

## **KNM Q2 Profit Up Nearly 500% to RM59M**

PETALING JAYA: Oil and gas services provider KNM Group Berhad has reported a whopping 493.9% increase in net profit to RM58.8mil for its second quarter ended June 30. Revenue jumped 235.7 % to RM234.9mil from RM70mil before.

Earnings per share rose to 38.42 sen from 6.74 sen.

In a statement yesterday, KNM Group said it registered net profit of RM79.6mil for the half year ended June 30, after including a one-off negative goodwill incurred from the company's acquisition of its Italian subsidiary, FBM Hudson Italian SpA earlier.

The group attributed its positive performance to an increase in manufacturing capacity to 74,000 tonnes currently from 46,500 tonnes last year, as well as contributions from overseas.

Managing director Lee Swee Eng said: "The strong demand for process equipment due to the global increase in the oil and gas capital expenditure has largely contributed to our strong second quarter performance,"

OSK Investment Research senior manager Chris Eng said the impressive net profit increase was largely due to exceptional gains. "The results were 39% above our expectations," he said, adding that KNM Group's Italian and Australian subsidiaries were significant contributors to the company's strong performance.