

KPSB registers 4Q net loss despite 261% increase in revenue

KUALA LUMPUR(Feb 28): Kumpulan Perangsang Selangor Bhd (KPSB) registered a net loss of RM28.54 million in its fourth quarter ended Dec 31, 2016 (4QFY16) compared with a net profit RM14.38 million in the same period last year due partly to share of losses of associates of RM3.98 million.

The losses in 4QFY16 were also due to provision in diminution on investment in an associate company of RM9.64 million.

KPSB told Bursa Malaysia today its 4Q revenue ballooned by 261% to RM63.39 million compared with RM17.56 million a year ago mainly due to higher sales in the trading business of Aqua Flo Sdn Bhd and contributions from the newly-acquired manufacturing and licensing businesses of Century Bond Bhd (CBB) and Kaisercorp respectively.

Net profit for its full year jumped 77.4% to RM98.15 million from RM55.33 million seen last year, while revenue doubled to RM143.35 million from RM71.35 million last year for the same reason.

In a separate statement released today, the group said that in May 2016, its trading subsidiary Aqua-Flo secured three new contracts for the supply of chemicals with a total estimated value of RM98.1 million, with the balance expected to be recognized over a period of two years.

“We are upbeat on our prospects, as the cement packaging business under CBB is primed to leverage on increasing demand from the booming infrastructure sector, while Aqua-Flo continues to deliver on outstanding contracts for chemical supply for the water sector,” said the group’s chief executive officer Ahmad Fariz Hassan.

Hence, our earnings for the financial year ending 31 December 2017 (FY17) would not only be from consolidation of first full-year contributions from the

newly-acquired businesses, but also the business expansion to garner even greater market share complementing the positive outlook of existing segments,” he added.

The group’s shares closed unchanged at RM1.18 for a market capitalisation of RM588.83 million.

<http://www.theedgemarkets.com/my/article/kpsb-registers-4q-net-loss-despite-261-increase-revenue>