

50-YEAR HISTORY

# SCIENTEX POSTS BEST EVER RESULTS

Firm's performance driven by higher sales volume in manufacturing segment

## KUALA LUMPUR

**P**ACKAGING manufacturer and property developer Scientex Bhd posted its best ever performance with RM289.8 million net profit on the back of RM2.6 billion revenue in the financial year ended July 31, 2018 (FY18).

Net profit rose 13.3 per cent from RM2.4 billion while revenue increased from RM255.9 million in the previous year.

The performance was mainly driven by higher sales volume in the manufacturing segment, thanks to higher utilisation of its Malaysian plants, as well as expanded total annual output capacity from 356,000 tonnes in the FY17 to 450,000 tonnes in FY18.

"The expansions undertaken throughout FY2018 comprise the establishment of a new stretch film plant in Arizona, the United States, and the acquisition of KH-

PI, a leading regional flexible plastic packaging (FPP) player," said Scientex in a statement yesterday.

Managing director Lim Peng Jin said on top of the group's strongest financial performance in its 50-year history, the FY18 was a momentous milestone as it consolidated revenue not only from existing and acquired capacities in Malaysia but also from its first plant in the US.

"These manufacturing facilities give us a geographically diverse exposure across key customer markets in Asia and the Americas.

"The expanded production capacity also lends significant sup-

port to our long-term growth aspirations as we strive to capture a larger share of the robust FPP market globally and reinforce our position as a leading FPP manufacturer in the world," he said.

Scientex's manufacturing segment remained the major revenue contributor in FY18 with RM1.9 billion, an increase of 14.1 per cent from RM1.7 billion a year ago.

Growth in the manufacturing segment was led by higher sales in export and domestic markets, rising 15.1 and 11.1 per cent to RM1.4 billion and RM473.3 million, respectively, from RM1.2 billion and RM426.1 million previously.

It said 75 per cent of the FY18

manufacturing revenue was derived from exports, largely unchanged from a year ago.

The property development segment contributed the remaining RM722.2 million to group revenue, from RM733.5 million previously, due to fewer launches.

Scientex has proposed a final single-tier dividend of 10 sen per share.

Together with an earlier interim dividend of 10 sen per share, the total dividend in the FY18 amounted to 20 sen per share, or RM97.8 million, making up 33.7 per cent of the FY18 net profit.

Scientex has a dividend policy of at least 30 per cent of its annual net profit.