

KPS 2Q17 revenue up threefold to RM75.9m

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KUMPULAN Perangsang Selangor Bhd (KPS) posted a net profit of RM34.67 million for its second-quarter ended June 30, 2017 (2Q17), near to the RM34.48 million profit recorded in the same period last year.

The group noted an 11.7% increase in profit share of associates amounting to RM42.4 million, compared to RM38 million a year ago.

Its infrastructure and utilities segment contributed RM41.3 million in 2Q17 versus RM35.4 million in 2Q16, mainly due to the higher share of profit from Syarikat Pengeluar Air Selangor Holdings Bhd.

The diversified group's revenue jumped threefold to RM75.9 million in 2Q17 from RM26.9 million made in the same corresponding period last year.

"It is important to note our financial performance thus far has yet to factor in the potential increase in contribution from the infrastructure and utilities segment, with KPS-HCM Sdn Bhd becoming a 51% subsidiary in end-June 2017 from a 30% associate prior, and benefitting from the RM174.4 million infrastructure works contract that was secured in July 2017," CEO Ahmad Fariz Hassan said in a recent statement.

"Our manufacturing business is actively seeking to make inroads into the South-East Asian markets, as both cement and packaging producers stand to benefit from the increasing infrastructure spending and capital projects in the region. We are bidding for new contracts in the water chemical sector to increase our orderbook in the foreseeable future," he added.

In June this year, KPS had raised its shareholdings in KPS-HCM by 21% to a majority stake of 51%, as part of its corporate exercise.

As of June 30 this year, the group's orderbook stood at RM218.9 million, comprising RM174.4 million in infrastructure works and the remaining in outstanding water chemical supply contracts.