BT12503 BUSINESS FINANCIAL

LECTURER:

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COMPANY:

LUXCHEM CORPORATION BERHAD

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LUXCHEM

1.0 INTRODUCTION

Originally registered as Luxchem Corporation Sdn.Bhd, Luxchem Corporation Berhad was established in Malaysia on September 4,1991 as a private limited company. This company became a public company on August 3, 2007, and since 2008, it has gone by the name Luxchem Corporation Berhad.

Luxchem is a holding company for investments. They are a supplier of industrial chemicals through our subsidiaries. Luxchem Berhad main lines of business are the manufacturing of unsaturated polyester resins, the marketing and distribution of industrial chemicals to the PVC, rubber, later and FRP industries, and the production of rubber latex chemical dispersions, latex processing chemicals, latex surfactant, dispersant and specialty chemicals for the latex industry. Rubber glove manufacturers mostly use these chemicals for the production and trading of former cleaning agents, powder-free coagulants, and polymer coatings.

All the way back to 1984, when Lux Trading was founded as a one-person business. With an emphasis on fiberglass materials, unsaturated polyester resins, synthetic rubber and rubber chemicals, and polymer-related goods, Lux Trading engaged in the marketing and distribution of industrial chemicals. As part of their nationwide expansion strategy, they opened marketing, distribution, and warehouse centers in Penang (1989), Johor (1991), and Perak (1992) to establish our presence. The next step in the group's expansion abroad was the establishment of two overseas subsidiaries in Indonesia and Vietnam in 2011 and 2015, respectively, to further our business in the region. The Singapore subsidiary was founded in 1992 to supervise the marketing and distribution of industrial chemicals in Singapore.

In 1995, the company built a new warehouse on their 1.85-acre property in Port Klang,
Selangor, to enhance our warehousing capacity and centralize our administrative operations.
The company Luxchem Polymer Industries Sdn.Bhd was established to produce unsaturated polyester resins.

This company began selling its unsaturated polyester resins in 1998. Initially, it could produce 3,000 tons of resin annually; by the present, that capacity has grown to 20,000 tons. Our company's first export sales to Dubai were made in the same year, and we currently have a 40,000 metric tone annual capacity.

A manufacturer that specialized in latex chemical production, Transform Master Sdn.Bhd, was acquired by Luxchem Corporation Berhad on April 29, 2016. Luxchem's position in the latex industry has been strengthened and expanded through the strategic acquisition.

On August 24, 2021, Luxchem Corporation Berhad acquired a 55% equity stake in Lexis Group. Lexis Chemical Sdn. Bhd., Lexis Specialties, and Lexis Corporation make up the Lexis group. The group manufactures, trades, and distributes chemicals, the majority of which are process chemicals used in the rubber glove industry.

Since the company's founding in 1984, the marketing and distribution arm has carried about 400 different kinds of industrial chemicals and materials. We have built a solid reputation in the industry and shown ourselves to be dependable suppliers of a wide range of industrial chemicals, materials, unsaturated polyester resins, and latex chemicals.

2.0 FINANCIAL RATIOS ANALYSIS

1. Liquidity Ratios

> Liquidity ratios measure a company's ability to pay off its short-term debts as they become due, using the company's current or quick assets. Liquidity ratios include the current ratio, quick ratio, and working capital ratio.

2. Capital structure Ratios

> This ratio is the basic ratio of capital structure, calculated during the vertical analysis of the liabilities part of the balance sheet. It is used to assess the correctness of the equity level with respect to foreign capital (i.e. debt).

3. Asset management Efficiency Ratios

> Asset management ratios (also known as asset turnover ratios or asset efficiency ratios) measure the ability of assets to generate revenues or earnings. Asset management ratios analysis is important and helpful, and allows us to understand the overall level of efficiency of which a business is performing.

