

THE EDGE (23 MAY 2024)

FAJARBARU'S 3Q PROFIT SOARS OVER 14 TIMES TO HIGHEST IN OVER 20 YEARS



KUALA LUMPUR (May 23): Construction outfit Fajarbaru Builder Group Bhd (KL:FAJAR) saw its net profit jumped more than 14 times to RM27.19 million for the third quarter ended March 31, 2024 (3QFY2024), from RM1.91 million a year earlier, mainly due to higher contribution from property development segment.

This is the group's highest quarterly profit since 2002. The group's quarterly revenue surged more than three-fold to RM142.65 million from RM46.66 million a year before, its bourse filing showed. Earnings per share spiked to 3.67 sen from 0.26 sen.

Its property segment recorded a six-fold jump in profit before tax to RM33.4 million from RM5.57 million, as revenue increased to RM99.05 million from RM17.7 million.

The surge in revenue and profit before tax were mainly attributed to the Vierra Residence @ Kinrara development, which recorded incremental growth in work progress as compared to 3QFY2023, the group said.

It declared a second interim dividend of half a sen per share, payable on June 26. This brings its year-to-date dividend to one sen.

For the first nine months of FY2024 (9MFY2024), its net profit jumped 10 times to RM49.18 million from RM4.93 million in 9MFY2023, as revenue more than doubled to RM342.42 million from RM148.02 million.

On prospects, the group anticipates achieving a favourable performance for its FY2025 ending June 30, 2024.

Fajarbaru's share price closed half a sen or 1.3% higher at 38.5 sen on Thursday, bringing the group a market capitalisation of RM287 million. Year to date, the stock has risen 33%.