



PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION

Kumpulan Perangsang Selangor expects manufacturing segment to propel FY17 growth

- ***Latest acquisition of Century Bond Bhd to be major revenue contributor with increased regional exports***
- ***Aqua-Flo to deliver on existing contracts of RM68 million***
- ***Shareholders approve single tier final dividend of 4.25 sen in respect of financial year ended 31 December 2016 (FY2016)***

Shah Alam, Malaysia, 25 May 2017 – Diversified group **Kumpulan Perangsang Selangor Berhad** (KPS, Bursa: 5843; Bloomberg: KUPS:MK; Reuters: KPSB.KL) expects for its manufacturing segment via Century Bond Bhd (CBB) to propel the Group's growth for the financial year ending 31 December 2017 (FY2017).

KPS holds 98.9% stake in CBB, the cement packaging manufacturer with 60% market share domestically, and exports to Indonesia, Singapore and Thailand. Upon completion of its acquisition in November 2016, CBB contributed two-month sales of RM25.9 million or 18% to the Group's consolidated FY2016 revenue.



KPS Chairman, Y.M. Raja Dato' Haji Idris Raja Kamarudin

At the Annual General Meeting (AGM) today, KPS Chairman Y.M. Raja Dato' Haji Idris Raja Kamarudin (Y.M. Raja Dato' Idris) said that in addition to delivering full 12-month contributions to the Group's consolidated results, CBB would expand its cement packaging business in the domestic and international markets.



PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION

“While CBB is already a market leader for cement packaging supply in Peninsular Malaysia, we are eyeing greater potential in South East Asia, where demand for outsourced cement packaging is on the uptrend due to increased construction and development activities. Indonesia is particularly attractive due to our track record, whereas in 2018, we aim to export to new potential markets of Vietnam and Cambodia which are on the cusp of rapid economic growth.

Moreover, we have sufficient capacity in our Johor Bahru factory to cater to these increased orders, given its utilization rate of approximately 65% at present. The anticipated positive operating leverage would enhance our bottom line further.

At the same time, we also want to venture into new product development in FY2017, namely packaging for minerals and other construction materials. These would be complementary products that could bank on our strong brand name in paper pulp packaging. Hence, we are very optimistic that our manufacturing segment through CBB would be a major revenue driver in FY2017, alongside our existing businesses.”

YM Raja Dato’ Haji Idris Raja Kamarudin
Chairman of Perangsang Selangor

CBB’s cement packaging factories are located in Johor Bahru, Malaysia and in Medan, Indonesia with total production capacity of 192 million bags per year.

Apart from the manufacturing segment, KPS’ trading business under Aqua-Flo Sdn Bhd (Aqua-Flo) is also expected to contribute higher revenue in FY2017 as it delivers the remaining water chemical supply contracts worth circa RM68.0 million. Aqua-Flo had in May 2016 secured three contracts with a cumulative total of RM98.1 million over a two year period, of which RM30.1 million had been delivered in FY2016.

YM Raja Dato’ Idris further elaborated that KPS intended to build a diversified yet strong business model, by taking majority stakes in market leaders with strong financials and high potential for future expansion.

In FY2016, KPS had increased its shareholding in Aqua-Flo to 51.0% as a direct majority stake from indirect stake of 36.0% previously. KPS also holds 60.0% in the licensing business of Kaiserkorp which wholly-owns King Koil Licensing Company. The Group also acquired 51.0% stake in Smartpipe Technology Sdn Bhd in its infrastructure and utilities segment.

YM Raja Dato’ Idris said: “KPS is transforming into an expansion-focused group that nurtures high-growth and scalable businesses. With our majority stakes, we are better able to play a proactive role in steering the direction of investee companies in order to capture positive growth prospects in the industrial sector in Malaysia and the region.”

Meanwhile, at the AGM, KPS shareholders approved the final single tier dividend of 4.25 sen per share in respect of the FY2016. The dividend payout of RM21.2 million represents 22% of the Group’s FY2016 net profit attributable to shareholders.



PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION

About Kumpulan Perangsang Selangor Berhad (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.

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

Pn. Suzila Khairuddin
suzila@kps.com.my
T: +603 5510 3999

Ms. Julia Pong
julia@aquilas.com.my
T: +603- 27111391 / +6012-3909 258