

Gas Malaysia's 3Q earnings rise on higher gross profit

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GAS Malaysia Bhd's earnings rose 22.49% year-on-year (YoY) to RM62.36 million in the third quarter (3Q) ended Sept 30, 2021, underpinned by higher gross profit, lower administrative expenses and lower finance cost.

In a filing to Bursa Malaysia last week, the gas distributor noted the

higher gross profit despite lower volume of natural gas sold was mainly due to the recognition of revenue cap adjustment in the quarter.

Revenue for the period came in 19.7% lower YoY at RM1.38 billion in line with lower average natural gas tariff coupled with lower volume of natural gas sold, mitigated by the recognition of revenue

cap adjustment during the current quarter.

The group registered an earnings per share of 4.86 sen in the quarter.

For the cumulative nine months, Gas Malaysia posted a net profit of RM180.33 million, up 25.8% YoY, despite revenue falling 19.7% YoY to RM3.91 billion.

Gas Malaysia noted it is hopeful

Malaysia's economic recovery will progress further and intensify in the coming months.

It added that this is supported by the fact that the National Covid-19 Immunisation Programme has surpassed 95% of the country's adult population and the gradual reopening of more economic sectors since August.

"The group will continue to take

prudent measures to maintain its operational efficiencies and seek opportunities to grow its business.

"Based on the foregoing, the group is confident on delivering another year of satisfactory results in 2021," it noted.

Shares of Gas Malaysia closed four sen or 1.51% higher at RM2.69 last Friday, valuing the group at RM3.45 billion.

