

Q2 RESULTS

SCIENTEX POSTS RM106.3M NET PROFIT

Long-term plans for the packaging division are intact, including prioritising sustainable innovations, says CEO

KUALA LUMPUR

GLOBAL packaging manufacturer and leading property developer Scientex Bhd's net profit in the second quarter ended Jan 31, rose 13.5 per cent to RM106.3 million from RM93.7 million in the same quarter last year.

The positive earnings were due to a better product mix with consumer packaging, improved property sales and steady construction progress.

Revenue increased 2.8 per cent to RM978.4 million from RM952 million previously, as higher contributions from the property division mitigated a slight dip from the packaging division.

Chief executive officer Lim Peng Jin said Scientex's long-term plans for the packaging division are intact.

They include prioritising sustainable innovations in collaboration with global customers to meet their sustainability goals

with greener solutions.

"Meanwhile, our property division is seeing strong take-up for RM1.15 billion worth of affordable homes launched in the first half of financial year ending July 31, across Johor, Melaka, Selangor, Penang and Kedah," he said in a statement yesterday.

The packaging division registered revenue of RM655.1 million in the second quarter of financial year 2023, compared with RM692.8 million previously, on lower industrial packaging sales as global buyers remained cautious.

Group revenue for the six months ended Jan 31 grew 6.8 per cent to RM2 billion from RM1.9 billion in the previous period.

Group net profit rose 8.6 per cent to RM213.5 million in the first half of financial year 2023 versus RM196.6 million previously.

In the financial year ended July 31, 2022, Scientex commercialised 27 innovations, including recyclable industrial packaging and consumer packaging with post-industrial and post-consumer recycled content for food manufacturers.

"In our property division, the improved authority approval process, a gradual easing of labour shortages, and a pause in an interest rate hike by Bank Negara Malaysia support a better outlook for the sector.

"We are also continuing efforts to enhance resource planning and optimisation



Scientex Bhd chief executive officer Lim Peng Jin (inset) says it is also exploring opportunities to expand into new markets in Southeast Asia.

to address rising operational costs, as well as greater adoption of the industrialised building system in our projects.

"While witnessing robust demand for af-

fordable homes in Malaysia, we are also exploring opportunities to expand into new markets in Southeast Asia," he added.