4. Profitability Ratios

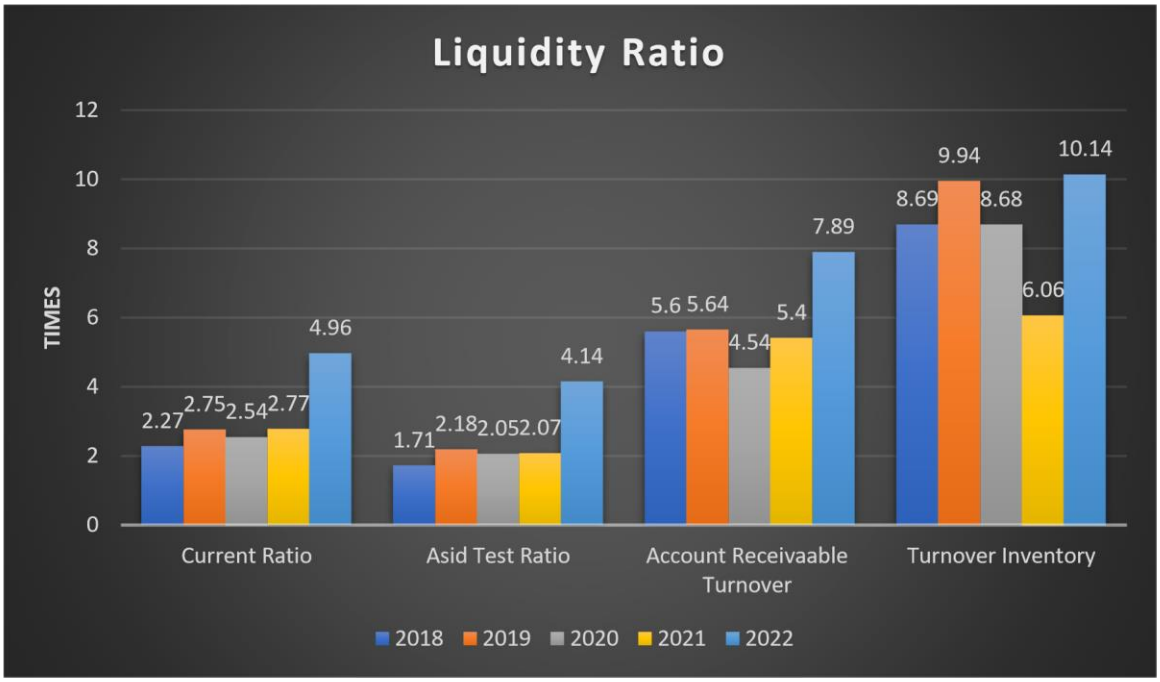
> Profitability ratios are financial metrics used by analysts and investors to measure and evaluate the ability of a company to generate income (profit) relative to revenue, balance sheet assets, operating costs, and shareholders' equity during a specific period of time.

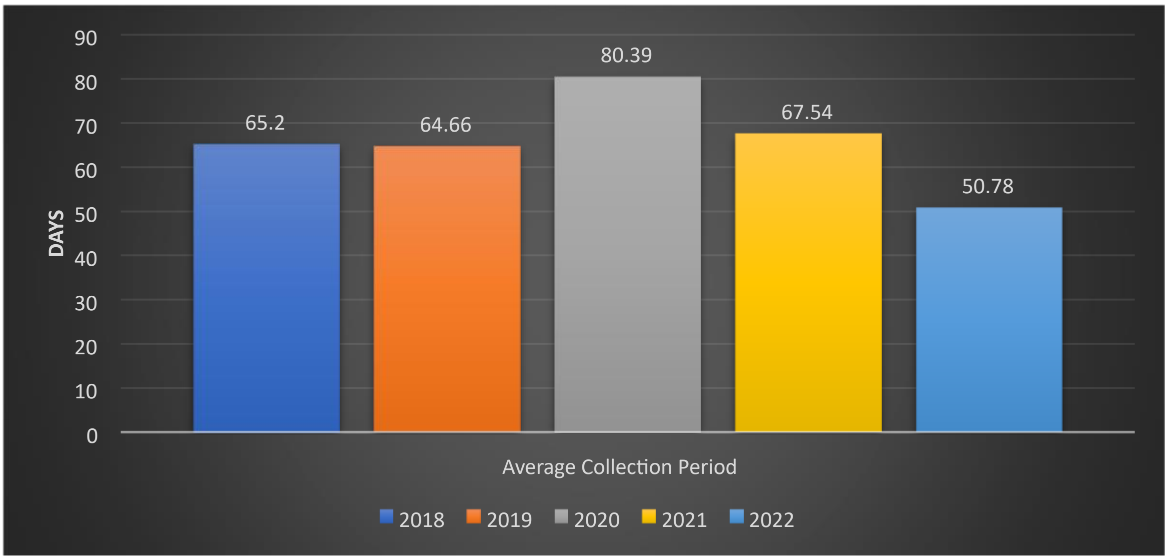
5. Market Value Ratios

> Market value ratios are financial metrics that measure and analyze stock prices and compare market prices with those of competitors and against other facts and figures. These ratios track the financial performance of public companies to understand their position in the market.

