

Syed Mohamed is now Encorp chairman

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KUALA LUMPUR (Aug 25): Encorp Bhd has appointed former banker Datuk Syed Mohamed Syed Ibrahim as its chairman, replacing Tan Sri Mohd Isa Abdul Samad, who resigned in mid-August amid an anti-graft probe over the purchase of a luxury hotel in Kensington, London.

Encorp said Syed Mohamed's appointment was following a series of nomination by the controlling shareholder Felda Investment Corp Sdn Bhd (FIC), which is the wholly-owned investment arm of the Federal Land Development Authority (Felda).

Also chairing FIC, Syed Mohamed is now the president and executive director of Iskandar Waterfront Holdings Sdn Bhd, a company linked to tycoon Tan Sri Lim Kang Hoo.

FIC has also nominated two other individuals, namely Hussein Ismail and Datuk Muzammil Mohd Noor, to Encorp's board, while ceasing the nomination of UMNO lawmaker Datuk Noor Ehsanuddin Mohd Harun Narrashid and Datuk Hanapi Suhada, the former director-general of Felda.

Meanwhile, Encorp announced that its net profit for the three months ended June 30, 2017 (3QFY17) declined 28.9% to RM5.16 million from RM7.25 million, blaming lower property sales as well as the tapering of projects within its property development division as the culprit that has dragged down earnings.

The lower earnings, Encorp added, was in line with a 5% decline in quarterly revenue to RM80.07 million in 3QFY17 from RM90.4 million a year ago.

For the nine months ended June 30, 2017 (9MFY17), Encorp's net profit jumped 77.14% to RM13.6 million from RM7.68 million, while revenue increased 10.84% to RM150.21 million from RM135.52 million previously.

Encorp attributed the higher 9MFY17 earnings to lower finance costs and effective tax rate, plus a RM2.1 million gain from the disposal of its freehold land in Batu Feringghi to Crescent Consortium Sdn Bhd.

On outlook, Encorp said its management remains steadfast and focused on its growth plans, while endeavouring to continue enhancing shareholders' value.

"As for the investment property segment, the tenant mix transformation and rebranding initiatives at the Strand Mall are progressing well and management will unveil more in due time," Encorp added.

Separately, Encorp also announced that it has received Bursa Malaysia's approval for a six-month extension until Oct 9, 2017 to address the low public shareholdings spread, which currently stands at 14.77%.