

Nov 02, 2016 | Written by Wong Ee Lin | 0



KUALA LUMPUR (Nov 2): Based on corporate announcements and news flow today, companies that may be in focus tomorrow could include PetChem, PetGas, Pesona Metro, Seacera, Favelle Favco, MISC and Trive Property.

Petronas Chemicals Group Bhd's net profit fell 2.73% to RM891 million for the third quarter ended Sept 30, 2016 (3QFY16), from RM916 million a year earlier, due to a sharp decline in crude oil price and passive demand.

Revenue fell 2.14% to RM3.56 billion, from RM3.64 billion, the integrated chemicals producer said in a filing with Bursa Malaysia today.

The price of methanol declined due to lower demand for fuel additives, while ammonia and urea prices were affected by oversupply in the market with new capacity additions, it added.

Petronas Chemicals said for the nine-month period (9MFY16), net profit dropped 6.4% to RM1.95 billion or 24 sen a share, from RM2.08 billion or 26 sen a share in 9MFY15. Revenue fell by a marginal 1.72% to RM9.91 billion from RM10.09 billion.

Petronas Gas Bhd's net profit for the third quarter ended Sept 30, 2016 (3QFY16) climbed 38.6% year-on-year to RM422.71 million or 21.36 sen per share from RM304.98 million or 15.41 sen per share, largely because the previous year's result was impacted by a foreign exchange (forex) loss.

It recorded unrealised forex loss on its US dollar finance lease liabilities totalling RM167.5 million last year, Petgas' bourse filing stated to explain the y-o-y jump in earnings.

Stripping off the forex impact, PetGas said its profit for the current quarter was actually down 11.1%, due to higher operating costs and tax expenses.

Quarterly revenue was up 2.1% to RM1.16 billion from RM1.13 billion a year earlier, driven by higher utilities revenue, in line with the upward fuel gas price revisions from Jan 1 and July 1, respectively, as well as higher performance-based structure (PBS) income.

It also announced a 15 sen third interim dividend, amounting to RM296.8 million, payable on Dec 2. Year to date (YTD), it has declared 45 sen in dividends, compared with 43 sen in last year's YTD period.

For the cumulative nine months ended Sept 30, 2016 (9MFY16), its net profit was down 19% to RM1.27 billion against RM1.57 billion in the same period last year. It said the lower earnings was because the previous YTD period had recorded lower tax expenses.

Pesona Metro Holdings Bhd has bagged the construction job to build Central Plaza @ I-City in Shah Alam, Selangor valued at RM488 million.

According to its bourse filing, its unit Pesona Metro Sdn Bhd received a Letter of Award from Central Plaza I-City Real Estate Sdn Bhd for the project today.

Central Plaza I-City Real Estate is the owner of the proposed shopping complex.

The project is for 20 months, commencing tomorrow (Nov 3), and it is expected to contribute positively to its earnings during the project duration.

The construction outfit intends to fund the project via internally generated funds and bank borrowings.

Seacera Group Bhd has aborted a plan to acquire Duta Nilai Holdings Sdn Bhd for RM220 million. Duta Nilai owns a 250-acre piece of land in Semenyih, Selangor.

In a filing with Bursa Malaysia today, Seacera said it and the two vendors, namely Ismail Othman and Zainab Mansor, have agreed to mutually terminate the deal after due consideration, without providing details.

Favelle Favco Bhd said it secured crane supply contracts worth RM70.6 million in total, during the past two months.

Its subsidiary Kroll Cranes A/S secured two tower crane supply contracts from HHIC-Phil Korea and Energy Solution Management Co Ltd respectively, with both contracts to be delivered by the second quarter of 2017.

Meanwhile, Favelle Favco Cranes Pte Ltd and Favelle Favco Cranes (M) Sdn Bhd had both secured contracts for the supply of offshore cranes from Federal Hardware Engineering Co Pte Ltd and MISC Offshore Floating Terminals (L) Ltd.

"The above contracts are expected to contribute positively to the earnings and net assets of Favelle Favco for the financial year ending Dec 31, 2016, and beyond," it said in a filing with the exchange.

Loss-making **Trive Property Group Bhd** has cancelled an extraordinary general meeting (EGM) scheduled for Nov 16, in relation to the purchase of a RM19.6 million piece of land in Terengganu.

Trive Property said the meeting was called off pending "clarification on a development that may have a material outcome on the proposed acquisition".

Trive Property had announced on Sept 6 that it was acquiring the entire equity stake of Pakadiri Sdn Bhd, which owns a 20.92ha piece of land in Kemaman, Terengganu, for RM19.6 million cash.

Pakadiri, principally a housing developer, had secured a joint venture project with Lembaga Tabung Amanah Warisan Negeri Terengganu under Terengganu's state privatisation programme to develop the land into part of a township (Kertih Project), which is a 66.96ha project in Kemaman, Terengganu.

MISC Bhd's net profit for the third quarter ended Sept 30, 2016 (3QFY16) plunged 72.3% year-on-year to RM134.13 million as its petroleum segment sank into the red, coupled with weaker performance from its liquefied natural gas (LNG) and heavy engineering segments.

Revenue was down 8.8% y-o-y at RM2.29 billion, from RM2.51 billion when net profit was RM483.56 million, as weaker revenue was recorded across petroleum, heavy engineering and LNG segments.

MISC, a 62.7%-owned subsidiary of Petroliam Nasional Bhd (Petronas), did not declare any dividend for the current quarter under review.

Notwithstanding the weaker quarterly performance, its net profit for the cumulative nine months ended Sept 30, 2016 (9MFY16) was up 19.6% to RM2.05 billion against RM1.72 billion, mainly driven by its 'others, eliminations and adjustment segment', which swung back to the black with an operating profit of RM233 million from an operating loss of RM8.7 million a year earlier.

The shipping giant, however, reported lower revenue during the period, down 6.8% to RM7.08 billion from RM7.6 billion, on lower revenue at its LNG and heavy engineering segments.

It said prospects of new tenders and projects remain poor in the offshore segment, hence it expects orderbook replenishment to remain challenging, while underused assets may subject the group to impairment charges which will significantly affect its current year financial results.

Addthis:

author:

Wong Ee Lin

source:

theedgemarkets.com

is Pinning adv:

Video Priority:

Inactive

Source URL: <http://www.theedgemarkets.com/my/node/312918>