

Focus Dynamics poised for further growth in M'sia, China

FOCUS Dynamics Technologies Bhd expects to secure at least two contracts within the next three months that will pave the way for the group to significantly boost its growth locally and in China.

The maker of energy-saving products, systems and equipment is finalising a 50:50 joint venture with a China company to assemble and distribute its products in that country.

The company also expects to sign an exclusive deal with one of the three nominated contractors for government departments in Malaysia to supply light-emitting diode (LED)-based lighting.

Its managing director Kong Kwai Ching (*pic*) told *FinancialDaily* that the agreements could be signed by November, paving the way for the company to market its products extensively in Malaysia and China.

“We want to use China as a

growth impetus for shareholder value as the revenue contribution from there will be significant,” he said, adding that it had allocated RM1 million as the initial investment for the China market.

He said the company was also targeting to establish itself in Thailand and Indonesia, also via joint ventures with local parties.

Kong said the 12% electricity tariff hike recently also had a positive impact on Focus Dynamics, as more businesses were now looking at energy-saving efficiency solutions.

“Also, it is now a prerequisite to incorporate energy-saving efficiency

PICTURE BY LEE LAY KIN



solutions for all structures involving government tenders, he said.

Kong said it was on track to achieve growth with its merger and acquisition (M&A) activities, while vertical growth via such deals would rake in more revenue in the short term.

“We have to combine organic and vertical growth to achieve better returns for shareholders.

“While we improve efficiencies in cost management and production, we also have to enter M&A to fast-track some of our business plans,” he said.

Kong said Focus Dynamics had close to RM6 million worth of projects in hand to be realised by its year ending July 31, 2007. — **By Surin Murugiah**