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Kumpulan Perangsang Selangor FY2016 net profit rises to RM98.6 million

- *Revenue doubles to RM143.4 million from growth in water-related trading segment Aqua-Flo as well as newly-acquired manufacturing and licensing businesses of Century Bond and King Koil® respectively*

Kuala Lumpur, Malaysia, 28 February 2017 - Diversified group Kumpulan Perangsang Selangor Berhad (KPS, Bursa: 5843; Bloomberg: KUPS:MK; Reuters: KPSB.KL) reported 86.9% jump in net profit attributable to shareholders to RM98.6 million for the financial year ended 31 December 2016 (FY2016) from RM52.7 million previously.

Group revenue doubled to RM143.4 million from RM71.4 million a year ago. The higher revenue was due to the growth in water-related trading business of Aqua-Flo Sdn Bhd (Aqua-Flo), as well as first-time contributions from the newly-acquired manufacturing and licensing businesses of Century Bond Berhad (CBB) and Kaiserkorp Corporation Sdn Bhd, the holding company of King Koil® Licensing Company Inc., (King Koil®) respectively.

Aqua-Flo posted 34.2% higher revenue to RM83.9 million versus RM62.5 million a year ago, while CBB contributed two-month sales of RM26.3 million in FY2016, and the licensing segment of King Koil® raked in seven-month revenue of RM20.1 million, the majority of which was derived from royalty income. The balance RM13.0 million was contributed by investment holdings and others.

Apart from the higher topline, the Group's profitability was also boosted by gain on disposal of assets, which mitigated the lower share of profit from associated companies, namely the infrastructure and utilities segment.

KPS Chief Executive Officer Encik Ahmad Fariz Hassan said:

“KPS will continue to finetune our business model as a growth-centric Group, by strengthening our newly-acquired businesses, while sustaining our existing segments in terms of optimizing its cost structure.

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.

At the same time, our strategic stake in King Koil® allows us to build a strong recurring income stream based on the growing international consumer market.

Hence, our earnings for the financial year ending 31 December 2017 (FY2017) 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.”

In May 2016, Aqua-Flo secured three new contracts for the supply of chemicals from Konsortium Air Selangor Sdn. Bhd, PNSB Water Sdn Bhd and Konsortium ABASS Sdn Bhd with a total estimated value of RM98.1 million. The trading subsidiary commenced deliveries immediately, with the balance anticipated to be recognized over a period of two years.

Aqua-Flo supplies water treatment chemicals and equipment, in addition to providing technical services in water, waste and sewerage treatment industries.

Financial Summary (Unaudited Consolidated Results)			
RM'000	FY2016 to 31.12.16	FY2015 to 31.12.15	Change
Revenue	143,352	71,354	100.9%
Pre-tax Profit	114,458	57,277	99.8%
Net Profit to Shareholders	98,580	52,740	86.9%
Basic EPS (sen)	19.8	10.6	86.8%

About Kumpulan Perangsang Selangor Berhad (www.kps.com.my)

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 Utilities, 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 optimize 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:

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