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## George Kent eyeing re-entry to O&G sector

by **Jonathan Gan**

**KUALA LUMPUR:** Water meter manufacturer and construction company George Kent (M) Bhd could be eyeing a re-entry to the oil and gas (O&G) industry, according to group chairman Tan Sri Tan Kay Hock.

Speaking to reporters after the company's annual general meeting yesterday, Tan said the company had previously been in the O&G industry where it was involved in the selling of valves and bar code pumps.

"Oil and gas is a very exciting industry, so we want to go into it as well but we want to go into the right space with the right targets," he said. "As a conservative company, we'll look closely at the right space and targets to join."

Meanwhile, Tan also disclosed that the company is bidding for water infrastructure and railway construction projects that are worth about RM10 billion to RM15 billion.

"We want to concentrate on what we know best like water treatment plants and dams which is our

mainstay," he said.

He said the company has set up an engineering division to look into "smart water meters" and "polymer meters" in order to enhance the competitive advantage of its metering business.

Commenting on the company's performance, Tan said, "I believe our profits have increased on a year-to-year basis at a compound rate of 20% for the past 10 years. In terms of dividends, it has gone up by 40% every year for the past five years and our board is very proud of these results."

Commenting also on the Ampang Light Railway Transit (LRT) project, the chairman said the company is about one third of the way through the project.

George Kent was awarded a contract sum of RM1.08 billion by Syarikat Prasarana Negara Bhd in August 2012 to provide system works for the Ampang LRT Line.

George Kent has carried out a revaluation on two of its investment properties, meanwhile, resulting in a surplus of an aggregate

amount of RM29.7 million to be reflected in the financial statements and group as at July 31, 2014.

In a filing with Bursa Malaysia yesterday, the company said the total value placed on the properties by the valuers was RM103.2 million.

The two assets are a freehold landed property located in Puchong (market value is about RM100.3 million) and a leasehold tri-level Town House at the city of Port Moresby in Papua New Guinea (valued at RM2.913 million).

After the revaluation exercise, the total market value of the two properties stood at RM103.213 million from its net book value of RM73.51 million as at July 31, 2014.

"This will result in an increase of approximately 13.18 sen in the net assets per share of George Kent from 111.29 sen to 124.47 sen as at July 31, 2014," it said.

"The purpose of the revaluation is to reflect the current fair value of the landed properties in George Kent group for accounting purposes," it said.