

MEDIA CLIPPING

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Grand-Flo reports better Q1 earnings

PETALING JAYA: Helped by lower foreign exchange translation losses, Grand-Flo Bhd saw its net profit jump almost seven-fold to RM651,933 in the first quarter ended March 31, 2017, from RM100,352 in the corresponding period last year, despite lower revenue.

During the period in review, the tracking solutions provider and property developer's revenue fell 35.5% to RM20.37mil from RM31.6mil in the previous corresponding period due mainly to lower billings by the property development division as the projects were expected to be completed in 2017. In tandem with the lower revenue, Grand-Flo's pre-tax profit dropped 26.2% year-on-year to RM1.3mil.

The group's earnings per share, however, increased to 0.13 sen from 0.02 sen.

According to Grand-Flo group president/group managing director Derrick Tan, the company's enterprise data collection and collation systems (EDCCS) and property development divisions were expected to contribute positively to the group's performance for the

financial year ending Dec 31, 2017.

"We are confident of making a turnaround in the current financial year and chart our next growth trajectory," Tan said in a statement.

Grand-Flo would expect to have equal revenue contribution from its tracking solutions and property development segments for 2017 backed by a healthy order book for the tracking-solutions division and high unbilled sales for the property development division.

As at May 29, 2017, the unbilled sales for Grand-Flo's property division stood at RM32mil, which came from two completed projects in Penang, namely the industrial development "Vortex Business Park" and landed residential properties called "The Glades".

The group said the unbilled sales for the two projects would be recognised this year.

"Despite the challenging circumstances in the overall property sector, we completed the construction of these projects and are on track for delivery in June and July 2017 for Glades and Vortex, respectively," Tan said.