at 34 sen per share, the IPO would raise RM90.99 million from the issuance of 178.41 million new shares and the sale of 89.21 million existing shares. The offering saw strong acceptance from the market, with an oversubscription rate of 31.7 times.

The listing would raised RM60.66 million from the public issue, while the offer for sale of existing shares would gross RM30.33 million, which would go entirely to Hon Hwa and his siblings Lee Khim Hwa and Lee Siew Yoke, both of whom are executive directors, as well as Richard Lee, who is in charge of the company's Sabah operations.

Established in 1992, PMW manufactures and sells a range of pre-stressed concrete products, including spun concrete poles, piles and related items. The company also produces moulds, machinery and lighting products for the power, telecommunications and construction sectors in Malaysia and abroad.

TA Securities described PMW as "a key beneficiary of Malaysia's infrastructure up cycle" under the 13th Malaysia Plan (2026-2030) and the country's ongoing digital and energy transition programmes. PMW's diversified exposure across the utilities, transport and telecommunications sectors positions it to capture sustained growth

in demand for its products over the near term, it said in a research note.

Major infrastructure projects like the East Coast Rail Link (ECRL), MRT 3 Circle Line, Pan Borneo Highway and rural electrification programmes will require significant volumes of spun concrete poles, foundation piles and other structural components that make up PMW's core product offerings.

While TA Securities has "not rated" PMW, it has ascribed a fair value of 45 sen per share, applying an FY2026 price-earnings ratio (PER) of 18 times. It said the target multiple represents a 10% premium to its peers' average trailing PER of 16.4 times, owing to the company's larger market capitalisation and stronger earnings visibility.

Tradeview Research is recommending "subscribe" for the stock, with a target price of 42 sen, based on an FY2026F PER of 15 times. The firm projects PMW's revenue to grow at a compound annual growth rate (CAGR) of 12.9% between FY2024 and FY2027, driven by telco rollout activity and continued broader infrastructure spending.

Tradeview Research also highlighted in its research note that nationwide 5G coverage stood at 82.4% of populated areas as at 2025, but Sarawak's rate was only 63.8%, creating direct demand for PMW's customised telecom monopolies.

IPO details	
Issue price	34 sen
IPO market capitalisation	RM303.3 million
IPO valuation (PER)	19 times
Controlling shareholders	Lee United Holding (62.58%); JR Silverline (7.42%)
Subscription rate (public portion)	33 times
Fair value	57 sen (Malacca Securities); 45 sen (TA Securities); 42 sen (Tradeview Research)
Market	ACE Market
Listing date	Nov 18

COMPANY'S PROSPECTS			
Financial highlights			
FY ENDED DEC 31	FY2022	FY2023	FY2024
Revenue (RM mil)	85.24	134.87	165.34
Net profit (RM mil)	8.77	14.29	15.96
EPS (sen)	0.98	1.6	1.79
Dividend paid (RM mil)	1.5	7.2	20.75
Dividend payout ratio (%)	87.14	53.13	460.38

Malacca Securities is the most bullish on PMW, having assigned a fair value of 57 sen, which indicates an upside potential of 68% from the IPO price of 34 sen. The firm expects PMW's core profit after tax and minority interest (Patmi) to rise from RM16 million in FY2024 to RM29.9 million by FY2027, translating into a three-year CAGR of 23.3%.

The expected growth will be driven by the increase in Tenaga Nasional Bhd's (KL:TENAGA) capital expenditure and 5G network expansion, commencement of a new plant in Sarawak and stronger margins, Malacca Securities said in a note.

KAF Investment is the principal adviser, sponsor, sole underwriter and sole placement agent for PMW's IPO.



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