2.1 LIQUIDITY

RATIO	LUXCHEM CORPORATION BERHAD (RM)				
Liquidity	**2018**	**2019**	**2020**	**2021**	**2022**
Current Ratio = Current Assets/Current Liabilities	341,705,298 150,437,350 = **2.27 times**	334,396,236 121,520,964 = **2.75 times**	375,617,023 147,721,655 = **2.54 times**	512,534,779 185,083,581 = **2.77 times**	410,735,119 82,843,962 = **4.96 times**
Acid-Test Ratio = (Current AssetsInventory)÷Current Liabilities	(341,705,298 - 84,357,493) ÷150,437,350 **= 1.71 times**	(334,396,236 -68,944,769) ÷121,520,964 **= 2.18 times**	(375,617,023 -72,882,379) ÷147,721,655 **= 2.05 times**	(512,534,779-129,765,121) ÷185,083,581 **= 2.07 times**	(410,735,199-67,956,105) ÷82,843,962 **= 4.14 times**
Average Collection Period= Accounts Receivable/Annual Credit Sales÷365days	145,430,161 814,086,419 ÷ 365days **= 65.20 days**	135,610,389 765,480,385 ÷ 365days **= 64.66 days**	159,956,059 726,264,486 ÷ 365days **= 80.39 days**	171,024,954 924,276,387 ÷ 365days **= 67.54 days**	111,688,329 802,770,754 ÷ 365days **= 50.78 days**
Account Receivable Turnover = Annual Credit Sales/Accounts Receivable	814,086,419 145,430,161 **= 5.60 times**	765,480,385 135,610,389 **= 5.64 times**	726,264,486 159,956,059 **= 4.54 times**	924,276,387 171,024,954 **= 5.40 times**	802,770,754 111,688,329 **= 7.89 times**
Inventory Turnover = Cost Of Goods Sold/ Inventory	732,986,928 84,357,493 **= 8.69 times**	685,077,192 68,944,796 **= 9.94 times**	632,535,552 72,882,379 **= 8.68 times**	786,479,586 129,765,121 **= 6.06 times**	689,075,882 67,956,105 **= 10.14 times**





Luxchem Corporation Berhad's liquidity analysis reveals a consistently strengthening financial position over the reviewed years. The current ratio demonstrates a consistent upward trajectory from 2.27 times in 2018 to a significant 4.96 times in 2022, indicating a substantial increase in the company's ability to cover short-term liabilities with its current assets. Similarly, the acidtest ratio, which evaluates a firm's immediate liquidity, exhibits a steady rise from 1.71 times in 2018 to 4.14 times in 2022, reinforcing the company's capability to meet short-term obligations with its most liquid assets.

The average collection period decreased notably from 65.20 days in 2018 to 50.78 days in 2022, demonstrating an improvement in receivables management efficiency. Correspondingly, the account receivable turnover ratio increased from 5.60 times in 2018 to 7.89 times in 2022, indicating a more effective collection of dues within a shorter period.

Moreover, Luxchem's inventory management also saw enhancements, with the inventory turnover ratio rising from 8.69 times in 2018 to 10.14 times in 2022, showcasing improved inventory utilization and turnover efficiency.

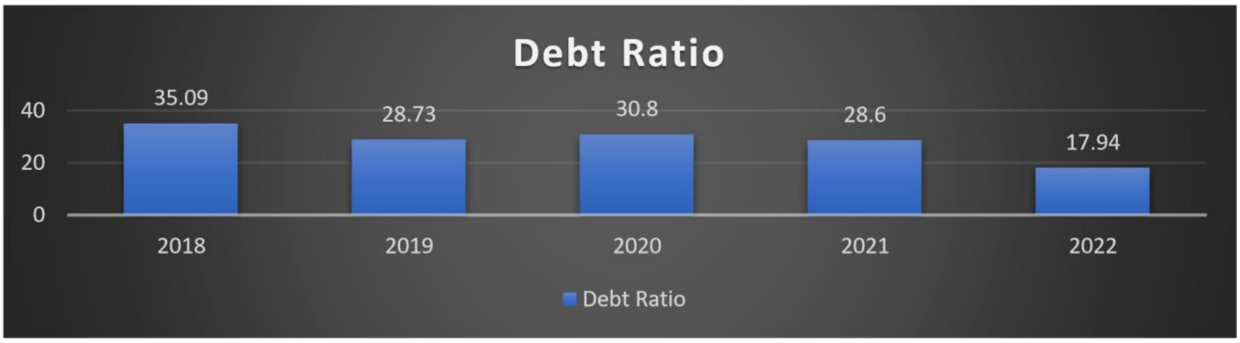
Overall, Luxchem Corporation Berhad has shown commendable progress in managing its liquidity, with strengthened ability to settle short-term obligations, efficiently manage receivables and inventory, and ultimately enhance its overall financial health. These positive trends suggest a prudent approach to managing its assets and liabilities, reflecting a robust financial footing for the company.

2.2 CAPITAL STRUCTURE

$$\text{Debt Ratio} = \frac{Total\ liabilities}{Total\ assets}$$

$$\text{Times Interest Earned} = \frac{Net\ operating\ income}{interest\ expenses}$$

RATIO	LUXCHEM CORPORATION BERHAD (RM)				
Capital Structure	**2018**	**2019**	**2020**	**2021**	**2022**
Debt Ratio	$\frac{153{,}087{,}218}{436{,}384{,}225} \times 100$ $= \mathbf{35.09}\%$	$\frac{124{,}284{,}702}{432{,}663{,}065} \times 100$ $= \mathbf{28.73}\%$	$\frac{150{,}096{,}000}{487{,}362{,}386} \times 100$ $= \mathbf{30.80}\%$	$\frac{226{,}396{,}087}{791{,}511{,}699} \times 100$ $= \mathbf{28.60}\%$	$\frac{128{,}725{,},{,}977}{717714630} \times 100$ $= 17.94\%$
Times Interest Earned (TIE)	$\frac{52{,}740{,}833}{4{,}308{,}936}$ $= 12.24$ $Times$	$\frac{50{,}659{,}475}{4{,}594{,}577}$ $= 11.03$ $Times$	$\frac{66{,}515{,}090}{2{,}586{,}116}$ $= 25.72$ $Times$	$\frac{102{,}733{,}162}{3{,}136{,}781}$ $= 32.75$ $Times$	$\frac{71{,}211{,}393}{2{,}647{,}733}$ $= 26.9$ $Times$



