

REDtone records 2Q net loss of RM82,000

by FARAH ADILLA

REDTONE International Bhd posted a net loss of RM82,000 in the second-quarter (2Q) ended Nov 30, 2011, from a RM915,000 net loss recorded last year due to higher revenue contributed by data projects of approximately RM6.2 million.

The telecommunication service provider's revenue in the same period increased 66.8% to RM35.9 million from RM21.6 million recorded a year ago.

"The increase was mainly due to revenue contribution from data business carried out by the group," the company said in a filing to Bursa Malaysia yesterday.

For the six months, the company posted a net loss of

Company plans to focus more on profit generating business to boost earnings

RM751,000 from a net loss of RM1.8 million recorded in 2010. Its revenue increased 33.4% to RM60.6 million from the RM45.5 million recorded in the preceding year's corresponding period.

The company said its "rigorous plans" and the repositioning of the company from primarily a voice business into data and broadband has shown encouraging results.

"The group will continue to build on its corporate and small and medium enterprises customer base in order to

achieve a critical mass.

"In addition, the group will also continue to bid for broadband projects initiated by the government and special projects for the provisioning of WiFi hotspots solutions," it said.

REDtone said it has also implemented rationalisation plans whereby the group would focus and strengthen its profit from the profit generating business and divest the non-core and loss-making businesses.

"Subject to a favourable outcome of the measures and strategies outlined above, the group expects good improvement in its financial performance and sees growth in its business in the current financial year," it said.