

Scientex Q3 profit up 47pc

SCIENTEX Bhd's net profit for the third quarter ended April 30, 2008 rose by 47 per cent to RM10.3 million from RM7 million in the same quarter last year.

Revenue rose by 10 per cent to RM165.6 million from RM150.3 million previously.

In a statement in Kuala Lumpur yesterday, Scientex attributed the stronger financial performance to vibrant property sales of its flagship project, Taman Scientex in Johor as well as improved performance from its manufacturing businesses.

Group managing director Lim Peng Jin said the results reflected the success of its strategy to focus on enhancing competitiveness in each core business to ensure long-term sustainable earnings growth.

The group's property division is anchored by its 193.6-hectare development, Taman Scientex, where about 40 per cent of the project has been developed.

The group also has another 100ha mixed residential and commercial property development in Kulai Scientex Kulai which is expected to contribute positively to the group's revenue in the second half of this year.

These two ongoing developments are expected to generate gross development value of RM1.3 billion for Scientex over the next eight to 10 years, he said.

Lim said Scientex, via its subsidiary, Scientex Packaging Bhd (SciPack), had teamed up with Japan-based Tsukasa Chemical Industry Co Ltd to expand its operations in Vietnam.

The joint venture entails both parties to inject US\$1 million (US\$1: RM3.25) each into SciPack's existing packaging entity in Vietnam, Woventex Co Ltd, to expand its capacity and product range.

Tsukasa Chemical will own 25 per cent and Scientex 75 per cent in the joint venture. To reflect the new ownership structure, the company name will be changed to Scientex Tsukasa Co Ltd, he said.

He said the current facility would be expanded to produce new product range such as high-density polyethylene tying tape and twine (twisted), raffiah tape, rope and cord and binder for the local and export markets. - Bernama