

Scientex net profit rises 57.8% to RM109.9 million in 3Q21

- *Record-high quarterly revenue of RM976.8 million in 3Q21 driven by stronger contributions from packaging and property development*
- *Declares interim dividend of 4 sen in respect of FY21*

Shah Alam, Selangor, Malaysia, 23 June 2021 - Global packaging manufacturer and leading property developer **Scientex Berhad's** (Scientex, 森德公司, Bloomberg: SCI MK) net profit rose 57.8% to RM109.9 million in the third quarter ended 30 April 2021 (3Q21) from RM69.6 million in the previous year on all-round segment outperformance.

This was achieved on the back of record-high quarterly revenue of RM976.8 million in 3Q21, growing 26.5% from RM772.2 million a year ago, on higher contributions from the Group's packaging and property development segments.

The packaging segment constituted the majority RM671.5 million of 3Q21 revenue, increasing 9.3% from RM614.4 million previously on increased sales of flexible plastic packaging (FPP) to the domestic and export markets.

Meanwhile, the Group's property development revenue doubled to RM305.3 million in 3Q21 from RM157.8 million previously on increased homebuilding activities compared to the lockdown-impacted corresponding quarter last year.

The improved property development contribution was catalysed by stronger progress billings from ongoing developments across various states, comprising projects worth RM2.4 billion in gross development value (GDV). This was complemented by strong take-up rates across five new projects launched in 3Q21, at Scientex Tasek Gelugor in Penang, Scientex Kundang Jaya in Selangor and Scientex Durian Tunggal 2 in Melaka.

"Scientex remains on firm footing in the global flexible packaging market and in Malaysia's affordable homes segment; both of which fulfill essential needs of food and beverage, lifestyle necessities and shelter.

During the various iterations of the Movement Control Order in the past year, we constantly adhered to Standard Operating Procedures in all our manufacturing facilities and property development sites nationwide to safeguard the health and safety of our employees. We are steadfast in complying with the MCO measures in support of the nation's efforts to curb the spread of COVID-19.

Prioritising the safety of our employees is paramount. We believe that our pursuit of business growth must correspond with equal fervour in upholding the welfare of our employees, in line with our core values of being healthy, friendly and happy."

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



For the nine months ended 30 April 2021 (9M21), Scientex's revenue rose 4.7% to RM2.7 billion from RM2.6 billion previously. The improved topline was due to consistently strong billings from steady construction progress of ongoing development projects, and commendable take-up rates for new property launches.

The Group's 9M21 net profit outpaced the revenue increase by surging 26.8% to RM314.6 million in 9M21 from RM248.1 million in the corresponding period one year ago. This was driven by better packaging sales mix, as well as higher gross earnings recognised from construction progress billings and sales of affordable homes.

Lim concluded: "We are optimistic of performing within expectations this year, barring any further unforeseen external developments. Our continued innovation in flexible packaging solutions, and emphasis on operational efficiency has positioned us strategically to cater to a broad range of markets internationally."

"Additionally, we are confident of the long-term prospects of affordable homes sales. In 3Q21, we completed the acquisition of 319 acres of land in Sungai Petani, Kedah, and Jasin, Melaka for RM111.5 million to meet robust demand for affordable homes. We target to launch new projects on these land in the coming financial year ending 31 July 2022."

The Group also declared an interim dividend of 4 sen per share in respect of the financial year ending 31 July 2021, with ex-date on 7 July 2021 and payment date on 23 July 2021. The dividend payout would amount to RM62.0 million or 19.7% of 9M21 net profit.



About Scientex Berhad (森德公司, www.scientex.com.my)

Scientex Berhad (Scientex) is a leading flexible plastic packaging manufacturer and a reputable property developer in Malaysia. Scientex is also the largest stretch film producer in Asia, and among the world’s largest producers.

Established in 1968, Scientex today produces flexible plastic packaging (FPP) products: stretch film, custom film (polyethylene (PE) film, biaxially oriented polypropylene (BOPP) film, cast polypropylene (CPP) film, agricultural film, PE flexitanks tubing), and specialty products (polypropylene (PP) strapping bands, raffia, solar encapsulant film). Scientex also expanded its portfolio and scope to include film converting, following the acquisition of Daibochi Berhad in April 2019, which now sees the Group supply high-value and high-performance FPP to leading multinational companies in the food and beverage (F&B) and fast-moving consumer goods (FMCG) segments.

To date, Scientex has packaging facilities in Malaysia, Vietnam, Myanmar and the United States of America; as well as sales and marketing arms in Australia, New Zealand, Indonesia, Singapore, Thailand, Philippines and Japan. 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 and Durian Tunggal (both 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 1,515-acre lands in Jasin (Melaka), 109-acre land in Seremban (Negeri Sembilan), 162-acre land in Sungai Petani (Kedah), and is in the process of acquiring another 202-acre land in Pulai (Johor), 343-acre land in North Seberang Perai (Penang) and 960-acre land in Mukim Tebrau (Johor). To date, Scientex has delivered RM6.6 billion worth of properties and has projects-in-hand of RM2.4 billion.

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