



SCIENTEX BERHAD
 (Company No: 196801000264 [7867-P])
 (Incorporated in Malaysia)

QUARTERLY REPORT

Quarterly report on consolidated results for the financial quarter ended 31 January 2021
 The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 31 January 2021

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31.1.2021 RM'000	Preceding year corresponding quarter 31.1.2020 RM'000	Current year to date 31.1.2021 RM'000	Preceding year corresponding period 31.1.2020 RM'000
Revenue	906,545	914,378	1,708,804	1,791,743
Operating profit	149,174	140,786	275,930	259,290
Interest expense	(2,383)	(4,332)	(4,667)	(9,583)
Investing results	2,731	3,036	6,289	5,627
Profit before tax	149,522	139,490	277,552	255,334
Taxation	(28,434)	(33,746)	(56,575)	(62,143)
Profit for the quarter / period	121,088	105,744	220,977	193,191
Profit attributable to:				
Owners of the Company	112,166	97,474	204,699	178,436
Non-controlling interests	8,922	8,270	16,278	14,755
Profit for the quarter / period	121,088	105,744	220,977	193,191
Earnings per share attributable to owners of the Company (sen per share)	7.23	6.30	13.21	11.54

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2020)



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QUARTERLY REPORT

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 31 January 2021

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31.1.2021 RM'000	Preceding year corresponding quarter 31.1.2020 RM'000	Current year to date 31.1.2021 RM'000	Preceding year corresponding period 31.1.2020 RM'000
Profit for the quarter / period	121,088	105,744	220,977	193,191
Other comprehensive (loss)/income, net of income tax: Items that may be reclassified subsequently to profit or loss:				
- Foreign currency translation of foreign operations	(6,475)	(3,495)	(9,335)	(476)
Other comprehensive loss for the quarter / period, net of income tax	(6,475)	(3,495)	(9,335)	(476)
Total comprehensive income for the quarter / period, net of income tax	114,613	102,249	211,642	192,715
Total comprehensive income for the quarter / period attributable to:				
Owners of the Company	107,992	93,740	196,861	177,377
Non-controlling interests	6,621	8,509	14,781	15,338
	114,613	102,249	211,642	192,715

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2020)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 January 2021

	AS AT CURRENT FINANCIAL QUARTER ENDED 31.1.2021 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31.7.2020 RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	1,375,683	1,322,579
Right-of-use assets	7,342	7,477
Investment properties	16,900	16,900
Land held for property development	1,338,947	972,973
Investment in joint venture	12,750	24,602
Investment in associate	63,072	46,548
Other investments	21,430	28,593
Deferred tax assets	18,969	18,970
Goodwill	337,296	338,077
	3,192,389	2,776,719
Current assets		
Property development costs	385,260	340,416
Inventories	255,072	354,017
Trade and other receivables	767,252	716,039
Cash and cash equivalents	123,689	413,244
	1,531,273	1,823,716
TOTAL ASSETS	4,723,662	4,600,435
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	702,985	691,782
Reserves	1,998,830	1,869,610
Equity attributable to owners of the Company	2,701,815	2,561,392
Non-controlling interests	202,033	194,260
Total equity	2,903,848	2,755,652
Non-current liabilities		
Borrowings	351,656	357,337
Lease liabilities	4,997	5,291
Retirement benefits obligations	40,339	39,032
Deferred tax liabilities	89,548	89,893
	486,540	491,553
Current liabilities		
Borrowings	660,252	683,723
Lease liabilities	4,476	4,133
Trade and other payables	597,163	624,467
Tax liabilities	71,383	40,907
	1,333,274	1,353,230
Total liabilities	1,819,814	1,844,783
TOTAL EQUITY AND LIABILITIES	4,723,662	4,600,435
Net assets per share attributable to owners of the Company (RM)	1.74	1.66

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2020)



SCIENTEX BERHAD
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 JANUARY 2021**

