



PRESS RELEASE

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SURIAGROUP'S REVENUE ROSE BY 14% IN 2Q2021 ON IMPROVED SIGNS OF PORT PERFORMANCE

Kota Kinabalu: Suria Capital Holdings Berhad is pleased to announce SuriaGroup's (the Company and its subsidiaries) performance for the second quarter of 2021 (2Q2021) and the first half of 2021 (1H2021) which ended on 30 June 2021.

For the 2Q2021, the Company reported the Group's total revenue of RM62.4 million, which improved by 14.0% from RM54.7 million earlier in the 1st Quarter of 2021 (1Q2021). This brought the total revenue of the Group to reach RM117.0 million for the first half of 2021, increasing by RM13.6 million or 13% as against RM103.5 million in the corresponding period of 2020. The main contributor for the higher revenue came from port operations which stood at RM53.4 million following increased cargo throughput during the quarter as well as revenue from construction services for concession infrastructure of RM8.2 million.

With the improved revenue performance, the Group's gross profit rose by 72.9% to RM24.2 million in the 2Q2021 from the earlier 1Q2021. Year-on-year, the gross profit of the Group stood at RM38.1 million for the first 6-months of 2021 against RM27.6 million registered for the same period a year earlier.

Despite the uncertainties in the current economic condition which has been significantly impacted by the COVID-19 pandemic, there had been consistent and continuous improvements in conventional cargo throughput as well as container throughput going through our ports beginning 1Q2021.

The increase in revenue from port operations for the current quarter compared to the preceding 1Q2021 was mainly contributed by the increase in revenue from the cargo operations at wharves (excluding containers) which increased by 21% to 2.3 million metric tonnes from 1.9 million metric tonnes in the 1Q2021. The increase in cargo throughput was due to higher exports of palm oil and bulk oil in view of the gradual recovery from COVID- 19 restrictions imposed by the Government.

The cargo throughput at sufferance wharves and private jetty has also increased marginally by 1% for the current quarter to 3.9 million metric tonnes mainly due to more import and export activities of fertiliser, wood products and general cargo at Sandakan, Lahad Datu and Kota Kinabalu ports. As for the container segment, total TEUs handled for the current quarter has also shown improvement by 13% at 108,082 TEUs as compared to 95,293 TEUs registered in the immediate preceding quarter. In 2Q2021, Sapangar Bay Container Ports handled 77,121 TEUs container volume, while Tawau Ports 19,828 TEUs and Sandakan Port 11,133 TEUs.

During the year, the Group had undergone few developments to strengthen business position and improve its port services and operations. The construction of a new jetty at Sapangar Bay Oil Terminal had commenced work since December 2020. The construction is targeted for completion by end of March 2022. The financier for the project is Bank Pembangunan Malaysia Berhad.

Meanwhile, tender for the expansion of Sapangar Bay Container Port was already awarded by the Federal Ministry of Finance through SEDIA to WCT Holdings and its joint-venture partner, China Communications Construction Company in July 2021. Sabah Port's role in this Federal-funded project is in the provision of technical inputs. Once the project is completed in 2024, Sabah Ports will be the operator of the expanded port.

In property development, the first phase of the Jesselton Quay project, a joint-venture with SBC Corporation Berhad at Tanjung Lipat, had reached 93.9% completion as at 30 June 2021. The Group's railway upgrading project for Jabatan Keretapi Negeri Sabah at Tenom has also been fully completed as of 31 March 2021 and now awaiting the full Certificate of Practical Completion from Ministry of Transport, expected in September 2021.

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For media enquiries, please contact:
Head, Group Corporate Affairs and Communications
Tel: 088-257788; HP: 019-821 9888;
Email: mariam@suriapl.com.my