



Scientex will continue to enhance its global competitiveness in the high-growth packaging segment.

Scientex off to good start with RM92.5m Q1 net profit

PETALING JAYA: Scientex Bhd's net profit for its first quarter ended Oct 31, 2020 climbed 14.3% to RM92.53 million from RM80.96 million a year ago, driven by better packaging sales mix from its diverse range of packaging solutions.

However, its revenue fell 8.6% to RM802.26 million from RM877.37 million in the preceding year's corresponding quarter.

Scientex CEO Lim Peng Jin said it intends to continue enhancing its global competitiveness in the high-growth packaging segment, as it increasingly supports demand from essential food and beverage and fast-moving consumer goods conglomerates.

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► Earnings jump 14.3% on better packaging sales mix

customers in making significant headway in the sustainable packaging agenda.

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At Scientex's AGM yesterday, the group's shareholders approved a final dividend of 13 sen per share in respect of the financial year ended customers in making significant headway in the sustainable packaging agenda.

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At Scientex's AGM yesterday, the group's shareholders approved a final dividend of 13 sen per share in respect of the financial year ended

July 31, 2020 (FY20). Together with an earlier paid interim dividend of 10 sen per share for FY20, total dividend payout of RM118.8 million constitutes 30.4% of the group's FY20 net profit.

Subsequently, at an EGM, shareholders approved a proposed 2-for-1 bonus issue and 1-for-5 free warrants issue.

The proposed bonus issue involves the issuance of up to about 1 billion new shares assuming the existing 100 treasury shares are resold in the open market at the acquisition cost. The bonus issue July 31, 2020 (FY20). Together with an earlier paid interim dividend of 10 sen per share for FY20, total dividend payout of RM118.8 million constitutes 30.4% of the group's FY20 net profit.

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The proposed bonus issue involves the issuance of up to about 1 billion new shares assuming the existing 100 treasury shares are resold in the open market at the acquisition cost. The bonus issue

would increase the total number of the group's shares to around 1.6 billion shares, with the value of Scientex's share capital remaining unchanged.

The group would also issue a maximum of 103.4 million free warrants. The warrants would have an exercise price of RM4.30 per warrant, with a tenure of five years commencing from the date of issuance of the warrants.

Assuming full exercise of the warrants under the maximum scenario, Scientex would raise a maximum of RM413.5 million in proceeds over the five-year period, to be used for working capital and to fund future expansion for both packaging and property development segments whenever any opportunities arise in the future. maximum of 103.4 million free warrants. The warrants would have an exercise price of RM4.30 per warrant, with a tenure of five years commencing from the date of issuance of the warrants.

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