

Mesiniaga, Ingress, Dijaya, Efficient

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KUALA LUMPUR: Investors will again have to brace for a volatile session on Tuesday, Sept 6 following the heavy selling pressure on European banks, dragging the broader market lower on Monday.

Reuters reported European bank shares slid to a 29-month low on Monday, leading the broader market down on fresh sub-prime mortgage woes, fears of recession and yet more evidence of political disunity that could hamper efforts to solve the region's debt crisis.

Key Asian markets including Bursa Malaysia also closed lower on US recession fears again.

Stocks to watch on Tuesday include Mesiniaga Bhd, Ingress Corporation Bhd, Dijaya Corporation Bhd and Efficient E-Solutions Bhd. Also in focus would be Bandar Raya Development Bhd (BDRB) and Bintai Kinden Corporation Bhd.

Mesiniaga Bhd secured a RM167.01 million contract from Telekom Malaysia Bhd to build and operate an internet protocol core system for three years.

This is an impressive win for the low profile Mesiniaga. The contract is 2.7 times larger than its current paid-up capital of RM60.40 million.

In the second quarter ended June 30, Mesiniaga posted net profit of RM1.91 million on the back of RM63.43 million in revenue. For the first half, its net profit was RM3.49 million while its revenue was RM116.59 million.

Permodalan Nasional Bhd is the largest shareholder at 18.77% or 11.33 million shares while Fathil Sulaiman Ismail owns 10.88% or 6.569 million.

Mesiniaga said the contract period was from Sept 1, 2011 until Aug 31, 2014. It said the contract was expected to contribute positively to its earnings over the period of project. The share price closed at RM1.85.

Ingress secured several contracts from Tenaga Nasional Bhd totaling RM56.6 million while its joint venture clinched a RM11.3 million job.

Its unit Multi Discovery Sdn Bhd (MDSB) was awarded a RM43.9 million contract to set up a power management unit (PMU) 132/33kV Bayan Mutiara GIS and access road.

The second contract was a proposed 132kV transmission line from Tanjung Pauh to Chuping, for RM9.8 million.

The third was a RM2.9 million contract for the proposed 132kV double circuit T-Off between Kampar-Sri Iskandar and Pengkalan-Kampar.

MDSB and its joint venture partner Infrarail Sdn Bhd were awarded a RM11.3 million contract to set up a PMU 132kV Tunjang switching station and 132kV double circuit underground cable (100MVA).

Dijaya Corporation Bhd is to develop five parcels of land measuring 198.5 acres in Kajang into mixed development with an estimated gross development value (GDV) of RM2 billion.

Its unit Tropicana City Service Suites Sdn Bhd had entered into a sale and purchase agreement (SPA) with Taiyo Resort (KL) Bhd to acquire the five parcels of freehold development land in Kajang for RM228 million.

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The parcels of land are currently held under the operations of Kajang Hill Golf Club, it said.

BDRB has received a proposal from its major shareholder, Ambang Sehati Sdn Bhd to acquire selected investment assets of the group, including The Bangsar Shopping Centre and Menara BRDB.

BDRB had received the proposal from Ambang Sehati, which owns 18.88%, for the corporate exercise as the BDRB shares had been trading at a significant discount to its net asset value.

"In the proposal letter, Ambang Sehati has proposed to acquire selected investment assets of the group. Ambang Sehati believes that this would enable the group to monetise these assets and achieve a more efficient utilisation of its capital," it said.

Singapore Post Enterprise Private Ltd has raised its shareholding in Efficient E-Solutions Bhd with the recent acquisition of five million shares on Sept 2.

A filing with Bursa Malaysia showed its shareholding in the business process outsourcing (BPO) company increased to 20.82 million shares or 147.529 million shares following the recent acquisition. The share price closed at 17.5 sen on Sept 2.

The Kuala Lumpur High Court has ruled in favour of Malayan Banking Bhd in its suit against Bintai Kinden Corporation Bhd's subsidiary Kejuruteraan Bintai Kinden Sdn Bhd (KBK).

Bintai Kinden said the court ruled in Maybank's favour on its demand against KBK of RM15.77 million together with cost and interest of 8% per annum from April 2007 until full payment by KBK.

"The board of directors of Bintai Kinden is of the view that the suit is without merit and KBK will file an appeal on the above judgement to the Court of Appeal," it said.