	Reserves					Retained earnings RM'000	Attributable to the equity holders of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Property revaluation surplus RM'000	Foreign currency translation reserve RM'000	Other reserves RM'000				
As at 1 August 2020	691,782	(1)	90,719	15,465	461	1,762,966	2,561,392	194,260	2,755,652
Profit for the period	-	-	-	-	-	204,699	204,699	16,278	220,977
Other comprehensive loss for the period	-	-	-	(7,838)	-	-	(7,838)	(1,497)	(9,335)
Total comprehensive income for the period	-	-	-	(7,838)	-	204,699	196,861	14,781	211,642
Issuance of ordinary shares pursuant to Share Grant Plan	11,203	-	-	-	-	-	11,203	-	11,203
Expenses in relation to bonus issue and issuance of free warrants	-	-	-	-	-	(449)	(449)	-	(449)
Dividends	-	-	-	-	-	(67,192)	(67,192)	(7,008)	(74,200)
As at 31 January 2021	702,985	(1)	90,719	7,627	461	1,900,024	2,701,815	202,033	2,903,848
As at 1 August 2019	685,776	(1)	54,877	7,668	461	1,476,027	2,224,808	173,684	2,398,492
Profit for the period	-	-	-	-	-	178,436	178,436	14,755	193,191
Other comprehensive loss for the period	-	-	-	(1,059)	-	-	(1,059)	583	(476)
Total comprehensive income for the period	-	-	-	(1,059)	-	178,436	177,377	15,338	192,715
Issuance of ordinary shares pursuant to Share Grant Plan	6,006	-	-	-	-	-	6,006	-	6,006
Dividends	-	-	-	-	-	(51,588)	(51,588)	(8,213)	(59,801)
As at 31 January 2020	691,782	(1)	54,877	6,609	461	1,602,875	2,356,603	180,809	2,537,412

(The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2020)

SCIENTEX BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the six months ended 31 January 2021

	6 MONTHS ENDED 31.1.2021 RM'000	6 MONTHS ENDED 31.1.2020 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit before taxation	277,552	255,334
Adjustments	60,207	60,342
Operating profits before working capital changes	<u>337,759</u>	<u>315,676</u>
Movement in working capital:		
Decrease in inventories	98,864	62,468
Decrease in development properties	47,497	40,055
(Increase)/decrease in receivables	(91,205)	7,543
Decrease in payables	(27,950)	(41,328)
Cash generated from operations	<u>364,965</u>	<u>384,414</u>
Taxation paid	(25,933)	(35,026)
Gratuity and retirement benefits paid	(1,355)	(583)
Net cash from operating activities	<u>337,677</u>	<u>348,805</u>
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Acquisition of subsidiary, net of cash and cash equivalents acquired	-	(89,931)
Purchase of other investments	(4,000)	(4,000)
Purchase of property, plant and equipment	(55,017)	(44,330)
Deposit paid for purchase of plant and equipment	(10,876)	(37,871)
Purchase of land held for development	(437,548)	(224,936)
Deposit paid for purchase of land held for development	(22,091)	(10,541)
Proceeds from disposal of property, plant and equipment	128	211
Capital reduction from investment in joint venture	12,500	-
Dividend income received	2,900	12,525
Interest received	1,620	2,536
Net cash used in investing activities	<u>(512,384)</u>	<u>(396,337)</u>
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
Dividends paid to:		
Shareholders of the Company	(67,192)	(51,588)
Non-controlling shareholders of subsidiaries	(7,008)	(8,213)
Expenses in relation to bonus issue and issuance of free warrants	(449)	-
Net drawdown of Sukuk Murabahah	-	100,000
Net repayment of term loans	(6,042)	(10,760)
Net repayment of short term borrowings	(23,662)	(47,090)
Repayment of lease liabilities	(1,343)	(1,016)
Finance cost paid	(9,152)	(13,892)
Net cash used in financing activities	<u>(114,848)</u>	<u>(32,559)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(289,555)</u>	<u>(80,091)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>413,244</u>	<u>257,644</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>123,689</u>	<u>177,553</u>
Cash and cash equivalents in the cash flow statement comprise :		
Cash and bank balances	102,621	147,142
Short term deposits	21,068	30,411
	<u>123,689</u>	<u>177,553</u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2020)

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 JANUARY 2021

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 and Appendix 9B of Bursa Malaysia Securities Berhad Main Market Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 July 2020 which were prepared under Malaysian Financial Reporting Standards (“MFRS”). These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 July 2020.

