

## Scientex on track for record revenue in FY2022

- ***Posts highest quarterly revenue of RM993.8 million for 3Q22 on stable packaging demand and increased average selling prices***
- ***Favourable demand for affordable homes to underpin new launches across five states in 4Q22***
- ***Declares interim dividend of 4 sen per share in respect of FY2022***

Shah Alam, Selangor, Malaysia, 13 June 2022 - Global packaging manufacturer and leading property developer **Scientex Berhad** (Scientex, 森德公司, Bloomberg: SCI MK) is enroute to hit record revenue exceeding RM3.7 billion in the current financial year ending 31 July 2022 (FY2022), driven by healthy demand for its packaging and property development businesses.

Underscoring the positive outlook, the Group posted its highest quarterly revenue of RM993.8 million for the third quarter ended 30 April 2022 (3Q22), up 1.7% from RM976.8 million previously.

Of total 3Q22 revenue, packaging contributed 75.4% or RM749.7 million, rising 11.6% year-on-year from RM671.5 million previously on healthy sales of industrial and consumer packaging products. Meanwhile, property development made up 24.6% or RM244.2 million, reducing 20.0% from RM305.3 million previously on deferment of Certificate of Completion & Compliance (CCC) for Southern region projects due to material shortages for power supply infrastructure.

“While markets remain challenging due to supply chain disruptions and rising inflationary pressures, we have delivered consistent topline growth. This reaffirms our outlook on packaging and affordable property development which are seeing unabated demand.

We continue to strengthen the operating and supply chain efficiencies of our packaging segment, to manage rising costs and labour shortages. We are also enhancing our competitive edge internationally by investing in automation and expanding capacity in areas of competitive strengths, to support growth as countries transition to COVID-19 endemicity.

For our property segment, we are committed to building more landed affordable homes, and are expanding into two states this year, Negeri Sembilan and Kedah. Meanwhile, we are adapting our operating and pricing strategies to cope with challenges of reduced labour availability and higher material costs.”

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

Despite the strong revenue performance, higher raw materials prices and freight costs for the consumer packaging business and lower property development contribution resulted in 3Q22 net profit declining to RM88.3 million from RM109.9 million previously.

For the nine-month period ended 30 April 2022 (9M22), Scientex’s revenue climbed 7.0% to RM2.9 billion from RM2.7 billion in the previous year.

Revenue from the packaging segment grew 13.2% to RM2.1 billion revenue in 9M22, from RM1.9 billion previously on higher sales of industrial and consumer packaging in the domestic and export markets. Property development revenue stood at RM753.5 million compared to RM811.5 million a year ago, due to the deferment of CCC and delay in authority approvals for new launches.

Commenting on the Group's outlook, Mr Lim said:

“We are innovating sustainable and value-added packaging products for our customers as the global sustainability agenda picks up pace. We invest in research and development, as well as collaborate with major consumer brands to deliver new high-performance and sustainable solutions, and have built a strong track record in this area.”

“We also invest in new technology to future-proof our operations, with our new robotic stretch film facility, the first of its kind in Asia, expected to commence operations in the second half of 2022. These initiatives will ready us for smarter and more rigorous manufacturing processes in the future, while enhancing our efficiency and adaptability to rising costs.”

“In our affordable housing developments, we adopt a cautious approach in new project launch schedule for 2022, due to longer timeline required to secure authority approval.”

“However, demand for our affordable homes remains favourable, with increasing visitors to our showhouses, especially in Johor with the reopening of the Malaysia-Singapore border. We strive to maintain affordable prices for the masses, and will mitigate increased material costs by reviewing and repricing our products within a reasonable range.”

In 4Q22, the Group plans to launch several new phases in its existing projects in Selangor, Melaka, Johor, in addition to maiden launches in Negeri Sembilan and Kedah. As at 30 April 2022, ongoing development projects amounted to RM2.8 billion in gross development value, consisting of mainly landed residential properties priced at RM300,000 and below per home.

The Group also declared an interim dividend of 4 sen per share in respect of FY2022, with ex-date on 7 July 2022 and payment date on 22 July 2022. The dividend payout would amount to RM62.0 million or 21.8% of 9M22 net profit.

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**About Scientex Berhad (森德公司, [www.scientex.com.my](http://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.

Scientex's property arm has township development projects in Pasir Gudang, Kulai, Skudai, Senai, Pulai, and Kota Tinggi (all in Johor), Ayer Keroh, Durian Tunggal and Jasin (all 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 219-acre land in Ipoh, Perak, 251-acre land in Jenjarom, Selangor and 960-acre land in Tebrau (Johor). To date, Scientex has delivered RM7.3 billion worth of properties and has projects-in-hand of RM2.8 billion.

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

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