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https://www.klsescreener.com/v2/news/view/639840/BAT_YTL_Corp_Malayan_Cement_Pharmaniaga_Rohas_Tecnic_GDex_SunCon_Magnum_Ranhill_Perdana_Petroleum_and_VSTECS

BAT, YTL Corp, Malayan Cement, Pharmaniaga, Rohas Tecnic, GDex, SunCon, Magnum, Ranhill, Perdana Petroleum and VSTECS

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KUALA LUMPUR (Feb 20): Based on corporate announcements and news flow today, stocks in focus on Friday (Feb 21) may include: British American Tobacco (Malaysia) Bhd, YTL Corp Bhd, Malayan Cement Bhd, Pharmaniaga Bhd, Rohas Tecnic Bhd, GD Express Carrier Bhd, Sunway Construction Group Bhd, Magnum Bhd, Ranhill Holdings Bhd, Perdana Petroleum Bhd and VSTECS Bhd.

British American Tobacco (Malaysia) Bhd (BAT Malaysia), which saw an 18.27% fall in its fourth quarter net profit, has named Jonathan Reed, 49, as its new managing director with effect from April 1, as Hendrik Stoel, 51, has opted for early retirement and has handed in his resignation.

Illicit cigarette trade has dragged BAT Malaysia's net profit for the fourth quarter ended Dec 31, 2019 (4QFY19) to RM93.86 million from RM114.84 million in the corresponding quarter last year. Revenue fell 14.04% to RM662.45 million from RM770.62 million.

For the full FY19, the group's net profit fell 26.96% to RM343.81 million from RM470.72 million in FY18 while revenue declined 11.14% to RM2.51 billion from RM2.82 billion. This marks BAT Malaysia's fourth consecutive year of declining revenue and profit from operations since 2015, when the Malaysian Government announced an excise hike.

BAT declared a fourth interim dividend of 33 sen per share, which amounts to a RM94.22 million payout, payable on March 18. This brings its full FY19 dividend to 118 sen versus 155 sen for FY18.

YTL Corp Bhd posted a net profit in the second quarter ended Dec 31, 2019 (2QFY20) of RM17.54 million, less than half the RM44.82 million last year, as its utilities and property investment and development segments turned in a softer performance.

Higher taxes incurred by the company in the quarter also pulled its profits down.

The group's weaker performance came in spite of a 21.72% rise in revenue to RM5.54 billion from RM4.55 billion, owing to its cement manufacturing and trading segments, following the acquisition of Malayan Cement Bhd.

For the six-month period ended Dec 31, 2019 (6MFY20), YTL Corp's net profit shrank 80.74% to RM32.85 million from RM170.61 million in the same period before. Half-year revenue (1HFY20) improved 25.28% to RM10.83 billion from RM8.64 billion before, owing to better results in its cement and property divisions.

Malayan Cement Bhd remained in the red in its latest quarter ended Dec 31, 2019, with a net loss of RM38.55 million or 4.2 sen per share. The group has changed its financial year end to June 30, 2020 from Dec 31, 2019 after the emergence of YTL Cement Bhd as its largest shareholder.

Nonetheless, the cement manufacturer pointed out that its pre-tax losses during the quarter under review narrowed to RM44.74 million from RM80.07 million a year earlier, on "vigorous cost-cutting measures and savings from manpower rationalisation".

The better performance came despite revenue declining to RM446.87 million from RM548.16 million previously, no thanks to lower domestic sales that was partially offset by higher export sales.

For the 12-month period ended Dec 31, 2019, Malayan Cement's net loss stood at RM168.14 million on revenue of RM1.92 billion.

Pharmaniaga Bhd posted its first full-year loss since going public 21 years ago, as the pharmaceutical group was hit by the Pharmacy Information System (PhIS) amortisation and a provision for stock write-off, as a result of a voluntary Ranitidine product recall.

The group posted a net loss of RM149.22 million for the financial year ended Dec 31, 2019 (FY19) from a net profit of RM42.47 million in the previous year, even though revenue rose 18.3% to RM2.82 billion from RM2.38 billion in FY18.

The group swung into a net loss of RM178.6 million in the fourth quarter ended Dec 31, 2019 (4QFY19) from a net profit of RM4.44 million a year ago, due to recognition of the remaining RM247 million unamortised PhIS. In addition, there was a provision for stock write-off on the voluntary Ranitidine product recall of RM9 million.

Revenue for the quarter, however, was up 20% year-on-year to RM715.68 million from RM596.64 million, driven by improved demand from the concession, non-concession and Indonesian businesses.

Rohas Tecnic Bhd has bagged two contracts worth a combined RM192 million to install transmission lines in Bangladesh.

The first contract, worth RM126 million, is for the design, supply, installation, testing, and commissioning of 230 kilowatt (kV) and 132kV transmission lines on a turnkey basis. The contract duration is 30 months.

