

Scientex posts record RM289.8m net profit for FY18

PETALING JAYA: Scientex Bhd's net profit for the fourth quarter ended July 31, 2018 rose 22.40% to RM88.29 million from RM72.13 million a year ago due to higher profits from its manufacturing and property divisions.

In a filing with Bursa Malaysia yesterday, the group said its manufacturing division's profit from operations increased to RM26.3 million from RM18.8 million a year ago, as a result of better product mix and margins achieved, as well as contribution from its newly acquired subsidiary Klang Hock Plastics Industries.

The property division's profit from operations increased to RM81.9 million from RM66.7 million a year ago mainly due to cost savings from improvements in operational efficiency.

During the quarter, Scientex achieved a record revenue of RM733.15 million, which is 13.48% higher than the

RM646.07 million revenue achieved a year ago.

The group proposed a final single-tier dividend of 10 sen per share in respect of FY18. Together with the earlier paid single-tier interim dividend of 10 sen per share, total dividends in respect of FY18 amount to 20 sen per share or RM97.8 million, making up 33.7% of FY18 net profit.

Scientex has a dividend policy to pay out at least 30% of annual net profit to shareholders.

For the financial year ended July 31, 2018 (FY18), the group recorded its best-ever financial performance with net profit rising 13.26% to RM289.81 million from RM255.87 million a year ago and revenue rising 9.31% to RM2.63 billion from RM2.40 billion a year ago.

The improved performance was mainly driven by higher sales volume in the manufacturing segment, on account

of higher utilisation in its Malaysian plants, as well as expanded total annual output capacity from 356,000 tonnes in FY17 to 450,000 tonnes in FY18.

"On top of our strongest financial performance in our 50-year history, FY18 was a momentous milestone year, as we consolidated revenue not only from our existing and acquired capacities in Malaysia, but also from our first plant in the US. These manufacturing facilities give us a geographically diverse exposure across key customer markets in Asia and the Americas," said managing director Lim Peng Jin.

"The expanded production capacity also lends significant support 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 added.