



**PRESS RELEASE**  
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## **Kumpulan Perangsang Selangor to enhance revenue diversity with increasing global reach**

- ***Expecting strong manufacturing contributions from newly-acquired CPI (Penang) Sdn Bhd and expanded business in Century Bond Bhd (CBB)***
- ***Shareholders approve single tier final dividend of 4.25 sen in respect of financial year ended 31 December 2017 (FY2017); as well as 1-for-13 Bonus Issue***

**Shah Alam, Malaysia, 24 May 2018** – Diversified group **Kumpulan Perangsang Selangor Berhad** (KPS, Bursa: 5843; Bloomberg: KUPS:MK; Reuters: KPSB.KL) is enhancing its revenue diversity with increasing global reach, on the back recently-acquired CPI (Penang) Sdn Bhd (CPI) and expanded business in Century Bond Bhd (CBB).

KPS holds 100% equity stake in CPI, a leading Electronic Manufacturing Services (EMS) player with global clientele across automotive, healthcare, telecommunications, as well as industrial and consumer industries. 50% of CPI's annual revenue is derived from exports while local sales are primarily to Malaysia-based subsidiaries of multinational groups.

With the acquisition completed at the end of first quarter 2018, CPI will immediately be value accretive to the Group's consolidated FY2018 revenue.

Apart from CPI, Century Bond Bhd (CBB) which also forms part of KPS' manufacturing segment is expected to contribute higher earnings in FY2018 as the Group seeks to further enlarge CBB's footprint in the non-cement sector in Malaysia. The recently signed joint-venture between CBB and China-based Honda Printing Holdings Limited (Honda Printing) to produce offset carton boxes, enables CBB to extend its value-chain further into offset carton boxes, where the outer layer of the box is laminated by a printed sheet to provide finer and more vibrant printing.



Raja Dato' Idris Raja Kamarudin, Chairman of KPS (right) and Ahmad Fariz Hassan, CEO of KPS (left) during the 41<sup>st</sup> AGM Press Conference



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***Ahmad Fariz Hassan, Chief Executive Officer of Perangsang Selangor said:***

“We are entering a new era of earnings diversity.

For one thing, our reach has extended to new frontiers globally, where revenue from overseas will make up approximately one-third of the Group’s revenue.

Furthermore, these companies have proven expertise in their respective fields, with capacity to extend their lead and command strong double-digit margins. This bodes well for KPS’ earnings quality and ability to generate increasing returns for shareholders.”

KPS has also set a new direction for its King Koil licensing business for the U.S. market, by setting its first manufacturing plant in Arizona, Phoenix for direct distribution in the Western region of the U.S. and formed a strategic partnership with Blue Bell Mattress to manufacture and distribute King Koil products in U.S. Midwest region. The new direction will enable the Group to command greater control of the distribution and product quality, and grow market share in King Koil’s home ground in the U.S.

Besides the manufacturing business, KPS also made positive progress in its trading business. On 3<sup>rd</sup> May 2018, KPS’s 51%-owned subsidiary Aqua-Flo Sdn Bhd (“Aqua-Flo”) secured a contract extension of RM 25.1 million for the supply and delivery of chemicals to PNSB Water Sdn Bhd, Konsortium ABASS Sdn Bhd and Konsortium Air Selangor Sdn Bhd. With this, the supply contract is extended for five and half months to 31<sup>st</sup> October 2018.

“KPS has demonstrated our commitment to long-term shareholder value creation, by not only investing in various businesses, but more importantly taking strategic measures to harness the highest growth potential for sustainable expansion. For FY2018 onwards, we will continue our steadfast commitment to unlock the full potential of investee companies via our Value Creation Plan, which have served us well thus far”, said Fariz.

Meanwhile, at the AGM, KPS’ shareholders approved the final single tier dividend of 4.25 sen per share in respect of the FY2017. The dividend payout of RM22.8 million represents 38.8% of the Group’s FY2017 net profit attributable to shareholders.

At the Extraordinary General Meeting, KPS’ shareholders also gave the green light for the Bonus Issue on the basis of one (1) Bonus Share for every thirteen (13) existing Shares held by shareholders. The corporate exercise will see an issuance of up to 38.4 million new ordinary shares, increasing KPS’ share base from 499.0 million currently to 537.4 million.

The entitlement date and the target listing date of the Bonus Shares on Main Market of Bursa Malaysia Securities Berhad is expected by middle of June 2018.



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**About Kumpulan Perangsang Selangor Berhad ([www.perangsangselangor.com](http://www.perangsangselangor.com))**

Incorporated in August 1975, Kumpulan Perangsang Selangor Berhad (“KPS” or the “Company”) is a public limited liability company listed on the Main Market of Bursa Malaysia Securities Berhad. The Company has a varied investment portfolio with assets involved in Manufacturing, Trading, Licensing, Infrastructure and Utility, Oil and Gas as well as Telecommunications. KPS is committed towards making significant contributions to human capital, intellectual, and sustainable developments, whilst strengthening its core businesses to optimise returns for its shareholders.

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**Issued for and on behalf of KUMPULAN PERANGSANG SELANGOR BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd. For media enquiries, please contact:**

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