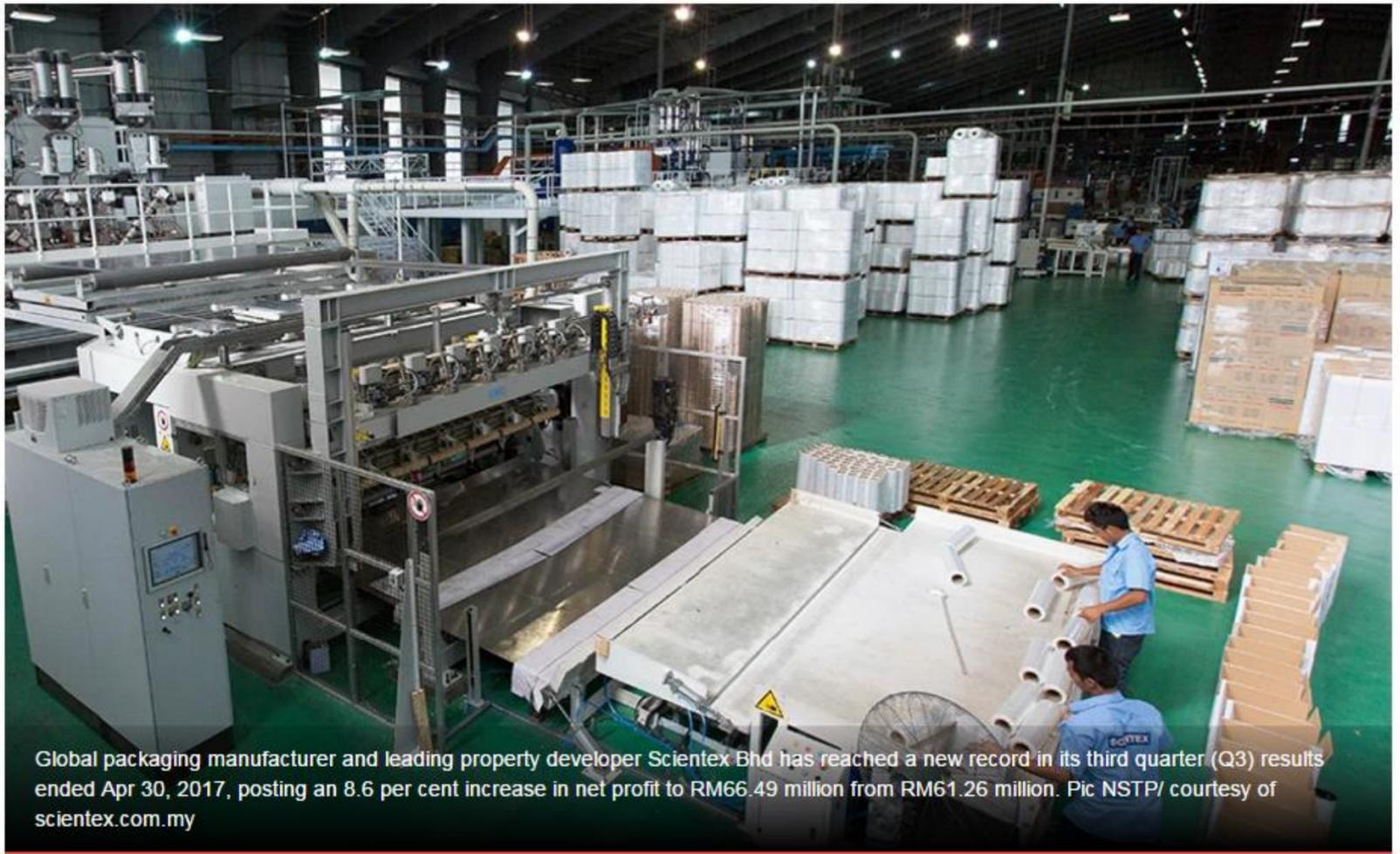


Scientex Q3 net profit up to RM66.49mil



Global packaging manufacturer and leading property developer Scientex Bhd has reached a new record in its third quarter (Q3) results ended Apr 30, 2017, posting an 8.6 per cent increase in net profit to RM66.49 million from RM61.26 million. Pic NSTP/ courtesy of scientex.com.my

By Farah Adilla - June 20, 2017 @ 9:47pm

KUALA LUMPUR: Global packaging manufacturer and leading property developer Scientex Bhd has reached a new record in its third quarter (Q3) results ended Apr 30, 2017, posting an 8.6 per cent increase in net profit to RM66.49 million from RM61.26 million.

Revenue also grew 16.9 per cent in Q3 to RM636.2 million from RM543.89 million. Scientex said the stronger performance was mainly attributed to stronger exports in the group's manufacturing segment and higher progress billings for on-going property development projects.

Managing director Lim Peng Jin said the group's consumer packaging reported growth in adoption from export customers, especially for cast-polypropylene and biaxially-oriented polypropylene films which started in early and end-2016, respectively.

The company further said on-going expansion at its consumer packaging plant in Ipoh to double up annual capacity to 24,000 metric tonne is expected to complete by August 2017.

The increased capacity, particularly for form-fill-seal bags, hygiene bags, and label films, would allow for additional growth in the consumer packaging division, Scientex said in a statement.

"Additionally, our new stretch film plant in Arizona, United States, is seeing good progress in factory renovations.

"We have also acquired five stretch film rewinders that are set to commence in October 2017, and two cast film production lines to be installed in December 2017 and early-2018 respectively," Lim said.

He said the group's property development segment continues to achieve commendable sales, with average take-up rate above 75 per cent across on-going projects as at Q3.

"As a recognised leader in affordable developments, we will continue to focus on bringing reasonably priced and quality houses to the masses, and look forward to consistently growing our property division," he said.

For the nine-month period, Scientex's net profit eased 1.6 per cent to RM183.75 million from RM186.73 million, while revenue in the same period increased 7.1 per cent to RM1.76 billion from RM1.64 billion.

Scientex has declared an interim dividend of six sen per share in respect of financial year 2017 (FY17) and payable on July 21, 2017, adding that the estimated payout would stand at RM29 million or 15.8 per cent of nine month FY17 net profit.

The group has a dividend policy to distribute at least 30 per cent of net profit to shareholders.