Based on the provided analysis, LUXCHEM Corporation Bhd demonstrates a robust capital structure, as reflected by its debt ratios. In 2018, the company maintained a healthy balance with a debt ratio of 35.09% of total assets, showcasing a strategic approach to leveraging. Notably, the lowest debt ratio observed in 2022 is 17.94%, reinforcing the company's prudent management of liabilities, indicating a strong reliance on equity.

Furthermore, the Times Interest Earned reveal the company's commendable ability to cover interest expenses. In 2019, the Times Interest Earned was a solid 11.03 times, reflecting a substantial buffer against financial risks. The pinnacle was reached in 2021, with a remarkable Times Interest Earned of 32.75 times, underscoring LUXCHEM's robust financial health and its capacity to comfortably meet interest obligations. This consistent performance over the years suggests a sound financial strategy and a well-positioned capital structure for the company.

In 2019, the company experienced a reduction in its debt ratio primarily due to a substantial decrease in total liabilities by RM28,802,516, while total assets saw a more modest decrease of RM3,721,160. This significant reduction in liabilities played a pivotal role in lowering the overall debt ratio.

Moving to 2020, there was a notable increase in both total liabilities and total assets by RM25,811,298 and RM54,699,321, respectively. The impact of the pandemic in 2020 and 2021 led to a sudden surge in both total liability (an increase of RM76,300,087) and total assets (an increase of RM303,149,313). Remarkably, the total assets accounted for only 28.60% of the total liabilities, underscoring the company's robust financial position.

In 2022, although the total liability returned to levels similar to 2020 and below, the total assets remained elevated, resulting in a debt ratio with a relatively small percentage.

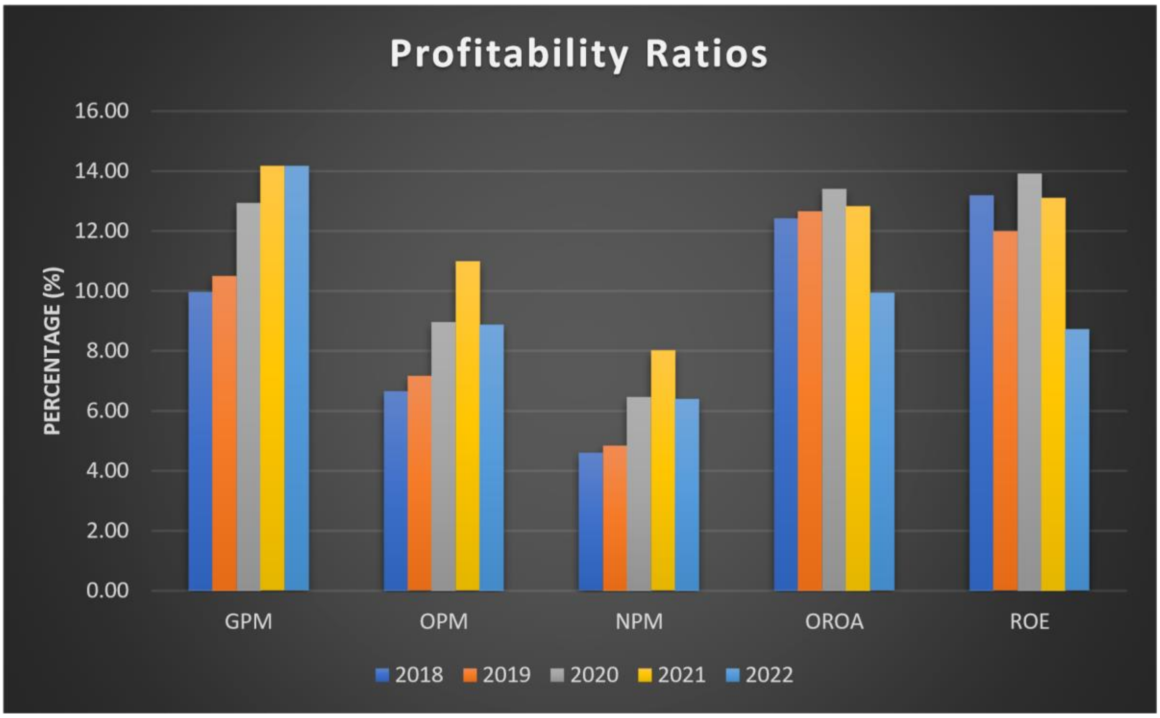
Shifting focus to the Times Interest Earned (TIE), in 2019, a slight decrease in net operating income and an increase in interest expenses compared to 2018 impacted TIE. In 2020, despite a rise in net operating income, a decrease in interest expenses was observed, possibly influenced by a market trend where investors, concerned about the pandemic's uncertainties, were selling shares.

