

Another record year for KKB

BY JOHNSON KADAM & PETER SIBON



KKB Engineering Bhd Group Executive Director Kho Pok Tong speaking at the news conference. Together with him were executive director Kho Poh Lin (right), and CFO Bibiana Diwek Dayus (left). PHOTO JOHN CHAN

KUCHING: KKB Engineering Berhad & Group of Companies (KKB Group) out-performed itself and recorded a historical high revenue of RM62.1 million in the final quarter of last year as compared to RM30.7 million in the same quarter of 2008.

Disclosing this at a media briefing here yesterday Group Executive Director Kho Pok Tong said that the group's quarter profit before taxation increased to RM17.0 million compared to RM4.5 million achieved during the corresponding period of '08.

He explained that the contribution from the engineering and manufacturing sectors towards the group revenue during the period under preview was approximately 70% and 30% respectively.

"KKB Group core activity remains as steel fabrication including civil construction, hot-dip galvanising and steel pipes manufacturing activities which are currently operating in Sarawak and Sabah," he said.

He pointed out that the group's revenue, unaudited year-to-date (YTD) 2009 had also increased to RM176.5 million as compared to RM121 million in '08.

"The unaudited 2009 group's profit after taxation and minority interest increased to RM36.4 million as compared to RM10.9 million in 2008," revealed Kho, adding that as at 31 December 2009, KKB Group registered a group's earnings per share of 45.23 sen compared to 14.59 sen in 2008 and a group's net assets per share increased from RM1.80 in 2008 to RM2.22 last year.

"Based on an enlarged share paid up capital of 80,560,000 ordinary shares, the proposed dividend payout in respect of financial year ended December 31, 2009 once approved would amount to RM10.07 million as compared to RM3.02 million in 2008," he declared.

Meanwhile, he said since 1962 KKB group has grown and diversified its engineering activities and listed on the main market of Bursa Malaysia Securities Berhad since September 1994.

KKB group, which has a staff strength of about 550, presently operates nine plants, factories located within Kuching and Kota Kinabalu within a total land area of approximately 96 acres, said Kho.

He said that last year, amongst KKB group's many other projects, it has completed numerous sizeable structural steel works including for Kota Kinabalu international airport, Borneo Convention Centre Kuching (BCCK) and was also honoured to have participated in the Bakun Dam HEP related galvanised structural steel and sub-contract works directly for Malaysia-China Hydro Joint Venture, ALSTOM Hydro Malaysia Sdn Bhd and IMOSA (Malaysia) Sdn Bhd. During the fourth quarter of 2009, he said, they started the commencement of the proposed Samalaju water supply project in Bintulu worth RM196 million awarded by the state government in the third quarter of 2009. "This project is another milestone and is testament of the established track records of KKB group and also its first participation, contribution to the planned development taking place within the Sarawak Corridor of Renewable Energy (SCORE) region," said Kho.

"At the same time the BOD of KKB Group has last year, approved a budget on capital expenditure of RM20 million to be utilised over the mid 2010 to mid 2011 period. This will be for further expansion, procurement of new plant and machineries for the relocation of its steel fabrication activities, including the construction of factories and proposed jetty facility planned at KKBEB's acquired and owned, parcel industrial land at Lot 777 Muara Tebas Land District, along Jalan Bako, with strategic and direct access to Sungai Sarawak.

"Phase one, once completed and commissioned within first half of 2011, the planned capacity is expected to double from the current 15,000MT per annum to 30,000MT per annum and is geared to cater for future requirements beyond 210," he said.

Also present at the briefing were the Executive Director Kho Poh Lin and the Chief Financial Officer Bibiana Diwek Dayus. After the media briefing yesterday, the management treated the workers to a Chinese New Year dinner which was also attended by the Chairman cum Group Managing Director Dato Kho Kak Beng.

Taken from Eastern Times, Business Section dated 26 February 2010

New RM20mil steel fabrication plant for KKB

By JACK WONG

KUCHING: KKB Engineering Bhd is investing RM20mil in a new steel fabrication plant to double its annual capacity to 30,000 tonnes in the first half of next year.