The accounting policies adopted in the preparation of the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 July 2020, except for the adoption of the following new MFRSs and amendments to MFRSs that are effective for financial statements beginning on 1 August 2020, as disclosed below:

Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform
Amendments to MFRS 16	COVID-19 – Related Rent Concessions
Amendments to MFRS 101 and MFRS 108 MFRSs	Definition of Material
	Amendments to References to the Conceptual Framework in MFRS Standards

The adoption of the above new MFRSs and amendments to MFRSs are not expected to have significant impact on the financial statements of the Group.

A2 Audit report

The Group's preceding annual financial statements for the financial year ended 31 July 2020 was not qualified.

A3 Seasonal or cyclical factors

The business operations of the Group for the current financial quarter under review were not materially affected by any seasonal or cyclical factors.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no material items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current financial quarter under review.

A5 Material changes in estimates

There were no changes in estimates of amounts reported in prior interim periods that have a material effect in the current financial quarter under review.

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A6 Changes in debts and equity securities

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period under review, except for the followings:-

Share Grant Plan

On 5 October 2020, the Company issued and allotted 988,000 new ordinary shares to the eligible employees of Scientex Berhad's group of companies, pursuant to the Scientex Berhad Share Grant Plan.

Bonus Issue of Shares and Issuance of Free Warrants

On 17 December 2020, the shareholders of the Company had approved the proposed bonus issue of shares and issuance of free warrants during the Extraordinary General Meeting.

The bonus issue of 1,033,729,544 new ordinary shares in the Company ("Scientex Share") on the basis of two (2) bonus share for every one (1) existing Scientex Share were issued and allotted on 14 January 2021. A total of 103,372,778 free warrants in the Company on the basis of one (1) warrant for every five (5) existing Scientex Shares were issued and allotted on 15 January 2021. The exercise price of the warrants was fixed at RM4.30 per warrant.

As at 31 January 2021, the total number of issued shares of the Company was 1,550,594,416 ordinary shares, out of which 100 ordinary shares were held as treasury shares.

A7 Dividends paid

The amount of dividend paid by the Company since 31 July 2020 was as follows:

RM'000

In respect of the financial year ended 31 July 2020:

Single tier final dividend of 13 sen per ordinary share declared on 17 December 2020 and paid on 13 January 2021

67,192

A8 Segment information

Segment information is presented in respect of the Group's business segments.

6 months ended 31 January 2021

	Packaging RM'000	Property Development RM'000	Total RM'000
Revenue	1,202,597	506,207	<u>1,708,804</u>
Results			
Operating profit	131,580	144,350	275,930
Investing results			6,289
Interest expense			<u>(4,667)</u>
Profit before taxation			<u>277,552</u>

SCIENTEX BERHAD
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A8 Segment information (Cont'd)

6 months ended 31 January 2020

	Packaging RM'000	Property Development RM'000	Total RM'000
Revenue	1,315,283	476,460	1,791,743
Results			
Operating profit	120,645	138,645	259,290
Investing results			5,627
Interest expense			(9,583)
Profit before taxation			255,334

A9 Disclosure items

The following items have been included in arriving at profit before tax:

	3 months ended		6 months ended	
	31.1.2021 RM'000	31.1.2020 RM'000	31.1.2021 RM'000	31.1.2020 RM'000
(a) Interest income	(983)	(1,258)	(1,620)	(2,536)
(b) Other income	(826)	(1,500)	(1,646)	(2,179)
(c) Interest expense	2,256	4,221	4,421	9,358
(d) Interest on lease liabilities	127	111	246	225
(e) Depreciation of property, plant and equipment	26,787	26,721	53,539	53,475
(f) Depreciation of right-of-use assets	876	676	1,553	1,341
(g) Net write back of receivables	(110)	(81)	(198)	(376)
(h) Net (write back)/provision of inventories	(234)	281	81	1,403
(i) Gain on disposal of plant and equipment	(47)	(32)	(78)	(184)
(j) Property, plant and equipment written off	-	-	169	-
(k) Net foreign exchange (gain)/loss	(9,849)	2,299	(15,245)	4,133

In the current financial quarter and current financial year-to-date ended 31 January 2021, there were no:

- Impairment of assets;
- Gain or loss on disposal of quoted or unquoted investments;
- Gain or loss on derivatives; and
- Any other material items not disclosed above.

