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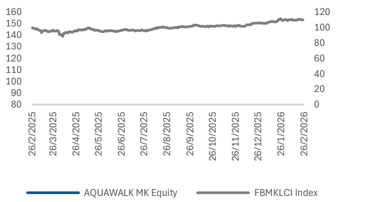
Recommendation:		BUY
Current Price:		RM 0.33
Previous Target Price:		RM 0.51
Target Price:	↔	RM 0.51
Capital Upside/Downside:		54.5%
Dividend Yield (%):		2.3%
Total Upside/Downside:		**56.9%**

Stock Information

Board	ACE
Sector	Consumer Discretionary
Bursa / Bloomberg Code	0380 / AQUAWALK MK
Syariah Compliant	Yes
ESG Rating	★★★
Shares issued (m)	1,843.0
Market Cap (RM' m)	663.5
52-Week Price Range (RM)	0.45-0.3
Beta (x)	#N/A N/A
Free float (%)	50.7
3M Average Volume (m)	9.1
3M Average Value (RM' m)	3.5

Top 3 Shareholders	(%)
Vestmap	41.2
Feliz Natur Sdn Bhd	5.0
Versatrad Agencies	3.8

Share Price Performance



	1M	3M	12M
Absolute (%)	-16.3	5.9	#N/A N/A
Relative (%)	-16.5	-1.6	#N/A Field Not

Earnings Summary

FYE Dec	FY25	FY26F	FY27F
Revenue (RM'm)	111.3	123.3	146.2
PATAMI (RM'm)	38.3	46.9	53.3
CNP (RM'm)	36.8	46.9	53.3
EPS - core (sen)	2.0	2.5	2.9
P/E (x)	18.0	14.1	12.5

Source: Company, Apex Securities

Aquawalk Group Bhd

Below Expectations

- **AQUAWALK's 4QFY25 CNP came in at RM7.6m (-34.8% QoQ) after adjusting for listing-related expenses (+RM1.1m) and other EIs, bringing 12MFY25 CNP to RM36.8m. The results came below expectations, accounting for 92% of our full-year estimates.**
- **The Group declared a final dividend of 1.0 sen (ex-date: 20 Mar 2026).**
- **Maintain our BUY recommendation on AQUWALK, with a of TP of RM0.51 based on an unchanged 20.0x P/E applied to FY26F EPS of 2.5 sen.**

Results below expectations. After adjusting for listing-related expenses (+RM1.1m) and other EIs, AQUAWALK's 4QFY25 CNP came in at RM7.6m (-34.8% QoQ), bringing 12MFY25 CNP to RM36.8m. The results came above expectations, accounting for 92% of our full-year estimates.

Dividend. The Group declared a final dividend of 1.0 sen (ex-date: 20 Mar 2026).

QoQ. CNP fell 34.8% QoQ despite a modest 0.8% revenue increase, supported by stable visitorship during the year-end school holidays, while the earnings decline was mainly driven by a 99.5% surge in operating expenses, largely attributable to higher staff, marketing and year-end administrative costs associated with seasonal peak operation.

YoY. Since AQUAWALK was only listed in November 2025, no YoY comparison is available.

Outlook. We expect FY26F to be favourable for AQUAWALK, driven by higher tourist arrivals ahead of the Visit Malaysia 2026 campaign, supported by ongoing tourism promotion initiatives and the Malaysian Government's RM1,000 domestic tourism tax relief. 1QFY26 is also anticipated to see firmer seasonal traffic, boosted by festive demand during Chinese New Year and Hari Raya. To further enhance visitorship, Aquaria KLCC plans to launch a new 2,500 sq ft interactive attraction, Discovery Zone 6 in early Q2 2026, featuring three high-tech zones: projection mapping, "Create a Creature" digital colouring and an AI photobooth experience. As a standalone ticketed offering, the new zone is expected to lift average revenue per visitor and potentially support earnings growth.

Earnings Revision. Our forecasts are maintained at this juncture, pending the forthcoming briefing.

Valuation and Recommendation. We maintain our **BUY** recommendation on AQUWALK, with a of TP of **RM0.51** based on an unchanged 20.0x P/E applied to FY26F EPS of 2.5 sen. We remain positive on the Group's outlook, driven by driven by (**i) higher visitorship supported by the Visit Malaysia 2026 initiative (ii) potential ticket price adjustments for Aquaria KLCC** and **(iii) contributions from ongoing upgrade and expansion plans.**

Risks. Failure to secure new strategic locations and lease renewals, revocation of licenses & permits and high fixed cost structure that may pressure margins.

