

Monday 25 June 2018

| ITEMS | Close | | | ITEMS | Close | | |
|----------------|-----------|-----------|--------|-----------------------|----------|----------|--------|
| | 22-Jun | 21-Jun | Chg | | 22-Jun | 21-Jun | Chg |
| INDICES | | | | FOREX | | | |
| FBM SHARIAH | 12,041.89 | 12,046.86 | -0.04% | RM/USD | 4.0022 | 4.0157 | -0.34% |
| FBM KLCI | 1,694.15 | 1,692.32 | 0.11% | COMMODITIES | | | |
| FBM EMAS | 11,973.46 | 11,956.89 | 0.14% | CPO/tonne (RM) | 2,284.00 | 2,251.00 | 1.47% |
| DJIA | 24,580.89 | 24,461.70 | 0.49% | Oil/barrel (US\$) | 68.58 | 65.54 | 4.64% |
| S&P 500 | 2,754.88 | 2,749.76 | 0.19% | Gold/ounce (US\$) | 1,269.41 | 1,267.20 | 0.17% |
| NASDAQ | 7,692.82 | 7,712.95 | -0.26% | Rubber SMR20/kg (sen) | 533.50 | 528.00 | 1.04% |

Corporate News

Kretam slumps to near 3-year low; short selling suspended

Kretam's stock price nosedived in early trade to its lowest since September 2015, after its plans to sell a 55% stake to Hap Seng Plantations had been called off. The stock opened 20.5 sen lower at 49 sen. It then saw its share price plummet to a low of 39.5 sen subsequently, representing a 43.2% drop from its last closing price. Short selling of the plantation company has been suspended for the rest of the day as it breached its limit-down. This leaves Kretam shares last traded at 44.5 sen still down 25 sen after a total of 73.84m shares exchanged. Kretam is now valued at a market cap of RM1.04bn. (Source: *The Edge*)

Efficient E-Solutions inks reseller agreements

Efficient E-Solution's indirect wholly-owned subsidiary Vigilant Asia (M) SB (VA) has inked reseller agreements with IJ Global Solutions Singapore Pte Ltd (IJ-GS) and Portcullis Technologies Pte Ltd (PTPL). VA will provide technical, marketing and promotional support through the reseller programme to resellers IJ-GS and PTPL, related to their licensing of VA's products and services, for servicing the resellers' customers. The term of the agreements is 12 months and shall automatically renew on each subsequent year for a 1-year term, provided the resellers have registered and/or confirmed at least 1 prospective lead with VA during the year. (Source: *The Edge*)

MyEG associate seeks to be payment processor in Philippines

MyEG's associate company has inked a preliminary agreement seeking to be a payment processor and payment gateway business enterprise for offshore transactions in the Philippines' Cagayan Special Economic Zone and Freeport. The associate I-Pay MyEG Philippines Inc signed the MoU with the Cagayan Economic Zone Authority. The MoU was to allow IPMPI to register as a Financial Technology Solutions Business Enterprise license applicant, to enable it to offer the said services. The MoU shall form the basis of consensus of the parties to examine the feasibility of the undertaking, until such time an approval is to be granted by CEZA conditional upon IPMPI. (Source: *The Edge*)

DNEx's associate Ping gets two licences in UK's North Sea

DNEx associate company Ping Petroleum Ltd (Ping) has been awarded 2 licences that allow for development and production activities to be carried out on three potential greenfield oil and gas blocks in the UK Central North Sea. The approval was given by UK's O&G Authority to Ping's wholly-owned unit, Ping Petroleum UK Ltd (Ping UK), which partnered with 2 established UK oil and gas companies namely Summit Petroleum Ltd and Azinor Catalyst Ltd on these licences. The 1st licence is for block 22/14C, where Ping has a 50% working interest with Summit Petroleum Ltd. The block contains several low-risk exploration prospects proximal to nearby infrastructure. (Source: *The Edge*)

Kimlun bags RM53.4m construction job

Kimlun has bagged a RM53.48m contract from Nusajaya Rise SB to undertake earthworks, road and drainage and other ancillary site works for the Gerbang Nusajaya development in Tanjung Kupang and Pulau, Johor. Its wholly-owned subsidiary Kimlun SB has accepted the award from Nusajaya Rise for the proposed project. The construction work is expected to be completed by end of April 2019. The project is expected to contribute positively to the earnings and net assets of Kimlun Group for the financial years during the contract period. (Source: *The Edge*)