The year 2021 witnessed a substantial increase in net operating income by RM36,218,072. The company responded to heightened demand for plastic and rubber products during the pandemic by securing loans to expand production. Investors recognized Luxchem Corporation's potential in this market, leading to a slight increase in interest expenses.

By 2022, with the pandemic under control, daily cases decreasing, and the company adjusting its operations, both operating income and interest expenses saw a decline. This demonstrated a proactive response to changing circumstances and a commitment to financial stability.

2.3 PROFITABILITY

RATIO	LUXCHEM CORPORATION BERHAD (RM)				
Profitability :	**2018**	**2019**	**2020**	**2021**	**2022**
Gross Profit Margin (GPM) = Gross profits / Sales	81,099,491 / 814,086,419 ×100 = **9.96%**	80,403,193 / 765,480,385 ×100 =**10.50%**	93,910,934 / 726,264,486 ×100 =**12.93%**	137,801,801 / 924,276,387 ×100 =**14.90%**	113,694,872 / 802.770,754 ×100 =**14.16%**
Operating Profit Margin = Net operating Income (EBIT) / Sales	54,188,508 / 814,086,419 ×100 = **6.65%**	54,715,884 / 765,480,385 ×100 =**7.15%**	65,109,193 / 726,264,486 ×100 =**8.96%**	101,527,540 / 924,276,387 ×100 =**10.98%**	71,263,251 / 802,770,754 ×100 =**8.87%**
Net profit margin = Net Income / Sales	37,378,487 / 814, 086,419 ×100 = **4.59%**	36,955,365 / 765,480,385 ×100 =**4.83%**	46,945,774 / 726,264,486 ×100 =**6.46%**	74,033,071 / 924,276,387 ×100 =**8.01%**	51,302,274 / 802,770,754 ×100 =**6.39%**
Operating Return on Assets = Net Operating Income (EBIT) / Total Assets	54,188,508 / 436,384,225 ×100 =**12.42%**	54,715,884 / 432,663,065 ×100 =**12.65%**	65,109,193 / 487,362,386 ×100 =**13.40%**	101,527,540 / 791,511,699 ×100 =**12.82%**	71,263,251 / 717,714,630 ×100 =**9.93%**
Return on Equity = Net Income / Common Equity	37,378,487 / 283,297,007 ×100 =**13.19%**	36,955,365 / 308,378,363 ×100 =**11.98%**	46,945,774 / 337,266,386 ×100 =**13.91%**	74,033,071 / 565,115,612 ×100 =**13.10%**	51,302,274 / 588,988,653 ×100 =**8.71%**



Luxchem Corporation Berhad's Gross Profit Margin (GPM), a key indication of financial success, shown notable variations during the study period. In 2018, the margin was at its lowest, at 9.96%. This statistic indicates that a reduced proportion of income was kept as group profit, indicating probable inefficiencies in cost control or pricing strategies during that fiscal year. However, the next year revealed a positive story of Luxchem Corperation Berhad. Both 2021 and 2022 saw a significant rise, with the GPM reaching a high of 14.90%. Such an increasing trend shows an increase in the company's capacity to convert revenue into gross profit, indicating improved operational efficiency, cost-effectiveness, or even prospective pricing strategy improvements.

Over the span of five years, Luxchem Corporation Berhad’s Operating profit Margin (OPM) demonstrated a progressive trajectory, starting at 6.65% in 2018 and steadily increasing to a peak of 10.98% in 2021. This upward trend signifies the company’s effective management of operational costs and its ability to generate profits from core business activities.

