

Scientex off to a good start in 1Q22

- **1Q22 net profit increases 11.2% to RM102.9 million on revenue growth of 15.7% to RM928.2 million**
- **Property Development division launching in 5 maiden locations in Melaka, Negeri Sembilan, Selangor, Penang, Kedah; Packaging division increasing capacity and capabilities, accelerating innovation**
- **Shareholders approve final dividend of 5 sen per share in respect of FY2021**

Shah Alam, Selangor, Malaysia, 8 December 2021 - Global packaging manufacturer and leading property developer **Scientex Berhad** (Scientex, 森德公司, Bloomberg: SCI MK) started the new financial year strongly, recording 11.2% higher net profit of RM102.9 million in the first quarter ended 31 October 2021 (1Q22) from RM92.5 million a year ago.

Revenue rose 15.7% to RM928.2 million in 1Q22 from RM802.3 million previously, driven by firm demand for packaging products, and more sales of affordable homes.

The packaging division remained the main revenue contributor at RM678.1 million in 1Q22, growing 16.2% from RM583.8 million previously, on healthy sales of industrial and consumer packaging products in the domestic and export markets.

The property division registered revenue of RM250.1 million, increasing 14.5% from RM218.4 million in the previous year from steady progress billings for ongoing projects and good-take up rate for latest launches in Johor and Penang. Additionally, revenue improved due to completion of several project phases in Rawang, Selangor and Durian Tunggal, Melaka.

“The healthy 1Q22 performance highlights the resilience of our twin-core model of packaging and property development. To deliver sustainable growth, we are maintaining expansions in capacity and capabilities of both divisions to reinforce our market position and leadership.

We continued our ‘Cross Boundary Development Strategy’ for our property development division by lining up new launches in maiden locations of Jasin, Seremban, Cheras, Sungai Dua and Sungai Petani in FY2022. We are also accelerating our pace with a new target to build 8,000 homes a year by FY2023, up from 6,000 homes a year, representing our commitment to bring more affordable homes to the Rakyat on the back of robust demand.

Meanwhile, we are expanding both our industrial and consumer packaging operations at various locations and also to enhance our capabilities to develop and innovate more customised packaging solutions, including value-added and sustainable products. Additionally, we continue to strengthen and enhance operational and supply chain efficiencies to deliver sustainable growth, as well as manage ongoing challenges such as volatile raw material prices and rising logistics costs.”

**Mr. Lim Peng Jin (林炳仁),
CEO, Scientex Berhad**



Scientex's existing property developments are situated in Johor, Melaka, Selangor, Perak, and Penang, while maiden launches are expected in Negeri Sembilan and Kedah in the current financial year ending 31 July 2022 (FY2022).

Scientex had, from August to November 2021, completed the acquisitions of 544 acres of land in Johor (Pulai) and Penang (Sungai Dua) for a total of RM431.4 million. The Group is in the process of acquiring an additional 1,211 acres lands in Selangor (Jenjarom) and Johor (Tebrau), for a total of RM725.7 million to be completed in stages from 2022 until 2024.

In its packaging division, the expansion programme undertaken from FY2020 to FY2022 remains on track, with additional investments in new machinery, as well as automation and factory enhancements at our various plants in Selangor, Melaka and Perak.

At the Group's 53rd Annual General Meeting today, the Group's shareholders approved a final dividend of 5 sen per share in respect of the financial year ended 31 July 2021 (FY2021). Together with an earlier paid interim dividend of 4 sen per share for FY2021, estimated total dividend payout of RM139.6 million constitutes 30.5% of the Group's FY2021 net profit.

The ex-date of the final dividend would be on 4 January 2022, with payment date on 13 January 2022.

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About Scientex Berhad (森德公司, www.scientex.com.my)

Scientex Berhad (Scientex) is a leading manufacturer in flexible plastic packaging and a prominent developer of affordable homes in Malaysia.

Established in 1968, our drive to achieve continuous growth has seen us become one of the world's top manufacturers of stretch film and an end-to-end flexible plastic packaging producer with a presence across the packaging value chain, from stretch films, base films and printed films to bags and multi-layered flexible plastic packaging solutions used in industrial and consumer packaging.

To date, Scientex has 17 manufacturing plants across Malaysia, Vietnam, Myanmar and the United States of America; as well as sales offices in 9 countries, namely, Australia, Indonesia, Japan, Myanmar, New Zealand, Philippines, Singapore, Thailand and USA. Approximately 70% of its packaging products are exported to over 60 countries worldwide.

Our Property Division, meanwhile, works to meet the demand for affordable housing with our 30 townships and development spanning seven states across Peninsular Malaysia. To date, Scientex have built 25,613 units of affordable homes for the Rakyat.

Scientex's property arm has township development projects in Pasir Gudang, Kulai, Skudai, Senai, Pulai, and Kota Tinggi (all in Johor), Ayer Keroh and Durian Tunggal (both in Melaka), Rawang and Kundang Jaya (both in Selangor), Tasek Gelugor (Penang), as well as Ipoh (Perak). The Group recently acquired a 139-acre land in Cheras (Selangor), 158-acre and 1,357-acre lands in Jasin (Melaka), 109-acre land in Seremban (Negeri Sembilan), 202-acre land in Pulai (Johor), 161-acre land in Sungai Petani (Kedah) and 343-acre land in North Seberang Perai (Penang). The Group is also in the process of acquiring 251-acre land in Jenjarom, Selangor and 960-acre land in Tebrau (Johor). Scientex has delivered RM7.3 billion worth of properties and has projects-in-hand of RM2.2 billion.

Issued for and on behalf of SCIENTEX BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd

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