

Fajarbaru eyes rail and infrastructure jobs

Group remains supported by order book of RM393mil

INFRASTRUCTURE

PETALING JAYA: Fajarbaru Builder Group Bhd is eyeing more rail and infrastructure construction jobs as the government is expected to resume mega projects to spur domestic economic activities.

The group, which has completed rail-related and infrastructure projects in the past, remains supported by its current order book of nearly RM393mil in construction jobs.

The construction business is the biggest revenue contributor for the group. It is also involved in property development, logging and timber trading, logistics, trading as well

as investment holding.

Fajarbaru told the stock exchange yesterday that it recorded a net profit of RM3.37mil in the third quarter ended March 31, in comparison to a net loss of RM8.22mil in the same quarter in the previous financial year of 2019 (FY19).

The improvement in earnings was due to the lower operating expenses and no tax payments for the quarter.

The group said that the available capital allowances and the adjusted business losses carried forward from previous years enabled it to set off against taxable profit.

Fajarbaru's revenue in the third quarter of FY20 (3Q20) declined by 25% year-on-year (y-o-y) to RM53.11mil.

"The decrease in revenue of 25% is mainly from the property development segment and logging and timber trading segment," it said in a Bursa Malaysia filing.

Earnings per share in 3Q20 was 0.9 sen as compared to a loss per share of 2.21 sen a year earlier. No dividend was declared for the quarter.

Cumulatively, for the first nine months of FY20, the net profit surged to RM24.19mil, up from RM287,000 in the same period a year earlier.

This was thanks to lower cost of sales, operating expenses and tax expenses.

However, revenue was down by 13.02% y-o-y to RM206.97mil.