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Scientex 3Q net profit down 8%, declares 10 sen dividend

Scientex has posted an 8.06% decline in net profit to RM61.14m for 3QFY18 from RM66.5m a year ago, owing to lower contribution from the group's property division as recently launched projects were still in the early stages of progress billings. Uncertainties during the election period also led to longer-than-expected timeframe in attaining regulatory approvals and permits for some of the property projects. EPS for the quarter slipped to 12.5 sen, from 14.34 sen. Revenue for the quarter was also down 5.66% to RM600.18m, from RM636.15m a year ago. *(Source: The Edge)*

Gabungan AQRS bags RM60m sub-contract works for SUKE project

Gabungan AQRS has secured a RM60.22m sub-contract to carry out sub-structure, toll plaza building and motorcycle lane works on the SUKE. Its wholly-owned subsidiary Gabungan Strategik SB (GSSB) had accepted the letter of award from Syarikat Muhibah Perniagaan Dan Pembinaan SB (SMPP). The sub-contract awarded to GSSB is a new contract between SMPP and GSSB for the provision and supply of all labour, material, fuel, plant and/or equipment and everything necessary for the execution and completion of sub-structure, toll plaza building and motorcycle lane works (or sub-contract works) as stipulated in the sub-contract tender documents and in compliance with drawings and specifications. *(Source: The Edge)*

GHL bags contract to supply 38,000 EDC terminals to Krung Thai Bank

GHL, via its wholly-owned unit GHL (Thailand) Co Ltd, has secured a contract to supply Krung Thai Bank PCL (KTB) with up to 38,000 electronic data capture (EDC) terminals. These EDC terminals are expected to be deployed throughout KTB's vast network of merchants to enable the acceptance of electronic payments in the form of credit and debit cards (including Thai QR Payment) as well as government related payment services. The value of the contract was not disclosed. GHL mention that the terminals will be deployed in stages over the coming months and a total of 10,000 EDC terminals have been successfully delivered to KTB as at today. *(Source: The Edge)*

Jag proposes private placement to raise RM14.41m for its property project

JAG has proposed a private placement to raise up to RM14.41m to fund its property development project in Klang. The private placement entails an issuance of up to 192.18m new shares, representing up to about 10% of its enlarged issued and paid-up share capital. Based on the indicative issue price of 7.50 sen per placement share, which would raise gross proceeds up to RM14.41m and RM13.56m will be used to fund the property development and RM450,000 will be used for working capital, while RM400,000 for the placement expenses. *(Source: The Edge)*

Sapura Energy bags nine new contracts worth RM1.8bn

Leading O&G services provider Sapura Energy has bagged nine new contracts worth approximately RM1.8bn, bringing its accumulative contract wins to-date to RM4.5bn for the group. The combined value of the contracts represents a 3-fold jump or an increase of nearly 250% compared to the value achieved in the corresponding period of the previous year, between February to June 2017. Through its wholly-owned subsidiaries, the group will be executing a series of diverse jobs across the upstream value chain in Malaysia, Australia, India and Mexico. *(Source: The Edge)*

Multi-Usage auditor resigns after audit fee disagreement

The external auditor of Multi-Usage, Messrs Baker Tilly Monteiro Heng (Baker Tilly) has resigned due to (a) disagreement in fixing audit fees. Baker Tilly had given their resignation notice in writing. In line with Section 281 of the Companies Act 2016 which deals with the resignation of auditors, the auditor's departure is with immediate effect, the filing added. Except for disagreement over audit fees, it is not aware of any other matters needful to be brought to the attention of the shareholders. Further announcement relating to the appointment of the new auditor would be made by the company in due course. *(Source: The Edge)*

XOX inks JV agreement to provide telco services in Indonesia

XOX, a wholly-owned subsidiary of mobile application services provider XOX, has entered a JVA with Yayasan Nahdlatul Ulama, EH Integrated Systems SB and PT Nusantara Digital Telekomunikasi to provide telecommunication services in Indonesia. The group said the new JV company, PT Nusantara Mobile Telecommunication will engage in business activities related to telecommunications and telecommunication products and services, the provision of mobile application services (Voopee), and e-wallet services in Indonesia. *(Source: The Edge)*