KDN PP13226/06/2024 (035469)

Results Comparison

FYE Dec (RM m)	4QFY25	4QFY24	yoy (%)	3QFY25	qoq (%)	12MFY25	12MFY24	yoy (%)
Revenue	29.8	N/A	N/A	29.6	*0.8*	111.3	N/A	N/A
COGS	(10.9)	N/A	N/A	(11.3)	*(2.8)*	(43.9)	N/A	N/A
Gross Profit	**18.9**	**N/A**	**N/A**	**18.3**	***3.0***	**67.5**	**N/A**	**N/A**
Other Income	0.8	N/A	N/A	1.2	*(35.3)*	6.4	N/A	N/A
Other Operating Expenses	(8.9)	N/A	N/A	(4.5)	*99.5*	(21.5)	N/A	N/A
Net gain on impairment of financial instruments	0.0	N/A	N/A	-	*nm*	1.8	N/A	N/A
Core EBIT	**10.7**	**N/A**	**N/A**	**15.0**	***(28.6)***	**54.2**	**N/A**	**N/A**
Share of profit in an associate	**0.1**	N/A	N/A	**0.8**	***(93.7)***	**2.1**	**N/A**	**N/A**
Finance Income	0.5	N/A	N/A	0.1	*616.0*	0.9	N/A	N/A
Finance Costs	(1.7)	N/A	N/A	(1.8)	*(3.1)*	(6.5)	N/A	N/A
Listing Expenses	(1.1)	N/A	N/A	-		(2.4)		
Pre-tax profit	**8.5**	**N/A**	**N/A**	**14.2**	***(40.0)***	**48.3**	**N/A**	**N/A**
Tax	(2.2)	N/A	N/A	(2.5)	*(14.6)*	(9.5)	N/A	N/A
Profit After Tax	**6.3**	**N/A**	**N/A**	**11.6**	***(45.6)***	**38.8**	**N/A**	**N/A**
(-) Minority Interest	-	N/A	N/A	-	-	0.6	N/A	N/A
Net Profit	**6.3**	**N/A**	**N/A**	**11.6**	***(45.6)***	**38.3**	**N/A**	**N/A**
Core Net Profit	**7.6**	**N/A**	**N/A**	**11.6**	***(34.8)***	**36.8**	**N/A**	**N/A**
Core EPS (sen)	0.4	N/A	N/A	0.6	*(34.8)*	2.0	N/A	N/A
Gross profit margin (%)	63.3	N/A		62.0		60.6	N/A	
Core EBIT margin (%)	36.0	N/A		50.8		48.7	N/A	
PBT margin (%)	28.5	N/A		47.9		43.4	N/A	
Effective tax rate (%)	25.5	N/A		17.9		19.6	N/A	
Core net profit margin (%)	25.4	*N/A*		39.3		33.0	N/A	

Source: Company, Apex Securities

Recommendation Framework:
BUY: Total returns* are expected to exceed 10% within the next 12 months.
HOLD: Total returns* are expected to be within +10% to – 10% within the next 12 months.
SELL: Total returns* are expected to be below -10% within the next 12 months.
TRADING BUY: Total returns* are expected to exceed 10% within the next 3 months.
TRADING SELL: Total returns* are expected to be below -10% within the next 3 months.
*Capital gain + dividend yield

Sector Recommendations:
OVERWEIGHT: The industry defined by the analyst is expected to exceed 10% within the next 12 months.
NEUTRAL: The industry defined by the analyst is expected to be within +10% to – 10% within the next 12 months.
UNDERWEIGHT: The industry defined by the analyst, is expected to be below -10% within the next 12 months.

ESG Rating Framework:
★★★★★ : Appraised with 3% premium to fundamental fair value
★★★★ : Appraised with 1% premium to fundamental fair value
★★★ : Appraised with 0% premium/discount to fundamental fair value
★★ : Appraised with -1% discount to fundamental fair value
★ : Appraised with -5% discount to fundamental fair value

As of **Thursday, 26 Feb, 2026**, the analyst(s), whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:
(a) nil.