SURIAGROUP

PRESS RELEASE

Monday, 28 August 2023

SURIAGROUP CONTINUES STRONG PERFORMANCE FOR Q2FY23

Kota Kinabalu: Suria Capital Holdings Berhad is pleased to announce SuriaGroup's (the Company and its subsidiaries) performance for the second quarter of 2023 (Q2FY23) which ended 30 June 2023. The Group delivered a strong performance especially in its port operations division, marked by notable growth in several areas.

In Q2FY23, SuriaGroup reported a total revenue of RM69.8 million and a gross profit of RM25.0 million. These results indicate a 4% increase in total revenue quarter-to-quarter compared to second quarter of 2022 (Q2FY22) which stood at RM57.7 million in total revenue and RM16.5 million in gross profit. As a result of the increase in revenue, the Group's pre-tax profit increased by RM7.3 million year on year to RM16.5 million in Q2FY23 compared to RM9.2 million reported in Q2FY22.

The improved performance in Q2FY23 was primarily attributed to the core business of port operations, which generated 82% of the Group's revenue in comparison to 79% in the Q2FY22. The increase was mainly attributed to improvement in port operations by way of increase in throughput at wharves and higher revenue from containers due to the tariff revision on crane higher charges effective August 2022.Further to that, the increase was also attributed to lower amortisation of concession asset as a result of the 30-year extension until year 2064 of the port concession period granted by the Sabah State Government to Sabah Ports.

Cargo throughput (excluding containers) handled by Sabah Ports showed a 10% increase from 2.2 million metric tonnes (MT) in the corresponding Q2FY22 to 2.4 million MT in Q2FY23. This rise was ascribed to increased throughput of bulk oil, palm oil and PKE.

In terms of container operations, container volume was registered at 107,605 TEUs and showed a decrease of 3% when compared to the 98,980 TEUs registered in previous quarter despite higher revenue being reported for it. Overall, Sapangar Bay Container Port handled 77,991 TEUs, making up 72% of the total container volume, while Ports of Tawau and Sandakan recorded 18,643 TEUs and 10,971 TEUs respectively for the corresponding period.

Referring to the Group's operations, Group Managing Director, Datuk Ng Kiat Min said "We are focused on ensuring that operational plans for year 2023 are materialised."

“In this respect, we are on the cusp of finalising the agreement and signing with DP World by third or early fourth quarter this year on the management and operation of Sapangar Bay Container Port (SBCP). The global network and expertise of DP World will be catalytic towards making SBCP a global hub for eastern bound cargoes.”

She further added “International liners such as SITC, Maersk and RCL have recently included our ports in their rotation and we expect more liners will follow suit. We foresee our customer base will continue to expand especially in view of our alignment with DP world encouraged further by the value- added prospects that SBCP offers as a consolidation hub.”

“We are further anticipating the completion of the additional jetty at Sapangar Bay Oil Terminal (SBOT) by the end of the year. Upon completion, SBOT will be able to undertake additional revenue generating port activities apart from serving its main objective which is to improve operational efficiency by catering to more and bigger vessels.”

On the property front, 2QFY23 also included contribution from the Property Development Division derived from the leasing of Gallery Shoppes at Jesselton Quay Central. These Gallery Shoppes are part of the entitlement accorded to the Group from the joint venture with SBC Corporation Berhad to develop First Phase of Jesselton Quay Central that was completed in 2022. As of end of 2QFY23, 64% of the gallery shoppes were committed by tenants, contributing RM0.2 million in revenue.

- THE END -

For media enquiries, please contact:

Group Corporate Affairs and Communications
Tel: 088-257788; HP: 010-368 8788 (Kashani)
Email: kashani@suriaplc.com.my