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APFT chairman resigns

This is due to tensions with company's executive director

KUALA LUMPUR: APFT Bhd executive chairman Datuk Faruk Othman has stepped down from his position after seven years in office due to differences of opinion with the company's executive director (ED) Edwin Sylvester Das.

In a filing with Bursa Malaysia yesterday, the loss-making flight education and training service provider said Faruk, 69, resigned from his post on Nov 6, citing he was no longer the company's majority shareholder and had no control over its financial and operational management.

"He does not wish to be responsible for whatever action and decision made by the [current] management," it said.

APFT noted as at the date of this announcement, the board of directors had yet to identify a suitable candidate as executive chairman. "For the time being, Edwin will take over the management role," it added.

Faruk still holds a direct interest of 6.25% in APFT and an indirect share of 0.92% through Forad Holdings Sdn Bhd.

APFT also pointed out Faruk's disagreement with Edwin over the former's son Arif Faruk — previously the company's ED before resigning on Aug 2, citing "other personal commitments" — and his resignation from the subsidiary companies, not effected by the company secretary on instruction by Edwin which are awaiting the Companies Commission of Malaysia's confirmation on their resignation.

Edwin, 59, formerly MQ Technology Bhd's ED, assumed his current post on Aug 2. It was reported that he was brought in to turn around APFT.

According to APFT's annual report 2016, Faruk — with over 30 years of experience in the financial sector, mainly in banking and stockbroking — was appointed as executive chairman on June 22, 2010.

He was Inter-Pacific Securities Sdn Bhd's ED before being appointed executive chairman of United Merchant Finance Bhd in 1994. Currently, Faruk is a director of Premier Nalfin Bhd and also sits on the board of several private limited companies.

APFT has been in the red since the financial year ended Dec 31, 2012, citing softening demand for fixed wing pilot training in Malaysia in line with the cuts on training programmes by major local airlines. From Aug 1, 2016 to July 31, 2017, the company posted a net loss of RM10.32 million on revenue of RM61.41 milion.

Kerjaya posts record profit in 3Q, bags RM245m job

BY NEILY SYAFIQAH EUSOFF

KUALA LUMPUR: Kerjaya Prospek Group Bhd posted a record profit of RM34.41 million in the third quarter ended Sept 30, 2017 (3QFY17), driven by its construction segment which mitigated a slowdown in the manufacturing segment.

The builder also said it had bagged a RM245.35 million contract to build the upmarket Triuni Condominium within "The Sanctuary" development in Batu Uban, Penang.

Kerjaya's net profit for 3QFY17 rose 35% to a record RM34.41 million from RM25.49 million a year ago. Earnings per share rose to 6.4 sen from 5.03 sen in 3QFY16. Its quarterly revenue also increased 20.7% to RM229.94 million from RM190.47 million a year ago.

The strong third-quarter performance lifted its net profit by 30.4% to RM96.16 million for the cumulative nine months (9MFY17) from RM73.75 million a year ago, while revenue jumped 23.4% to RM703.36 million from RM569.88 million in 9MFY16.

In a filing with Bursa Malaysia yesterday, Kerjaya said its outstanding order book stood at RM3.2 billion as at 3QFY17.

"Moving forward, the group sees the construction segment continuing as its main revenue driver. The group continues to pursue high-rise and landed property development projects locally," it said.

"The group's maiden project, Vista Residences, has also recorded an encouraging take-up rate, with its current unbilled sales of approximately RM67 million."

Notwithstanding the group's objective to expand its core business in construction, Kerjaya said it will maintain the manufacturing segment as part of its integrated business objective and strategy, and complete the existing property development.

"The group is cautiously optimistic about its overall businesses moving forward and will continue to sharpen its competitive edge to achieve sustainable growth in the market," it said.

In a separate filing with Bursa, Kerjaya said its wholly-owned subsidiary Kerjaya Prospek (M) Sdn Bhd had accepted a letter of award from B U Developments Sdn Bhd for a RM245.35 million contract, covering three condominium towers with 552 units and spanning 5.36 acres (2.17ha).

It is the second contract awarded to Kerjaya within "The Sanctuary" development, the first being the construction of the Sanctuary bungalows.

The project is due to commence on Nov 30 and estimated to be completed in 48 months in two phases. Kerjaya said the project is expected to contribute positively to the group's earnings and net assets per share from FY17 to FY21.

RESULTS IN BRIEF

MSM 3Q earnings fall 55% y-o-y on higher cost, weaker ringgit

BY SULHI AZMAN

KUALA LUMPUR: MSM Malaysia Holdings Bhd's net profit for the third quarter ended Sept 30, 2017 (3QFY17) fell 55% year-on-year (y-o-y) to RM10.42 million from RM23.31 million, no thanks to higher raw materials cost and a weaker ringgit.