The second contract worth RM66 million entails the design, supply, installation, testing and commissioning of another 132kV transmission lines, also on a turnkey basis. The contract duration is 24 months.

The contracts will have a positive impact on the group's results for the year ending Dec 31, 2020 and in the future.

GD Express Carrier Bhd's (GDex) net profit nearly halved in its second quarter ended Dec 31, 2019 (2QFY20), mainly due to the absence of proceeds from the redemption of convertible bonds, besides other expenses including warehouse expansion.

Its net profit fell 45.1% year-on-year to RM5.87 million during the quarter from RM10.69 million, despite recording a 5.5% gain in revenue to RM87.39 million versus RM82.81 million in the year-ago quarter.

This brings GDex's first-half net profit to RM10.63 million, down 38.1% from RM17.16 million in the same period a year ago, whereas cumulative revenue stood at RM170.43 million, higher by 8.3% compared with RM157.32 million.

Commenting on its prospects, GDex warned that "the economic uncertainties arising from the outbreak of Covid-19 may impact the group's results".

Sunway Construction Group Bhd (SunCon) announced a net profit of RM31.64 million for the fourth quarter ended Dec 31, 2019 (4QFY19), down 13.3% from RM36.50 million in the year-ago quarter. Revenue contracted 22% on year to RM485.94 million from RM626.02 million, as the majority of the group's existing projects are at their initial stages.

SunCon proposed a second interim dividend of 3.5 sen per share, payable on April 8. This brings total dividend for the year ended Dec 31, 2019 (FY19) to seven sen per share.

Full-year net profit for FY19 stood at RM129.32 million, down 10.5% from RM144.43 million in FY18. Revenue fell 21.6% to RM1.77 billion, from RM2.26 billion.

The group is targeting new orders of RM2 billion and is confident of securing projects in Myanmar and India by the second half of this year.

Magnum Bhd's fourth quarter net profit fell 22.79% to RM56.29 million from RM72.91 million a year earlier on weaker performance from its gaming division. Quarterly revenue fell to RM630.93 million, lower by 12.75% from RM724.41 million before.

Despite the weaker final quarter, Magnum closed its FY19 with a net profit of RM238.73 million against RM105.39 million in FY18, as its income tax expense halved from the year before. Revenue remained flattish at RM2.7 billion.

Magnum declared a dividend of three sen per share, bringing its dividend for the full financial year (FY19) to 16 sen per share, from 15 sen in FY18.

Magnum said it welcomes the proposed implementation of a new stringent law, which imposed mandatory jail, as well as hefty penalty on both the seller and buyer in the illegal gaming ring. "This is expected to contribute positively to the top line of the company," it said.

Ranhill Holdings Bhd has secured an RM5.51 million contract to develop a sewage treatment plant for the R&F Tanjung Puteri property project in Johor Bahru.

The job was awarded by R&F Development Sdn Bhd to Ranhill's wholly-owned unit Ranhill Water Technologies Sdn Bhd (RWT), and that it will be completed in the next nine months.

It said the contract was secured on the back of a successful completion and delivery of a design-and-build contract of a 50,000 PE sewerage treatment plant at Country Garden Pacific View in Forest City, Johor, also utilising a Sequencing Batch Reactor system for the main biological treatment process to treat effluents to required standards.

Perdana Petroleum Bhd incurred a net loss of RM2.56 million in the fourth quarter ended Dec 31, 2019 (4QFY19) compared to a net profit of RM9.12 million last year, impacted by a reversal of impairment loss on its assets that was lower year-on-year, plus a one-off fee related to its debt-restructuring exercise.

The group recorded a 26% increase in 4Q gross profit to RM6.95 million from RM5.51 million, as lower cost of sales more than offset the slight decline in quarterly revenue to RM64.04 million, from RM64.08 million in 4QFY18.

For FY19, Perdana Petroleum narrowed its net loss to RM22.85 million from RM40.91 million, thanks to higher gross profit and one-off gains, which more than offset higher taxes incurred. Annual revenue grew 26.55% to RM240 million — its highest since 2014 — from RM189.65 million in FY18.

VSTECS Bhd, formerly known as ECS ICT Bhd, saw its net profit rise 29.6% to RM10.73 million in its fourth quarter ended Dec 31, 2019 (4QFY19) from RM8.28 million in the year-ago quarter, as sales improved. Quarterly revenue jumped 21.5% to RM542.1 million from RM446.1 million previously, on better sales. With higher sales, the gross profit increased 14.9% to RM28.2 million, from RM24.5 million last year,

The group proposed a final dividend of three sen per share, payable on June 17, bringing its total dividend for FY19 to 5.5 sen.

Full-year net profit came in at RM29.59 million, up 20.3% from RM24.6 million in FY18. Annual revenue stood 10.4% higher at RM1.8 billion.

Despite ending the year on a strong footing, VSTECS is cautious on its FY20 outlook and expects demand from the consumer segment to remain challenging given the lower forecast of Malaysia's gross domestic product (GDP) growth rate this year.