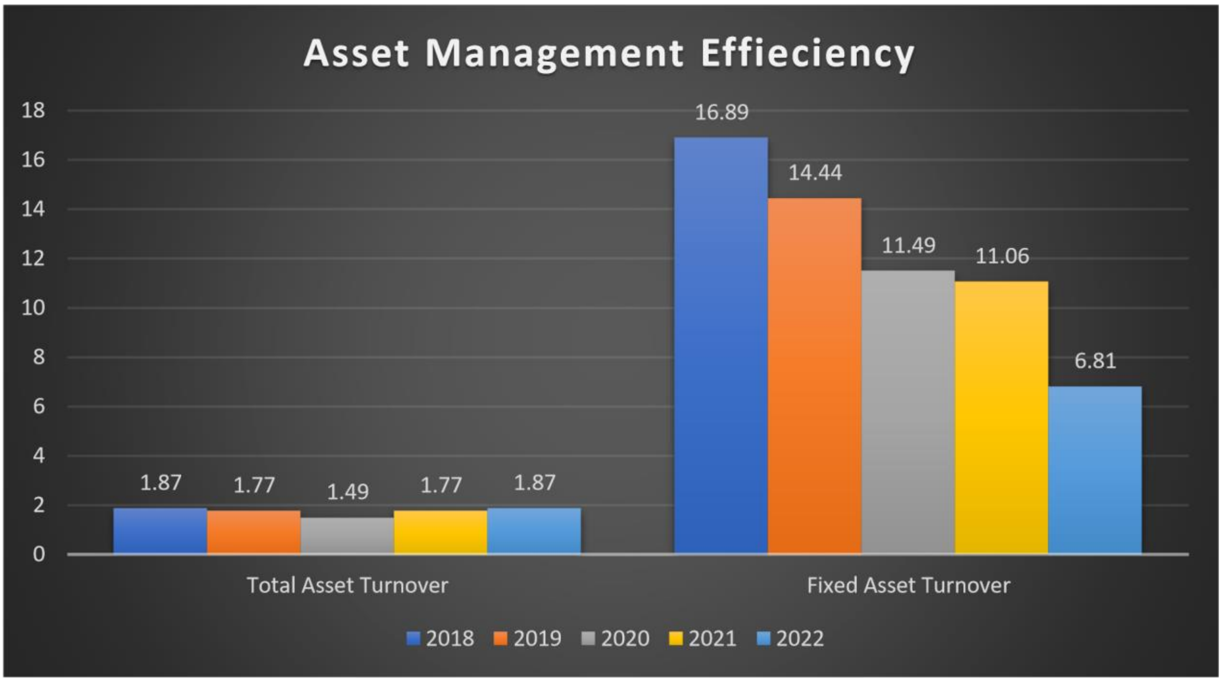
Luxchem Corporation Berhad’s Net Profit Margin (NPM) reflects its ability to convert revenue into net profit over specified period. In 2018, the margin stood at 4.59% showing the percentage of revenue retained as net profit. Subsequent year demonstrated a positive curve, with 2019 and 2020 experiencing incremental increases at 4.83% and 6.46% respectively. The pinnacle of this rising trend occurred in 2021 when the NPM reached 8.01%, indicating a substantial improvement in the company’s profitability. However, in 2022, there was a slight dip to 6.39%, suggesting a challenge in sustaining the heightened profitability levels achieved in the prior year.

Next, Operating Return on Assets (ROA) of Luxchem Corporation Berhad in 2018 was 12.42%, reflecting the percentage of operating profit generated relative to the company's total assets. This trend continue with slight increases in 2019 (12.65%) and 2020 (13.40%), this figures indicates of effective asset utilization for operating profitability. In 2021, although there was a slight dip to 12.82%, the ROA remained relatively strong. However, 2022 saw a more significant decrease to 9.93%, suggesting a potential challenge in maintaining the efficiency of asset utilization for operating profit generation during the fiscal year.

The above Return on Equity (ROE) figures represent the company's capacity to create profits from shareholder equity. In 2018, Luxchem achieved an ROE of 13.19%, indicating that for every dollar of shareholder equity, the company generated a return of 13.19 cents. The subsequent years saw variations, with 2019 experiencing a slight decrease to 11.98%, followed by an increase to 13.91% in 2020. Despite a marginal dip to 13.10% in 2021, the most notable change occurred in 2022, where Luxchem's ROE dropped to 8.81%. The declining of LUXCHEM's ROE could be linked to a broader industry trend of lower ROEs. Industry-wide factors such as hightened competition, economic fluctuations, or regulatory changes un Chemical sector, may impact profitability across companies (Simply Wall Street, 2023). A declining ROE suggest that company may be less effective in generating profits relatives to its equity base, raising questions about operational efficiency or changes in business dynamics. Investors and analysts closely monitor ROE as it provides key insight into a company's ability to deliver return to shareholders and is indicative of its financial health and performances over time.

2.4 ASSET MANAGEMENT EFFICIENCY RATIOS

Ratio	LUXCHEM CORPORATION BERHAD (RM'000)				
Asset Management Efficiency	2022	2021	2020	2019	2018
Total Asset Turnover	802770.8 / 717714.6 = 1.12	924276.4 / 791511.7 = 1.17	726264.5 / 487362.4 = 1.49	765480.4 / 433076.4 = 1.77	814086.4 / 436100.1 = 1.87
Fixed Asset Turnover	802770.8 117917.2 = 6.81	924276.4 / 83589.5 = 11.06	726264.5 / 63220.6 = 11.49	765480.4 / 53019.5 = 14.44	814086.4 / 48196.3 = 16.89



Luxchem Corporation Berhad's Total Asset Turnover (TAT) performance from 2019 to 2022 reflects notable trends. In 2018, the TAT stood at 1.87, showcasing the company's effective utilization of total assets to generate revenue. This robust performance indicated a strong ability to convert assets into sales. However, the subsequent years witnessed a gradual decline. In 2019, the TAT decreased to 1.77, signalling potential challenges or shifts in operational efficiency. The decline continued in 2020, with a TAT of 1.49, suggesting a further reduction in the company's capacity to generate revenue from its total asset base. The trend persisted in 2021, with a marginal decrease to 1.17, and reached its lowest point in 2022 at 1.12. This consistent downward trajectory raises important considerations about Luxchem's overall effectiveness in converting its total assets into revenue, necessitating a thorough review of operational processes and strategic approaches enhance TAT.

