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**MEDIA CLIPPING**

<b>Client :</b>	<b>SCGM Berhad</b>	<b>Date :</b>	<b>22 June 2018</b>
<b>Media :</b>	<b>The Edge Markets (Online)</b>	<b>Section :</b>	<b>Business</b>
<b>Language :</b>	<b>English</b>		

### **SCGM 4Q net profit plunges 97%, pays 1.5 sen dividend**

KUALA LUMPUR (June 22): Food packaging manufacturer SCGM Bhd's net profit plunged 97% to RM150,000 in the fourth financial quarter ended April 30, 2018 (4QFY18) from RM5.08 million a year ago, on higher resin prices, finance costs, depreciation charges, labour cost and foreign exchange losses incurred.

This resulted in its earnings per share falling to 0.08 sen for 4QFY18 from 3.59 sen for 4QFY17.

Quarterly revenue also dropped 8.8% to RM48.23 million from RM52.91 million, mainly due to lower sales from local and overseas customers which was affected by holidays during the current quarter under review, and the strengthening of the ringgit against major foreign currencies.

Nevertheless, the group declared a fourth interim dividend of 1.5 sen per share for the financial year ended April 30, 2018 (FY18), payable on July 25. This brings total dividend payout for the year to RM11.6 million or 70.7% of the group's net profit for FY18.

The dismal fourth-quarter results dragged down the group's net profit for the full FY18 to RM16.4 million, down 28.7% from RM23 million in FY17.

Revenue, however, rose 16% to RM207.42 million from RM178.79 million.

In a statement today, SCGM managing director Datuk Seri Lee Hock Chai said the next six months will be "extremely crucial" for the group as it embarks on installing new equipment in the newly constructed factory in Kulai, Johor and transfer machinery from the existing plant in stages.

"We are optimistic of beginning operations from our new production headquarters in end-2018, which would effectively mark a new era in our corporate history," he added.

SCGM currently has an extrusion capacity of 41 million kg per year. Once the new factory in Kulai is operational, the group's total production capacity will increase to 67.6 million kg per year.

"In line with the significantly increased production capacity, the group will further expand its local and international markets," said SCGM in a filing with Bursa Malaysia.

While mindful of the continued challenging business environment, SCGM said it remains optimistic about the potential growth in its business upon full operation of the new plant.

"With the vast experience of the senior management and a committed workforce, the group will strive to achieve better financial results in the coming financial quarters," it added.

SCGM shares closed one sen or 0.56% higher at RM1.81 today, giving it a market capitalisation of RM348.9 million.

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<b>Client :</b>	<b>SCGM Berhad</b>	<b>Date :</b>	<b>23 June 2018</b>
<b>Media :</b>	<b>Oriental Daily News</b>	<b>Section :</b>	<b>Business</b>
<b>Language :</b>	<b>Chinese</b>		

**“SCGM 4Q18 net profit drops 97%”**



**SCGM末季净利猛挫97%**

吉隆坡22日讯 | SCGM公司 (SCGM, 7247, 主板工业股) 2018财政年第4季 (截至4月30日止) 净利从508万令吉按年滑落97.05%, 至15万令吉; 营业额从5291万按年下降8.84%, 至4823万令吉。

SCGM公司2018财政年全年净利从2300万令吉按年退减28.72%, 至1640万令吉; 全年营业额按年增长16.01%, 至2亿零742万令吉。

董事局宣布派发第4次中期股息每股1.50仙, 7月5日除权。

MEDIA CLIPPING

Client :	SCGM Berhad	Date :	23 June 2018
Media :	Nanyang Siang Pau	Section :	Business
Language :	Chinese		

“SCGM full year revenue rises 16%; declares 1.5 sen dividend for 4Q18”

## SCGM 全年营业额增 16%

### 末季派息 1.5 仙



李福财

(吉隆坡 22 日讯) SCGM (SCGM, 7247, 主板工业产品股) 截至 4 月 30 日, 全年营业额按年增加 16.01%, 且宣布派发每股 1.5 仙第四次中期单层股息, 将在 7 月 5 日除权。

该公司向交易所报备, 合计全年营业额从上财年的 1 亿 7879 万令吉, 扩大到 2 亿 742 万令吉, 归功于国内销售提高 23.3%, 而出口则增 4.3%。

