

CAMBODIA: Resintech diversifies into rubber plantation

Resintech Bhd, a Malaysian manufacturer of various PVC and polyethylene products, is venturing into rubber plantation via a joint venture in Cambodia as part of its plan to diversify its income stream.

"We are slowly going into plantation side," said its managing director Datuk Teh Kim Poo, who noted that its rubber plantation project is currently at planting stage.

Teh said the group expects to see contributions from rubber plantation within the next five to six years.

Two years ago, the group signed a 70-year joint-venture agreement with an agriculture company in Cambodia to develop 6,000 ha of agriculture land with 10:90 ratio between Resintech and the Cambodian company.

Teh noted that the group will maintain its core business in manufacturing but will slowly build up its agricultural segment in Cambodia.

Manufacturing and trading of diversified range of plastic pipes, water tanks and fittings is the group's main business, contributing more than 95% to its revenue.

Resintech has manufacturing facilities in Klang, Selangor; Kuching, Sarawak; and Kota Kinabalu, Sabah—all in Malaysia.

"We are continuing with our business as usual, our core business in the plastic industry, which is mainly all sort of piping systems as well as tanks," he said.

"On the plantation side, we just hope that rubber in the next few years may be good according to sources that we have seen," Teh said, adding that rubber price has a potential to increase as not many countries are producing it currently.

Teh added that the group also exports its industrial, construction and infrastructure materials to neighboring countries, including Indonesia, Myanmar, Cambodia and Vietnam, where the exports sales contributes 15 %-20 % to the group's revenue and 75 %-80 % from its domestic sales.

*Source: "The Sun Daily", Petaling Jaya, Malaysia; 30 Sept 2014
(Syed Rashid Ali, Karachi, Pakistan)*

Adresse:

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