For Luxchem Corporation Berhad in 2022 specifically, the TAT decreased from 1.17 in 2021 to 1.12. this decline signals potential challenges or shifts in business dynamics affecting the company's ability to efficiently leverage its total assets for revenue generation. A focused analysis of the specific circumstances in 2022 would provide valuable insights into areas that require attention for revitalizing efficiency and maintaining a sustainable balance between total assets and revenue. Luxchem may benefit from a detailed examination of the factors contributing to the declining TAT trend over the years, considering industry benchmarks and market conditions. Implementing targeted measures to improve the efficiency of total asset utilization and aligning strategies with long-term goals will be crucial for Luxchem's sustained financial performance.

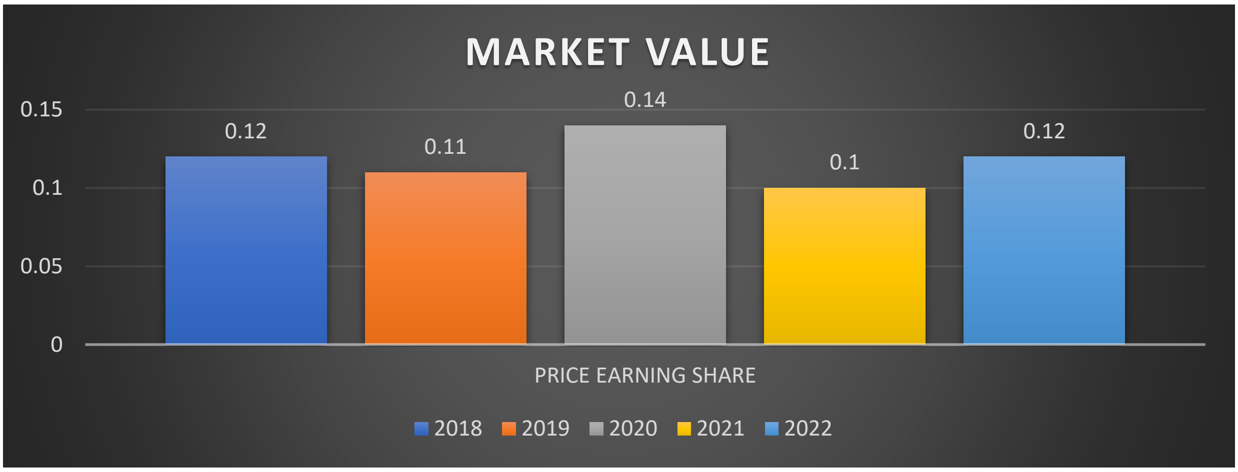
Luxchem Corporation Berhad's Fixed Asset Turnover (FAT) performance from 2018 to 2022 provides insights into the company's efficiency in utilizing fixed assets for revenue generation. In 2018, the FAT was at its highest, reaching 16.89, indicating a robust ability to convert fixed assets into sales. However, the subsequent years witnessed a consistent decline. In 2019, the FAT decreased to 14.44, signaling a reduction in the company's efficiency in leveraging fixed assets for revenue. This trend continued in 2020, with a FAT of 11.49, and in 2021, reaching 11.06. The decline persisted in 2022, with a FAT of 6.81, marking a significant decrease from the previous year. This continuous downward trajectory suggests potential challenges or changes in Luxchem's operational strategies and raises considerations about the effectiveness of utilizing fixed assets for revenue generation.

For Luxchem Corporation Berhad in 2022 specifically, the FAT decreased substantially from 11.06 in 2021 to 6.81. Such a significant drop indicates a potential challenge in efficiently leveraging fixed assets to generate revenue during that specific year. A focused analysis of the circumstances in 2022 is essential to understand the factors contributing to this decline. Luxchem may benefit from a detailed examination of its fixed asset management practices, considering industry benchmarks and market conditions. Implementing targeted measures to enhance fixed asset performance, aligning them with long-term strategic goals and potentially revisiting investment decisions can be crucial for Luxchem's sustained financial performance

and operational efficiency

2.5 MARKET VALUE

RATIO	LUXCHEM CORPERATION BERHAD (RM)				
Market Value	**2018**	**2019**	**2020**	**2021**	**2022**
Price-earnings ratio (RM) = Market Price per Share / Earnings per Share	= 0.520 / 4.42 = 0.12 times	= 0.480 / 4.27 = 0.11 times	= 0.745 / 5.34 = 0.14 times	= 0.715 / 6.77 = 0.10 times	= 0.535 / 4.27 = 0.12 times



Price earnings per share for Luxchem Corporation Berhad for 2018 is 0.12 times then decreased 0.01 times in 2019 which is 0.11 times. Meanwhile in 2020 has increased to 0.03 times which makes the price earnings per share 0.14 times. Next, for 2021, it shows an extreme decrease of about 0.04 times which is 0.10 times per year. Last but not least, in 2022 has increased by 0.02 times which means the price earnings per year is 0.12 times. The trend price-earnings for these five years from 2018 to 2022 show a decrease and increase per year. So, based on the table, it can be said that the price market performance of Luxchem Corporation Berhad has not been good enough.

