




Scientex earnings jump to RM72.4m in Q1

CORPORATE NEWS

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KUALA LUMPUR: [Scientex Bhd](#)  's earnings increased by 39.6% to RM72.40mil in the first quarter ended Oct 31, 2017, boosted by stronger property and manufacturing revenue.

It said on Wednesday it posted record revenue of RM658.86m, an increase of 23.2% from RM534.68mil while operating profit rose to RM93.2mil from RM68.8mil. Earnings per share increased to 14.97 sen from RM11.32 sen.

Scientex said manufacturing revenue increased by 23.6% to RM469.1mil from RM379.7mil mainly driven by exports of its diverse range of packaging products. Total export sales rose 31%.

"With the overall capacity expansion being substantially completed, the group has seen an increase in demand from its diverse range of packaging products," it said. Profit from operations rose from RM23.8mil to RM34.7mil.

Property revenue rose 22.3% to RM189.6mil from RM155.0mil. Profit from operations increased from RM45.1mil to RM58.6mil.

"The increase in revenue and profit from operations were mainly due to strong progress billings from all its development projects particularly Taman Pulau Mutiara.

"Properties launches during the current financial quarter under review also enjoyed good take up rates, particularly in Taman Pulau Mutiara and Taman Mutiara Mas," it said.

On the outlook, Scientex said its new stretch film manufacturing plant in Phoenix, Arizona in the US remains on schedule to be commissioned by first quarter of calendar year 2018.

"This plant is expected to play a pivotal and strategic role in the future as the group explores markets in the Americas with its close proximity to its customers and sources of raw materials," it said.

As for the property business, its focus on affordable housing would continue to dominate and lead the way to contribute to its sales revenue for the coming financial year.

It said the Melaka Durian Tunggal land consisting of 197.4 acres would feature affordable homes and it is expected to be launched in the current financial year.

Scientex said the newly acquired 65.3 acres land in Rawang land was completed at the end of November 2017.

"The group is optimistic that these strategically located lands are able to meet the pent-up demand for good and affordable housing in Rawang and the Klang Valley," it said.

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