

KEJURUTERAAN ASASTERA BERHAD SEES RECORD-HIGH PROFITS IN FY 2019

Kuala Lumpur, Monday, 24 February 2020 – Kejuruteraan Asastera Berhad (“KAB” or “the Group”) is pleased to announce its financial performance for the fourth quarter ended 31 December 2019 (4Q 2019). As guided in the previous quarterly announcement, KAB reported a higher net profit year-on-year for the current quarter and full financial year amidst the challenging operating environment. This is due to increased earnings recognition as construction of its key projects progressed smoothly, coupled with a stronger order book.

KAB posted a total revenue of RM48.95 million and a profit before tax (PBT) of RM4.76 million for 4Q 2019, an increase of 40% and >100% respectively, in comparison 4Q 2018, revenue of RM34.90 million and PBT of RM2.24 million. In financial year ended 31 December 2019 (FY 2019), the Group’s revenue came in at RM159.62 million (15% higher than in FY 2018), while PBT surged 17% to RM14.51 million.

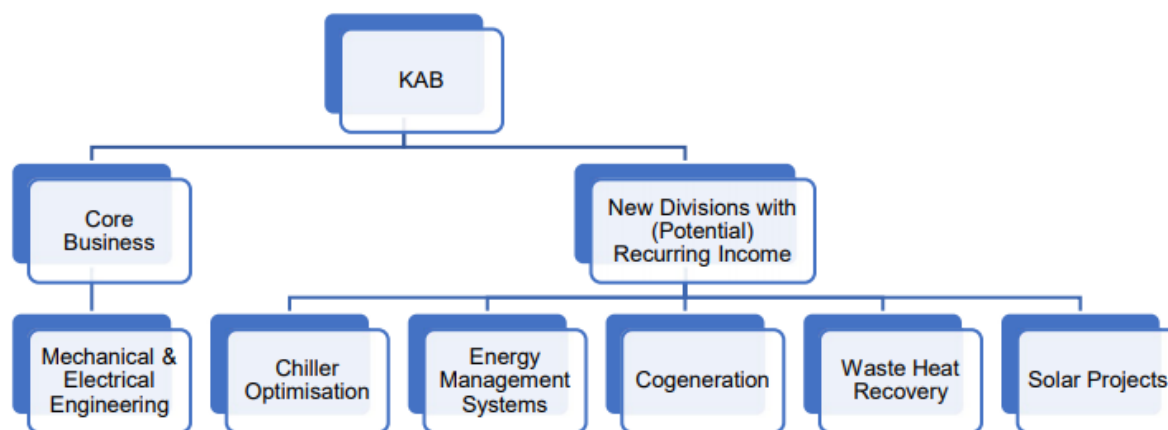
For the FY 2019, the Group reported a profit after tax and minority interests (PATAMI) of RM10.50 million, which is 23% higher than the RM8.56 million reported for the financial year ended 31 December 2018 (FY 2018). Earnings per share (EPS) stood at 3.09 sen in FY 2019, i.e. 15% higher than the 2.68 sen recorded in FY 2018. KAB’s Managing Director Dato’ Lai Keng Onn remarked, “The strong construction progress and sturdy order book have contributed to a record-high net profit for the Group in FY 2019.”

“Looking ahead, we are confident in maintaining our growth trajectory which is supported by the Group’s strong order book and its new business segments, such as the provision of energy efficiency solutions, building management systems and sustainable power generation solutions,” says Dato’ Lai. As at end December 2019, the Group’s order book stood at RM296 million, in addition to RM222 million worth of tenders that are still pending and RM30 million worth of new projects pending letter of award.

“As a result of the Covid-19 outbreak, the tourism sector has been severely affected, with many hotels experiencing cancelled bookings and depressed occupancy rates. We see this as an opportunity to market our energy efficiency solutions to the hospitality industry. This would help the hotels to save on their electricity bills while no upfront cost is required, given that KAB would bear the cost of setting up the equipment and share part of the electricity cost savings,” added Dato’ Lai.

ABOUT KEJURUTERAAN ASASTERA BERHAD

KEJURUTERAAN ASASTERA BERHAD (“KAB”) is a mechanical and electrical (“M&E”) engineering company established in 1997 that has competencies in all aspects of electrical, mechanical and associated engineering services for both commercial and residential buildings. KAB is registered under the Construction Industry Development Board (“CIDB”) with a Grade 7 and the Energy Commission with a Class A. KAB has been accredited with the BS EN ISO 9001:2015 certificate by NQA Certification Services (M) Sdn Bhd for the scope of M&E engineering installation and maintenance services.



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