

Growth of telecoms sector to boost AKN profits

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AKN Messaging Technologies Bhd is expecting the strong growth of the local cellular telecommunications industry to boost the company's business for its current financial year ending June 30, 2004.

Managing director Lim Seng Boon said the company's business was closely linked to the cellular telecommunications industry, which was recording a robust annual growth rate of about 10%.

AKN develops content and applications in mobile messaging for retail markets and corporate clients.

"We have already posted a net profit of RM6.7mil for our six months ended Dec 31, 2003, which was higher than the net profit of RM5.7mil recorded for our 2003 financial year," he told StarBiz after the company's EGM in Petaling Jaya yesterday.

Among the company's clients in the cellular business are Celcom (M) Bhd, Maxis Communications Bhd and DiGi Telecommunications Sdn Bhd, which have a combined customer base of 11 million.

Lim said AKN's entire revenue came from its local operations although the company had set up business in Singapore, China, Hong Kong, Thailand and Pakistan.

"We expect contributions from our overseas operations to start coming in next year and are confident this segment will boost our revenue even higher," he said.

Lim said AKN's services offered in its overseas operations could be used by more than 350 million mobile phone subscribers.

He also said the company was keen to offer its services to mobile operators in the Middle East.

Lim added that AKN would use Pakistan as a hub for expanding its business into the Middle East region.