

# Scientex earnings up

## Group's revenue in Q1 improves by 15.7% y-o-y

### CORPORATE

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**PETALING JAYA:** Scientex Bhd's net profit rose by 11.18% year-on-year (y-o-y) in the first quarter ended Oct 31, driven by the firm demand for packaging products and higher sales of affordable homes.

The property developer and packaging manufacturer announced yesterday that its net profit in the August to September 2021 period was recorded at RM102.87mil, as compared to RM92.53mil in the previous corresponding quarter.

Revenue in the first quarter also improved by 15.69% y-o-y to RM928.17mil.

The packaging division, which remained as Scientex's main revenue contributor, saw its turnover rising by 16.2% y-o-y to RM678.1mil in the first quarter ended Oct 31. This was mainly because of the sales of industrial and consumer packaging products in the domestic and export markets.

Meanwhile, Scientex's property division posted a revenue of RM250.1mil, increasing 14.5% y-o-y, led by the steady progress billings for ongoing projects and good take-up rate for latest launches in Johor and Penang.

The division's revenue also improved due to the completion of several project phases in Rawang, Selangor and Durian Tunggal, Melaka.

Scientex's earnings per share in the latest first quarter improved to 6.63 sen. No dividend was declared for the quarter.

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Lim Peng Jin

Group chief executive officer Lim Peng Jin said Scientex is expanding both of its industrial and consumer packaging operations at various locations.

It is also enhancing its capabilities to develop and innovate more customised packaging solutions, including value-added and sustainable products.

Additionally, Lim said the group will 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.

Scientex said the expansion programme for its packaging division, undertaken from FY20 to FY22, remains on track, with additional investments in new machinery, as well as automation and factory enhancements at its various plants in Selangor, Melaka and Perak.

"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 the financial year of 2022 (FY22).

"We are also accelerating our pace with a new target to build 8,000 homes a year by FY23, up from 6,000 homes a year, representing our commitment to bring more affordable homes to the rakyat on the back of robust demand," he added in a statement.

Scientex's existing property developments are situated in Johor, Melaka, Selangor, Perak, and Penang, while maiden launches are expected in Negri Sembilan and Kedah in the current FY22.

Between August to November 2021, Scientex had completed the acquisitions of 544 acres of land in Pulau, Johor and Sungai Dua, Penang for a total of RM431.4mil.

"The group is in the process of acquiring an additional 1,211 acres of land in Selangor (Jenjarom) and Johor (Tebrau), for a total of RM725.7mil to be completed in stages from 2022 until 2024," it said.