A10 Valuation of property, plant and equipment and investment properties

The valuation of property, plant and equipment and investment properties were brought forward without any amendments from the preceding annual financial statements.

A11 Events subsequent to the end of the reporting period

There were no material events subsequent to the end of the current financial quarter which have not been reflected in the financial statements for the said period as at the date of this report, except as disclosed in Note B6.

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(Incorporated in Malaysia)

A12 Changes in the composition of the Group

There were no material changes in the composition of the Group during the current financial quarter under review.

A13 Contingent liabilities

There were no contingent liabilities or assets for the Group as at the end of the current financial quarter under review.

A14 Capital commitments

As at the end of the current financial quarter under review, the capital commitments not recognised in the financial statements were as follows:

	As at 31.1.2021 RM'000	As at 31.1.2020 RM'000
Approved and contracted for:		
Purchase of plant and machinery	83,826	75,962
Balance payment for purchase of land held for development	266,875	162,925
	350,701	238,887

A15 Related party transactions

The Group's related party transactions in the current financial quarter and current financial year-to-date ended 31 January 2021 were as follows:

	3 months ended		6 months ended	
	31.1.2021	31.1.2020	31.1.2021	31.1.2020
	RM'000	RM'000	RM'000	RM'000
Purchase of goods from associated companies	37,994	26,899	58,979	50,480
Sales of goods to associated company	(105)	-	(105)	-
Rental income from associated company	(139)	-	(139)	-
Rental income from jointly controlled entity	(232)	(232)	(463)	(463)

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ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 JANUARY 2021

PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 Review of performance

	INDIVIDUAL QUARTER		Changes %	CUMULATIVE QUARTER		Changes %
	Current year quarter	Preceding year corresponding quarter		Current year quarter	Preceding year corresponding quarter	
	31.1.2021 RM'000	31.1.2020 RM'000		31.1.2021 RM'000	31.1.2020 RM'000	
Revenue	906,545	914,378	-0.9%	1,708,804	1,791,743	-4.6%
Operating profit	149,174	140,786	6.0%	275,930	259,290	6.4%
Profit attributable to owners of the Company	112,166	97,474	15.1%	204,699	178,436	14.7%

(i) Current quarter review

For the current financial quarter ended 31 January 2021, the Group recorded revenue of RM906.5 million compared to preceding year corresponding quarter of RM914.4 million. The Group's operating profit stood at RM149.2 million, an increase of 6.0% compared to RM140.8 million in the preceding year corresponding quarter.

Packaging revenue was RM618.8 million, a decrease of 6.2% compared to RM659.4 million recorded in the preceding year corresponding quarter. The lower revenue recorded was mainly due to lower sales tonnage amidst challenges in the global economy. Recent raw material cost hike and sudden surge of freight cost due to global shortage of shipping containers resulted in operating profit of RM63.0 million compared to RM65.2 million recorded in the preceding year corresponding quarter.

Property revenue was RM287.8 million, an increase of 12.9% compared to RM255.0 million recorded in the preceding year corresponding quarter. The better performance was mainly contributed by steady site construction progress in its development in Scientex Taman Pulai Mutiara 2, Johor and Scientex Durian Tunggal, Melaka. In addition, our maiden project in Taman Scientex Kota Tinggi has also started to contribute positively. In the current financial quarter, the property division recorded seven new launches in its development in Scientex Tasek Gelugor, Scientex Kundang Jaya, Scientex Durian Tunggal, Taman Scientex Kota Tinggi and Scientex Pulai, of which have registered good take up rates. Operating profit for the current financial quarter stood at RM86.2 million compared with preceding year corresponding quarter of RM75.6 million, in tandem with the higher revenue recorded.

(ii) 6-month review

For the 6-month financial period ended 31 January 2021, the Group recorded revenue of RM1.71 billion compared to the preceding year corresponding period of RM1.79 billion. Operating profit stood at RM275.9 million compared to the preceding corresponding period of RM259.3 million.

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B1 Review of performance (Cont'd)

(ii) 6-month review (Cont'd)

Packaging revenue was RM1.20 billion for the period under review, reflecting a decrease of 8.6% compared to the preceding year corresponding period of RM1.32 billion. The lower sales recorded was mainly due to lower sales tonnage which was impacted by the challenges faced in the global economy. Operating profit increased from RM120.6 million to RM131.6 million as the Group enjoyed lower raw material cost in the early part of the financial year. However, recent hike in material prices and surge in freight cost has affected the operational cost of the Group, of which we will continue to manage.

