

## Scientex quarterly revenue surpasses RM1 billion mark for first time in 4Q22

- *4Q22 revenue rises 14.5% to RM1.1 billion on firm demand for packaging; poised to open up new markets more aggressively with the progressive completion of expansion plans at various plants*
- *To launch maiden project in Kedah in FY2023*
- *Proposes final dividend of 5.0 sen per share in respect of FY2022*

Shah Alam, Selangor, Malaysia, 29 September 2022 - Global packaging manufacturer and leading property developer **Scientex Berhad's** (Scientex, 森德公司, Bloomberg: SCI MK) quarterly revenue surpassed the RM1 billion mark for the first time in the fourth quarter ended 31 July 2022 (4Q22), rising 14.5% to RM1.1 billion from RM970.4 million in the previous corresponding quarter.

Of total 4Q22 revenue, the packaging segment contributed 66.7% or RM740.8 million, growing 20.0% year-on-year from RM617.4 million, on firm demand for packaging in the domestic and export markets. Meanwhile, the property development segment made up 33.3% or RM370.5 million of 4Q22 revenue, an increase of 5.0% from RM352.9 million previously, contributed by strong progress billings for ongoing property development projects, as well as new properties launched in Selangor, Negeri Sembilan, and Melaka.

Despite the higher revenue, 4Q22 operating profit stood at RM178.7 million, a marginal increase of 1.6% from RM175.8 million previously, impacted by increased costs of constructional materials and labour.

For FY2022, Scientex's revenue climbed 9.0% to RM4.0 billion from RM3.7 billion in the previous year, driven mainly by growth in the packaging segment. This mitigated a marginal decrease in property segment revenue due to deferred government approvals that led to delays in scheduled new project launches, as well as delays in receiving Certificate of Completion & Compliance for projects in Johor and Melaka due to material shortages for power supply infrastructure.

FY2022 net profit amounted to RM409.9 million compared to RM457.2 million in the previous year, due to higher raw material and operating costs of the packaging segment and lower contribution from the property development segment.

“Scientex’s packaging division is poised to open up new markets more aggressively with the progressive completion of our expansion plans at various plants. Additionally, the strong take up of our properties in various states indicate the steady demand for affordable homes.

We are also strengthening our operational resilience and supply chain efficiencies, and note gradual improvements in labour availability for both divisions. We are thus optimistic of achieving stable performance in the financial year ending 31 July 2023 (FY2023).

We continue to bring new packaging innovations and develop value-added and customised products, as well as sustainable and fully recyclable solutions. The recent acquisition of Taisei Lamick Malaysia provides an immediate foothold in the fast-growing film business for liquid and paste packaging, as well as enhances our diversified offering especially in the Food and Beverage sector in Malaysia and regionally.

Furthermore, we are committed to bring more affordable homes to the Malaysian population. In this respect, we will launch our maiden project in Sungai Petani, Kedah in FY2023 as we expand our footprint to more states.”

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

Scientex proposed a final dividend of 5.0 sen per share in respect of FY2022, payable on 9 January 2023, subject to shareholders approval at the forthcoming Annual General Meeting. Together with the 4.0 sen interim dividend paid on 22 July 2022, the estimated total dividend payout of RM139.6 million represents 34.1% of net profit in FY2022. The Group has a dividend policy to pay at least 30% of net profit since FY2011.

Commenting on the Group’s sustainability goals, Mr Lim said:

“Sustainable practices for a better society and better tomorrow is at the core of what we do. Our inclusion into FTSE4Good Bursa Malaysia Index in June 2022 reaffirms our efforts in embedding sustainability in our business processes and strategies. This includes group-wide initiatives to reduce greenhouse gas emissions and wastage, increasing use of recycled resins, efficiency improvements and product innovation for a sustainable world.”

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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 RM7.7 billion worth of properties and has projects-in-hand of RM2.9 billion.

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

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