Kho Pok Tong

Group executive director Kho Pok Tong said the proposed plant at Muara Tebas near here would have direct access to Sungai Sarawak. The project will incorporate jetty facilities for efficient logistical deployment of fabricated steel structures and related products.

“The project will be financed by internally generated funds. As at Dec 31, 2009, the group had cash reserves of RM42mil,” he told a media briefing yesterday.

He said the company’s existing steel fabrication activities at Bintawa Industrial Estate would be relocated to the new plant, which is geared to cope with rising demand and future requirements. The existing plant has a current utilisation rate of between 65% and 75%.

Kho said the group had bid for several projects, including infrastructure work, worth between RM280mil and RM350mil in both Sabah and Sarawak. The tendered projects include those identified in the Sarawak Corridor of Renewable Energy (Score). The results of these bids are expected in the second half of this year.

KKB secured recently its first major project in Score – the RM196mil Samalaju water supply scheme to bring raw and treated water from Bintulu town to the Samalaju Industrial Park. The project is expected to be completed next August.

On KKB’s financial performance, Kho said it chalked up a record unaudited group revenue of RM176.5mil and pre-tax profit of RM51.8mil for the year ended Dec 31 (FY09) compared with RM121.4mil and RM16.1mil respectively in FY08.

He said the engineering sector, which comprises steel fabrication and civil construction, and hot-dip galvanising, had increased its contribution to group revenue to 70% from 55% previously.

The remaining 30% contribution came from the manufacturing sector, including the production of liquefied petroleum gas cylinders, steel pipes and related products. The group operates nine plants in Sabah and Sarawak.

“The group’s unbilled sales amounted to about RM165mil as at Dec 31, 2009 for both the engineering and manufacturing sectors,” added Kho.

KKB on Tuesday proposed a three-for-five bonus issue and an increase in its authorised share capital to RM250mil from RM100mil.

Taken from Star Biz dated 26 February 2010

KKB Engineering Outperforms amid challenging year

By Ghaz Ghazali

KUCHING: Steel fabrication specialist, KKB Engineering Berhad (KKB Engineering), has financially outperformed itself for the year and fourth quarter ended last Dec 31.

For the fourth quarter, profit-before-tax(PBT) was RM17 million on a revenue of RM62.1 million against previous year's PBT of RM4.5 million and revenue of RM30.7 million.

On annualized basis, PBT and revenue were RM51.8 million and RM51.8 million and RM176.5 million, respectively. In comparison with corresponding year in 2008, PBT revenue were RM16.1 million and Rm121.4 million, respectively.

Earnings per share were RM14.88 and RM45.23 for the fourth quarter and year-to-date periods, respectively.

Its group executive director, Kho Pok Tong, said even with the challenging environment seen throughout the second half of 2008 into the first half of last year, the group managed to post solid results.

"In 2009, the group has completed numerous sizeable structure steel works including Kota kinabalu International Airport and Sarawak Convention and Exhibition Centre. We have also been honored to have participation in the Bakun Dam hydroelectric project-related as well as galvanized structural steel and subcontract works directly for Maaysia-China Hydro joint-venture; Alstrom Hydro Malaysia Sdn Bhd and IMPSA (Malaysia) Sdn Bhd," he told reporters during a press conference held at the group's headquarter at Pending near here yesterday.

"For us, it's not the total number of award contracts that we have gained, but more on the successful completion of these projects and what we can do more."

Apart from this, Kho also announced that the group had commenced its RM196 million construction contract for the proposed Samalaju Water Supply Project in Bintulu during the quarter.

"The government's contract represented another milestone for the company, as well as being its first participation in SCORE (Sarawak Corridor of Renewable Energy). Physically, we are currently within three to four per cent towards our completion schedule. Hopefully, it will be completed by August next year."

Meanwhile, Kho disclosed that KKB Engineering's unbilled sales stood at about RM165 million as at Dec31.

"Barring unforeseen circumstances, threes numbers should stand over the next 18 months for both our engineering and manufacturing sectors in Sabah and Sarawak."

On the group's pipeline, Kho stated that the group expected new potential additional works valued at between RM280 million and RM350 million over the second to third quarter of this year.

"The results are expected to be known sometime during the second half-year of 2010. Once implemented, it is expected to only commence during he first half-year of 2011 and onwards."

