

FINANCIAL YEAR 2020

# RECORD PROFIT FOR SCIENTEX

Earnings jump 16.9pc to RM390m, driven by manufacturing, property segments

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**S**CIENTEX Bhd's net profit in the fourth quarter ended July 31 increased 6.5 per cent to RM142.1 million from RM133.4 million a year ago.

In a filing to Bursa Malaysia yesterday, the packaging manufacturer and property developer said the stronger performance was fuelled by the full-year contribution from new business acquisitions and the higher take-up recorded by its property division.

Revenue rose 1.7 per cent during the period to RM954.63 million from RM938.80 million previously on the back of higher contribution from its manufacturing and property segments.

For the financial year ended July 31, Scientex's net profit ballooned 16.9 per cent to a record RM390.11 million from RM333.70 million a year ago while revenue grew 8.3 per cent to RM3.52 billion from RM3.25 billion previously.

Scientex chief executive officer Lim Peng Jin said its manufacturing segment for flexible plastic packaging (FPP) benefited from supporting the essential

food and beverage sector in Malaysia and the region.

"It also witnessed a pickup in domestic activities as businesses and households resumed normalcy during the Conditional Movement Control Order period.

"We will continue to further expand our manufacturing capacity and capabilities to develop more value-added FPP products, as well as derive greater efficiencies," he said yesterday.

Recognising the tremendous growth potential of sustainable FPP in line with global consumer trends, Scientex said it would develop more sustainable solutions to meet growing demand from multinational corporations and international brand owners.

"The property segment remains committed to fulfilling demand for affordable housing, with plans to launch 6,000 affordable homes worth RM1.6 billion in gross development value in the new financial year."

The company had launched 3,034 units of affordable homes in its financial year 2020.

Scientex also completed the acquisition of lands in Tasek Gelugor, Penang, and Kundang, Selangor, for RM232.9 million in December last year, with official



Scientex Bhd has proposed a final dividend of 13 sen per share, in addition to the 10 sen interim dividend earlier this year. FILE PIC

first launches planned for the upcoming financial year.

The group recently acquired 550ha in Jasin, Melaka, for RM260.2 million, and expects positive contributions from planned new launches from next year onwards.

It has proposed a final dividend of 13 sen per share for the financial year 2020, subject to shareholders' approval at its upcoming annual general meeting.

Together with an earlier paid interim dividend of 10 sen per

share, Scientex's total dividend payout is estimated to be RM118.7 million, or 30.4 per cent of the group's net profit in its financial year 2020.

It has also proposed a bonus issue on the basis of two bonus share for each existing share held, on an entitlement date to be determined at a later date.

Free five-year warrants will also be issued on the basis of one warrant for every five existing shares held on the same entitlement date.