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Aeon Credit maintains stance it is not liable to RM96.8m tax claim

Aeon Credit has maintained its position that the company is not liable to pay the additional RM96.82m of income taxes slapped on the company by the Inland Revenue Board (IRB). The company have always maintained that they are not wrong, and that is the correct position. This is in consultation with their tax agents, auditors and solicitors. They are taking on the grounds of principle that they are not liable for those taxes (*Source: The Edge*)

Telekom to announce details of cheaper broadband in next quarter

Telekom Malaysia will announce details about its initiatives on affordable broadband services at higher speed within the next quarter. The company had met the Ministry of Communications & Multimedia Malaysia and the Malaysian Communications & Multimedia Commission (MCMC). The dialogue with the departments, was to reiterate its support of the government's aspiration regarding affordable broadband services at higher speed for the nation to increase its competitiveness. (*Source: StarBiz*)

Green Packet to raise up to RM53m via rights issue with free warrants

Green Packet plans to raise as much as RM52.57m via a renounceable rights issue on the basis of 1 rights share for every 5 existing shares held, together with warrants on the basis of three warrants for every one rights share. The proposal will see 150.2m rights shares and 450.6m warrants issued. The board believes the cash call will strengthen the group's financial position with enhanced shareholders' funds and reduced gearing level, as compared with bank borrowings which are expected to facilitate the continuous long-term growth and expansion plans. (*Source: The Edge*)

Comfort Gloves buys 39-acre Perak land for future expansion

Comfort Gloves is buying 38.92 acres of leasehold land in Daerah Kinta, Perak, from Nestle for RM13.22m cash. Its wholly-owned subsidiary Comfort Rubber Gloves Industries SB (CRGI) had entered into a sale and purchase agreement with Nestle Manufacturing (M) SB for the acquisition of the land measuring 157,500 square metres. The lease on the land expires on Nov 7, 2058. It will finance the acquisition via internally-generated funds and that the proposed acquisition is in line with its future expansion plans. It estimated the proposed acquisition, which does not require shareholders' approval, would be completed within 4 months. (*Source: The Edge*)

Willowglen bags RM8.62m maintenance contract

Willowglen's subsidiary Willowglen Services Pte Ltd has bagged a RM8.62m contract to undertake maintenance of 30 document management solutions (DMS) product data management (PDM) systems and the upgrade of 22 PDM system workstations. The contract was awarded by SP PowerAssets Ltd yesterday. The 3-year contract will end on June 20, 2021. It added that the contract is expected to contribute positively to the group's earnings and net assets per share for the FY18 to 2021. The group is involved in the research, development, sales, implementation and maintenance of computer-based control systems and integrated monitoring systems. (*Source: The Edge*)

Icon Offshore bags RM23m contract to supply vessel

Icon Offshore Bhd's wholly-owned subsidiary Icon Offshore Group SB has bagged a RM23m contract to provide a utility vessel to Hess Exploration and Production Malaysia BV for its operations. The contract will commence from the date of the letter of award and will expire at the end of 3 years from the vessel's on hire date, with 2 extension options of one year each. The long-term contract is inclusive of the extension period of which such extension is subject to the approval from Hess and/or Petronas Carigali SB. It is expected to contribute positively to the earnings, order book and net assets of Icon for the FY18 and beyond. (*Source: The Edge*)

SCGM 4Q net profit plunges 97%, pays 1.5 sen dividend

SCGM's net profit plunged 97% to RM150,000 in the 4QFY18 from RM5.08m a year ago, on higher resin prices, finance costs, depreciation charges, labour cost and foreign exchange losses incurred. This resulted in its earnings per share falling to 0.08 sen for 4QFY18 from 3.59 sen for 4QFY17. Quarterly revenue also dropped 8.8% to RM48.23m from RM52.91m, mainly due to lower sales from local and overseas customers which was affected by holidays during the current quarter under review, and the strengthening of the ringgit against major foreign currencies. (*Source: The Edge*)

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