3.0 ANALYSIS SUMMARY

LUXCHEM CORPORATION BERHAD						
CATEGORIES	**RATIO**	**2018**	**2019**	**2020**	**2021**	**2022**
Liquidity	Current Ratio	2.27 times	2.75 times	2.54 times	2.77 times	4.96 times
Liquidity	Acid-Test Ratio	1.71 times	2.18 times	2.05 times	2.07 times	4.14 times
Liquidity	Average Collection Period	65.20 days	64.66 days	80.39 days	67.54 days	50.78 days
Liquidity	Account Receivable Turnover	5.60 times	5.64 times	4.54 times	5.40 times	7.89 times
Liquidity	Inventory Turnover	8.69 times	9.94 times	8.68 times	6.06 times	10.14 times
Capital Structure	Debt Ratio	35.09%	28.73%	30.80%	28.60%	17.94%
Capital Structure	Times Interest Earned	12.24 times	11.03 times	25.72 times	32.75 times	26.9 times
Profitability	Gross Profit Margin	9.96%	10.50%	12.93%	14.90%	14.16%
Profitability	Operating Profit Margin	6.65%	7.15%	8.96%	10.98%	8.87%
Profitability	Net Profit Margin	4.59%	4.83%	6.46%	8.01%	6.39%
Profitability	Operating Return on Assets	12.42%	12.65%	13.40%	12.82%	9.93%
Profitability	Return on Equity	13.19%	11.98%	13.91%	13.10%	8.71%
Asset Management Efficiency	Total Asset Turnover	1.87 times	1.77 times	1.49 times	1.17 times	1.12 times
Asset Management Efficiency	Fixed Asset Turnover	16.89 times	14.44 times	11.49 times	11.06 times	6.81 times
Market Value	Price-Earning Ratio	0.12	0.11	0.14	0.10	0.12

Over the past five years, Luxchem Corporation Berhad has demonstrated commendable financial performance across key categories. The company's liquidity position has significantly strengthened, with both the current and acid-test ratios consistently increasing, indicating a robust ability to meet short-term obligations. Furthermore, efficient management of accounts receivable is evident from a declining average collection period and an increasing account receivable turnover. The inventory turnover has shown an upward trajectory, pointing to effective inventory management. In terms of capital structure, Luxchem has effectively reduced its debt ratio while maintaining a healthy times interest earned ratio, signifying a prudent approach to financial leverage.

However, there has been a decline in asset management efficiency, as both total asset turnover and fixed asset turnover have decreased. Profitability metrics exhibit positive trends, with increasing gross profit margins and improving net profit margins, reflecting the company's ability to generate profit from its operations. The return on equity has seen an overall positive trajectory. Despite a fluctuating market value, the low price-earning ratio suggests potential undervaluation. Overall, Luxchem Corporation's financial performance underscores effective liquidity management, prudent capital structure decisions, and sustained profitability, though challenges is asset management efficiency warrant attention.

4.0 RECOMMENDATION

It is not possible to invest in Luxchem Corporation Berhad based on the profit ratio since its profit ratio is less than 50% for needs, 30% for discretionary expenditure, and 20% for savings and investments. Much higher than its rivals from 2018 to 2022, for example, in 2022 the amount to invest continues to climb, although in 2021 the greatest amount also stays unstable to invest since the amount does not exceed in return on equity. However, the ratio of balance, finance, and stock market success is a key factor in deciding such outcomes. Furthermore, Luxchem Corporation Berhad's balance ratio is ineffective. The trend leverage ratio implies that the five years from 2018 to 2022 are at a high risk of bankruptcy. Furthermore, for the past five years, there has been a relatively low return on investment. Taking all of the results into account, it is possible to conclude that, while Luxchem Corporation Berhad is profitable, investing in the firm is still not a wise choice.

Luxchem Corporation Berhad will keep enhancing its own efficiency and productivity to meet these challenges and uncontrollable external factors. Luxchem Corporation Berhad restates its intentions to expand its export market, primarily in regions adjacent to Vietnam and Indonesia, given that export sales accounted for 76% of its manufacturing. Additionally, Luxchem Corporation Berhad has the chance to expand its exports to the European market. To find a high-potential country that needs chemical products, they simply need to establish positive relations with the nation they intend to export.

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