Quarterly revenue, however, improved 5.59% y-o-y to RM668.52 million in 3QFY17 from RM633.12 million, supported by improved selling prices.

"The average raw sugar cost for the group had increased 11%, compared with the same period last year, due to higher market price of raw sugar," MSM, a company linked to tycoon Tan Sri Syed Mokhtar Albukhary, said in a filing with Bursa Malaysia yesterday.

"The high raw sugar cost, however, [was] cushioned by an 8% increase in average selling price compared with the same period last year," the sugar manufacturing and trading firm added.

However, in the first nine months of 2017 (9MFY17), MSM suffered a net loss of RM45.66 million, compared to a net profit of RM106.33 million a year ago, due to higher production and raw material costs.

Revenue accrued in 9MFY17, however, grew 10.4% y-o-y to RM2.01 billion from RM1.82 billion, due to better selling prices.

Looking ahead, "the results are expected to improve in the near to medium term as a direct positive result of lower sugar price and improvement in the operation cost", MSM said.

Econpile 1Q profit up 29%; group declares 1.5 sen dividend

BY ADELA MEGAN WILLY

KUALA LUMPUR: Econpile Holdings Bhd's net profit for the first financial quarter ended Sept 30, 2017 (1QFY18) climbed 28.9% to RM21.19 million from RM16.45 million a year earlier, thanks to a higher revenue. Earnings per share rose to 3.96 sen from 3.07 sen, the construction group said in a filing with Bursa Malaysia.

Econpile said revenue jumped 48.1% to RM168.90 million — its highest quarterly top line to date — from RM114.08 million in 1QFY17.

The 1QFY18 revenue is substantially higher than the average quarterly revenue of about RM145.5 million recorded in FY17, its group executive director and chief executive officer Raymond Pang said in a separate statement.

"This was mainly due to significant progress billings from larger-ticket projects, including works for iconic properties such as Maju Kuala Lumpur, Oxley Towers KLCC and Pavilion Damansara Heights," he said.

Econpile declared a first interim dividend of 1.5 sen per share, with the entitlement and payment dates set on Dec 8 and Dec 21 respectively. The dividend payout of RM8 million makes up 37.9% of Econpile's 1QFY18 net profit.

Pang: We hope to play a larger role in supporting the nation's infrastructure development. Photo by Suhaimi Yusuf

The group noted it has secured RM290 million worth of contracts so far, including the most recent RM208.7 million piling and general infrastructure works contract for the light rail transit Line 3. Its current order book stands at RM1.2 billion, which would sustain its revenue for two to three years.

"Backed by our vast experience and technically strong expertise, we hope to play a larger role in supporting the nation's infrastructure development," Pang said.

Econpile said it expects its 2018 performance to be challenging but sustainable due to continued growth expected from the piling and foundation services in the infrastructure segment.

Bintulu Port to offer marine services to support Petronas' LNG ops in Sarawak

BY CHONG JIN HUN

KUALA LUMPUR: Petroliam Nasional Bhd (Petronas) said Bintulu Port Holdings Bhd will offer marine services to support Petronas' liquefied natural gas (LNG) storage tank gassing up and cooling down (GUCD) operations at Sarawak's Bintulu Port for three years.

Petronas said in a statement yesterday its subsidiary Petronas LNG Ltd had recently signed a memorandum of agreement with Bintulu Port Holdings' subsidiary, Bintulu Port Sdn Bhd.

According to Petronas, the GUCD services aim to bring storage tanks on LNG carriers into a natural environment before the tanks are cooled to cryogenic temperature of minus 160° Celsius.

"The [GUCD] services at Bintulu Port will commence in 2018, positioning Bintulu as one of the premier LNG hubs and making it one of the few terminals in the world to offer this facility. The LNG for gassing up services will be supplied from the Petronas LNG Complex in Bintulu," Petronas said.

"In supporting the GUCD services, Bintulu Port will provide port and maritime services at attractive rates which will provide cost savings to LNG vessel operators."

In a separate statement, Petronas said Petronas LNG has signed a two-year service agreement with Argo Engineering Sdn Bhd and Eastport Marine Sdn Bhd to provide LNG ship-to-ship transfer services in Labuan.

"The ship-to-ship transfer is the transfer of LNG between two vessels positioned alongside each other. Ship-to-ship transfer allows flexibility of cargo delivery especially for small-scale LNG requirements," Petronas said.