Property revenue stood at RM506.2 million for the period under review, reflecting an increase of 6.2% compared to the preceding year corresponding period of RM476.5 million. In line with the increase in revenue, operating profit increased from RM138.6 million to RM144.4 million for the same period. The increase in revenue and operating profit were mainly contributed by higher sales and steady progress billings during the period under review. In addition, our new projects in Scientex Tasek Gelugor, Scientex Kundang Jaya and Taman Scientex Kota Tinggi has started to make positive contribution for financial period under review.

B2 Variations of the quarterly results as compared to the results of the preceding quarter

	Current quarter	Preceding quarter	Changes %
	31.1.2021 RM'000	31.10.2020 RM'000	
Revenue	906,545	802,259	13.0%
Profit before tax	149,522	128,030	16.8%
Profit attributable to owners of the Company	112,166	92,533	21.2%

The Group's revenue for the current financial quarter stood at RM906.5 million compared to the preceding financial quarter of RM802.3 million. The increase in revenue was mainly due to better performance achieved from both the packaging and property divisions. In line with the higher sales recorded in current financial quarter, the Group reported a higher profit before taxation of RM149.5 million compared to the preceding financial quarter of RM128.0 million.

B3 Current financial year prospects

The global economic conditions remain challenging as the world continues to take precautionary and containment measures to curb the COVID-19 contagion.

Packaging

Given the on-going uncertainties surrounding the pandemic, increase in commodity and raw material prices, surge in freight costs due to global shortage of shipping containers as well as fluctuations in foreign currencies, the Group remains vigilant in monitoring such developments with a view towards minimising these impacts on its operations. With its focus to further strengthen and enhance its operational efficiencies, the Group strives to drive down operational costs amidst rising production and logistics costs to meet the demands of its global and domestic customers for competitively priced products. The Group will also continue to leverage on its competitive strengths and expertise and work closely with its customers to develop and meet the demand for fully recyclable, sustainable and value-added products. The Group remains optimistic that the current financial year will perform within expectations.

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B3 Current financial year prospects (Cont'd)

Property

During the current quarter, the Group saw the completion of the acquisitions of its 109 acres Seremban land in Negeri Seremban and 1,365 acres Jasin land in Melaka in January 2021. Following the completion of the land acquisitions, the Group expects to launch its first development in the Jasin land in the 4th quarter of the current financial year 2021. The Seremban land marks the Group's maiden entry into Negeri Sembilan with an expected launch in early 2022. Both the Seremban and Jasin lands are expected to make positive contributions effective from the next financial year onwards.

With an accommodative monetary policy stance adopted by Bank Negara Malaysia and with the Overnight Policy Rate remain unchanged at 1.75 per cent, demand for its affordable homes is expected to be sustainable as the domestic economy looks to recover gradually with the recent announcement of the vaccine roll-out by the Government. The Group remains focused on the affordable housing segment and will continue to drive cost down as well as to explore and source for more competitively priced landbanks as part of its overall strategy to expand its footprint and branding for its affordable housing products throughout Peninsular Malaysia.

B4 Variations of actual profit from forecast profit

This note is not applicable as the Group did not issue and publish any profit forecast for the current financial quarter under review.

B5 Taxation

Details of tax expense for the current financial quarter and current financial year-to-date were as follows:

	3 months ended		6 months ended	
	31.1.2021	31.1.2020	31.1.2021	31.1.2020
	RM'000	RM'000	RM'000	RM'000
In respect of current quarter:				
- Income tax	28,632	33,746	56,917	62,143
- Deferred taxation	(198)	-	(342)	-
	<u>28,434</u>	<u>33,746</u>	<u>56,575</u>	<u>62,143</u>

The Group's effective tax rate for the current financial quarter and current financial year-to-date is lower than the statutory income tax rate mainly due to the utilisation of tax incentive by some of the subsidiaries.

