

Mpact FY underlying operating profit drops 13.7% to R784.4m

Mpact on Thursday reported 13.7% drop in underlying profit to R784.4m in the year to end-December from the year-earlier period.



Image source: *Business Day*

The packaging group, which was unbundled from Mondi in 2011, said lower containerboard sales, higher tax rates and finance costs, and a loss in Mpact Polymers affected its performance.

Group revenue was up 5.8% to R10.1bn, with 2.8% of this growth attributable to the acquisition of Remade, which collects and trade recyclable material.

Underlying operating profit in the paper business dropped 17.3% to R664.1m, while that of plastic business dropped 15.3% to R168.4m.

The small-cap stock was down 2.12% to R29.56 in midday trade, valuing the company at about R4.9bn

Source: *BDpro*

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