

Headline	FY17 revenue growth target of 20pc achievable
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# FY17 revenue growth target of 20% 'achievable'

> Strong order book of RM950 million to last electric power technology company until 2018

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**SHAH ALAM:** Integrated electric power technology provider Pestech International Bhd is looking at 20% growth in revenue for the financial year ending June 30, 2017 (FY17), on the back of a strong order book of RM950 million.

"Our current order book will last until 2018. So it (the 20% growth) is not something that we have to rely on a new order for. It is achievable," its executive director Paul Lim Pay Chuan (pix) told reporters after its AGM here yesterday.

"But of course there will be more contracts that we hope to sign before end of FY17," he added.

For FY16, the group posted a net profit of RM72.83 million, on revenue of RM508.7 million.

To date, Lim said, the group has tendered for projects worth RM1.2 billion-RM1.3 billion. It has a 30% success rate on average.

Recently, Pestech secured a contract worth RM37.75 million from the National Grid Corp of the Philippines (NGCP), marking its entry into the Philippine power infrastructure market.

NGCP is a privately owned corporation in charge of operating, maintaining and developing the Philippines' state-owned power grid.

"We are quite positive about the Philippines (market), with gross domestic product growth around 5% for the last few years. Since we have got our first contract there, hopefully it can (open doors) for us,"

Lim said.

He added that the group had also recently

secured its second job in Papua New Guinea, with a job worth RM51.7 million from PNG Power Ltd (PPL) for the Port Moresby power grid development project.

On prospects, Lim said the group is positive on its outlook for the energy industry, as the number of power plants being built in the Asean region is increasing, with the market value at about US\$20 billion (RM89.2 billion).

"The infrastructure requirement in Asean region is at least US\$20 billion per year, and the group is now only doing less than 10% of the whole regional requirements.

"Therefore, we feel that the demand for

our services will (bring us) another few years of growth," he said.

Going forward, Lim said Pestech will continue exploring opportunities in the power infrastructure business, such as power plant automation and rail electrification in the region for future growth.

Pestech's principal businesses include designing, engineering, manufacturing, installation, testing and

commissioning and construction of high-voltage and extra high-voltage substations and equipment, transmission lines and underground cables connections for electricity transmission and distribution.

It also provides maintenance, upgrading and retrofitting works.

