

# Scientex exceeds RM1bil in quarterly revenue for the first time

By **Farah Adilla** - September 29, 2022 @ 3:18pm



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KUALA LUMPUR: Scientex Bhd's quarterly revenue surpassed the RM1 billion mark for the first time in the fourth quarter (Q4) ended July 31, 2022, rising 14.5 per cent to RM1.1 billion from RM970.4 million in the previous corresponding quarter.

Scientex said of the total Q4 FY22 revenue, the packaging segment contributed 66.7 per cent or RM740.8 million, growing 20 per cent year-on-year (YoY) from RM617.4 million, on firm demand for packaging in the domestic and export markets.

Its property development segment made up 33.3 per cent or RM370.5 million of Q4 FY22 revenue, an increase of 5.0 per cent from RM352.9 million previously, contributed by strong progress billings for ongoing property development projects, as well as new properties launched in Selangor, Negri Sembilan and Melaka.

Despite the higher revenue, Scientex's Q4 FY22 operating profit stood at RM178.7 million, a marginal increase of 1.6 per cent from RM175.8 million previously, bogged down by higher constructional materials and labour costs.

Chief executive officer Lim Peng Jin said Scientex's packaging division was poised to open up new markets more aggressively with the progressive completion of the company's expansion plans at various plants.

"Additionally, the strong take up of our properties in various states indicates 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 July 31, 2023 (FY23)," he said in a statement today.

The company continues to bring new packaging innovations and develop value-added and customised products and 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 FY23 as we expand our footprint to more states," he said.

For FY22, Scientex's revenue climbed 9.0 per cent 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 scheduling new project launches, as well as delays in receiving the Certificate of Completion & Compliance for projects in Johor and Melaka due to material shortages for power supply infrastructure.

Its FY22 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 has proposed a final dividend of 5.0 sen per share in respect of FY22, payable on January 9, 2023, subject to shareholders' approval at the forthcoming annual general meeting.

Together with the 4.0 sen interim dividend paid on July 22, 2022, the estimated total dividend payout of RM139.6 million represents 34.1 per cent of net profit in FY22.

The company has a dividend policy to pay at least 30 per cent of net profit since FY11.