B6 Status of corporate proposals

There were no material corporate proposals announced and not completed as at the date of this report, except for the following:-

(i) Proposed acquisition of lands in the State of Melaka

On 13 August 2020, the Company announced that Scientex Heights Sdn Bhd, a wholly-owned subsidiary of Scientex Quatari Sdn Bhd ("SQSB") which in turn is an indirect wholly-owned subsidiary of the Company entered into a Sale and Purchase Agreement ("SPA") with IOI Corporation Berhad (as proprietor) and GLM Emerald Industrial Park (Jasin) Sdn Bhd (as vendor) for the proposed acquisition of two (2) pieces and parcels of freehold land held under GRN 60084 Lot 7561 and GRN 59205 Lot 7562, both situated in Mukim and District of Jasin, State of Melaka, having an aggregate area of approximately 549.342 hectares for a total purchase consideration of RM260.2 million. The conditions precedent as set out in the SPA have been satisfied and the payment of balance purchase price has been made to the vendor, hence marked the completion of the acquisition on 11 January 2021.

SCIENTEX BERHAD
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B6 Status of corporate proposals (Cont'd)

(ii) Proposed acquisition of lands in the State of Johor

On 21 September 2020, the Company announced that SQSB, a wholly-owned subsidiary of the Company entered into a SPA with Lee Pineapple Company (Pte) Limited for the proposed acquisition of eight (8) parcels of freehold land, all situated in Mukim of Pulai, District of Johor Bahru, State of Johor, measuring in aggregate an approximate area of 81.8455 hectares for a total purchase consideration of RM185.0 million. The proposed acquisition is expected to be completed in the first half of year 2021.

B7 Borrowings and debt securities

As at 31 January 2021	Long term RM'000	Short term RM'000	Total borrowings RM'000
<u>Secured</u>			
Denominated in RM			
- Sukuk Murabahah	350,000	-	350,000
<u>Unsecured</u>			
Denominated in USD			
- Term loan	-	9,529	9,529
- Trade financing	-	358,973	358,973
Denominated in JPY			
- Trade financing	-	94,965	94,965
Denominated in AUD			
- Trade financing	-	23,560	23,560
Denominated in RM			
- Term loan	1,656	1,883	3,539
- Trade financing	-	171,342	171,342
Total	351,656	660,252	1,011,908

As at 31 January 2020	Long term RM'000	Short term RM'000	Total Borrowings RM'000
<u>Secured</u>			
Denominated in RM			
- Sukuk Murabahah	350,000	-	350,000
- Trade financing	-	557	557
<u>Unsecured</u>			
Denominated in USD			
- Term loan	9,647	13,863	23,510
- Trade financing	-	410,050	410,050
Denominated in JPY			
- Trade financing	-	145,844	145,844
Denominated in AUD			
- Trade financing	-	26,730	26,730
Denominated in RM			
- Term loan	3,557	2,510	6,067
- Trade financing	-	53,100	53,100
Total	363,204	652,654	1,015,858

SCIENTEX BERHAD
(Company No: 196801000264 [7867-P])
(Incorporated in Malaysia)

B8 Material litigation

There was no material litigation involving any member of the Group as at the date of this report.

B9 Dividend

The Board of Directors does not recommend any dividend for the current financial quarter under review.

B10 Earnings per share

(i) Basic earnings per share		3 months ended		6 months ended	
		31.1.2021	31.1.2020	31.1.2021	31.1.2020
Profit attributable to equity holders of the Company	(RM'000)	112,166	97,474	204,699	178,436
Weighted average number of ordinary shares in issue	('000)	1,550,594	1,546,668	1,549,483	1,546,227
Basic earnings per share	(sen)	<u>7.23</u>	<u>6.30</u>	<u>13.21</u>	<u>11.54</u>

The earnings per share for the current financial quarter ended 31 January 2021 and its preceding year corresponding quarter had been adjusted to reflect the bonus issue of two (2) bonus shares for every one (1) existing share of the Company held by the entitled shareholders. The bonus issue of shares was completed on 15 January 2021.

(ii) Fully diluted earnings per share

Diluted earnings per ordinary share is not presented as the warrants are anti-dilutive where the average market price of ordinary shares during the current financial period does not exceed the exercise price of the warrants.

By Order of the Board

Tung Wei Yen (MAICSA 7062671)
Ong Ling Hui (MAICSA 7065599)
Company Secretaries

9 March 2021