虽然营业额增加, 但全年净利却按年下跌 28.72%, 至 1639 万 5000 令吉或每股 9.07 仙。

这是因为树脂价格增加, 还有面对减值成本、财务费用、劳工成本与其他营运开销, 以及外汇亏损。

至于末季净利, 则按年锐减 97.05%, 至 15 万令吉或每股 0.08 仙; 营业额则下跌 8.84%, 至 4823 万 1000 令吉。

**古来新厂年底投产**

另一方面, SCGM 发文告指出, 位于古来的新厂房已在今年 4 月获得完工及合格证书, 将如期在 12 月开始投产。

董事经理拿督斯里李福财指出: “由于我们在新建厂房开始安装新设备, 且从现有厂房分阶段搬迁机器至新厂, 所以未来 6 个月非常关键。我们看好新生产总部将从今年底开始投产, 将标志着公司进入新时代。”

他说, 新厂房带动产能增加, 将让公司能够从本地及东南亚市场取得更多销售。

长期来看, 也将会因为自动化生产增加及更大的经济规模, 而改善效率。

“随着新建厂房, 我们看好接下来可维持业绩表现。”

闭市时, SCGM 以 1.81 令吉挂收, 起 1 仙或 0.56%, 成交量有 35 万 3500 股。

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**MEDIA CLIPPING**

<b>Client :</b>	<b>SCGM Berhad</b>	<b>Date :</b>	<b>25 June 2018</b>
<b>Media :</b>	<b>The Star (online)</b>	<b>Section :</b>	<b>Business</b>
<b>Language :</b>	<b>English</b>		

### **SCGM shares fall as profits slump 97%**

KUALA LUMPUR: SCGM Bhd's shares tumbled 13% in early trade Monday as the company reported a 97% slump in profits in the fourth quarter ended April 30.

The food packaging manufacturer is among the biggest losers on Bursa, shedding 13.26%, or 24 sen to RM1.57 with 1.2 million shares traded. SCGM-WA fell 4.35%, or one sen to 22 sen.

SCGM's net profit plunged 97% to RM150,000 in the fourth financial quarter ended April 30, 2018 (4QFY18) from RM5.08mil a year ago, on higher resin prices, finance costs, depreciation charges, labour cost and foreign exchange losses incurred.

The group declared a fourth interim dividend of 1.5 sen per share for the financial year ended April 30, payable on July 25.

For the full financial year, SCGM posted a net profit of RM16.39mil on revenue of RM207.41mil.

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<b>Media :</b>	<b>The Star (online)</b>	<b>Section :</b>	<b>Business</b>
<b>Language :</b>	<b>English</b>		

**Kenanga downgrades SCGM to underperform on disappointing earnings**

KUALA LUMPUR: Kenanga Research said SCGM Bhd's FY18 core earnings of RM15.4mil came in below expectations although its total dividend of 5.60 sen exceeded estimates.

"Top-line came in below (92% of our estimates) due to lower sales from domestic and overseas customers, while CNP margin was also weaker than expected at 7.4% vs. (8.5%) due to higher resin and labour costs."

It added that this marked a fifth consecutive quarter that SCGM had disappointed.

However, the total dividend of RM10.9mil or 5.60 sen was 124% of its FY18E dividend of 4.50 sen due to a lower payout assumption of 45%.

According to the research house, SCGM's longer-term expansion plan for a new plant in Kulai is targeted for completion in December 2018, boosting production capacity to 67.6 metric tonnes a year.

"We are expecting FY18-19 capex of RM60-54m, with FY18 capex to be utilised for; (i) the 2nd factory construction in Kulai, and (ii) the new Klang Valley rented factory, while FY19 capex of RM54m will be utilised for constructing the Kulai factory.

"We expect low effective tax rates of 18-20% for FY19-20 as SCGM will benefit from reinvestment allowance."

Kenanga lowered its FY19E core net profit by 49% to RM10.8mil from RM21.1mil previously and introduced FY20E core net profit of RM15.1mil.

It also downgraded the counter to underperform and lowered its target price to RM1.30 from RM1.45 previously.