"Last year, our board of directors has approved a budget on capital expenditure of RM20 million to be utilized over the mid-2010 to mid-2011. This will be for further expansion, procurement of new plants and machineries for the relocation of its steel fabrication activities."

Such allocation will also include the construction of a proposed jetty at KKB Engineering's wholly owned parcel of land at Muara Tebas along Jalan Bako.

"There will be three phases of development for Lot777 (the land) of which Phase one, once completed and commissioned within the first half of next year, will double its capacity from the current 15,000 metric tonnes per annum to 30,000 metric tone per annum. The land is definitely geared to cater for future requirements beyond 2010. Overall, all three phases would be slated toward completion by 2014.

“Funding will not be an issue as the company has adequate financial resources to pay for its planned expansion as well as to undertake current projects in hand,” he elaborated.

Currently, Sarawak-based KKB Engineering operates in both Sarawak and Sabah, with nine plants that are sited within a total land area of about 96 acres. Its total number of employees reaches 550 headcounts for both operations.

Taken from Borneo Post dated 26 February 2010

KKB untung Rm62.1 juta

Marlinda Mardzuki

KUCHING, Khamis – Sebuah syarikat kejuruteraan swasta ternama di negeri ini, KKB Engineering Berhad serta syarikat kumpulannya mencatatkan keuntungan RM62.1 juta bagi suku akhir tahun lalu.

Pengarah Eksekutif Kumpulan KKB Engineering Berhad Kho Pok Tong berkata, keuntungan tersebut merupakan peningkatan cemerlang berbanding tahun sebelum yang mencatatkan RM30.7 juta.

“Sukacita diumumkan keuntungan sebelum cukai bagi syarikat kumpulan kami meningkat sebanyak 17 juta berbanding RM4.5 juta pada tahun sebelumnya.

“Sumbangan sektor kejuruteraan kepada pendapatan syarikat kumpulan ialah kira-kira 70 peratus manakala sektor pembuatan 30 peratus,” katanya pada sidang akhbar di sini hari ini.

Beliau berkata, pendapatan kumpulan belum diaudit bagi suku akhir tahun lalu ialah RM176.5 juta berbanding pendapatan sudah diaudit sebanyak RM121.4 juta pada suku akhir tahun 2008.

Menurutnya, keuntungan tersebut melibatkan projek teras syarikat dalam pemasangan keluli bagi sektor kejuruteraan termasuk pembinaan awam dan penggalvanian selupan panas. “Kegiatan sektor pembuatan pula termasuk gas cecair dan pembuatan paip keluli. Selain itu, kecemerlangan prestasi syarikat itu adalah hasil pengurusan yang cekap serta perancangan yang rapi,” katanya.

Beliau berkata, pendapatan asas sesaham juga meningkat kepada 45.23sen berbanding 14.59sen pada suku akhir pada tahun sebelumnya.

“Kegiatan-kegiatan pemasangan siap keluli, penggalvanian selupan panas dan pembuatan paip keluli KKB Engineering dan syarikat kumpulannya telah beroperasi di Sabah dan Sarawak sejak tahun 2005,”ujarnya. Beliau menegaskan, KKB juga membekalkan silinder ke negara Brunei, Vietnam dan Sri Lanka.

“Pada tahun ini, syarikat Kumpulan KKB Engineering Berhad telah Berjaya menyiapkan beberapa projek utama seperti pembinaan semula Lapangan Terbang Kota Kinabalu, Pusat Konvensyen dan Pameran Sarawak serta kerja-kerja sub-kontrak untuk Malaysia-China Hydro Joint Venture, Alstom Hydro Malaysia Sdn Bhd dan Impsa (Malaysia) Sdn Bhd dalam projek Hidroelektrik Bakun.

“Projek bekalan air Samalaju juga sudah dimulakan tahun lalu dan setakat ini sudah empat peratus siap sebelum jadual,”katanya.

Turut hadir pada sidang media tersebut ialah Pengarah Eksekutif Bahagian Korporat dan Hal Ehwal Undang-Undang, Kho Poh Lin dan Ketua Pegawai Kewangan, Bibiana Diwek Dayus.

Taken from Utusan Sarawak dated 26 February 2010