

Gas Malaysia's 1Q net profit grows 64% on higher gross profit, lower administrative expenses, JV companies' contribution

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May 12, 2022 18:52 pm +08



KUALA LUMPUR (May 12): Gas Malaysia Bhd reported a 64.15% increase in its first quarterly net profit ended March 31, 2022 (1QFY22) to RM91.32 million from RM55.63 million a year ago, driven by higher gross profit, lower administrative expenses and higher contribution from the group's joint venture companies.

Earnings per share rose to 7.11 sen from 4.33 sen, according to the company's filing with the local bourse.

Quarterly revenue also jumped 54.78% to RM1.78 billion compared with RM1.15 billion in the same quarter last year. This was in line with higher average natural gas selling price in tandem with global market price, mitigated by lower volume of natural gas sold during the quarter under review.

"Further increase in revenue was also due to higher firm capacity reservations by shippers for the utilisation of the Natural Gas Distribution System (NGDS) in the current quarter," said Gas Malaysia.

On a quarter-on-quarter basis, Gas Malaysia's net profit grew 31.79% from RM69.29 million in 4QFY21. This was despite revenue declining 8.06% from RM1.94 billion previously as higher administrative expenses and finance costs were reported in the quarter under review compared with the immediate preceding quarter.

Looking ahead, Gas Malaysia said it will continue to take prudent measures to maintain its operational efficiency, to remain competitive and seek opportunities to grow its business, in line with the country's transition to Covid-19 endemicity.

The group's board also expects Gas Malaysia to deliver a satisfactory performance for the financial year 2022 in tandem with the expected economic growth.

At Thursday's (May 12) market close, Gas Malaysia settled down one sen or 0.36% at RM2.75, valuing the group at RM3.53 billion.

Edited by Esther Lee