

Scientex kicks off FY2023 with higher earnings, revenue

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The packaging manufacturer and property developer said the better earnings were driven by revenue growth on healthy contribution from its packaging and property divisions.

KUALA LUMPUR: Scientex Bhd's net profit increased 4.2 per cent to RM107.18 million in the first quarter (Q1) ended Oct 31, 2022, from RM102.87 million recorded in the same quarter a year ago.

The packaging manufacturer and property developer said the better earnings were driven by revenue growth on healthy contribution from its packaging and property divisions.

Its revenue rose 10.9 per cent to RM1.03 billion from RM928.17 million.

Chief executive officer Lim Peng Jin said Scientex's packaging division had marked new innovation milestones, as it commercialised 27 new packaging innovations in the last financial year ended July 31, 2022 (FY22).

"These include various new innovations for sustainable and fully-recyclable solutions in collaboration with global brand owners to fulfil rapidly-growing demand.

"We are contributing to the global push towards a circular economy, and are proud to support brand owners in achieving their environmental and sustainability goals," he said.

Lim said Scientex's property division had built over 27,000 affordable homes built, with most of them priced below RM300,000 to address the vastly underserved market.

"We are committed to providing more affordable homes to the local communities.

"We also continue to acquire competitively priced landbanks at strategic locations, as well as enhance our operating efficiency and industrialised building technologies, to address rising operational costs and maintain homes affordability," he added.

Lim said global uncertainties and elevated operating costs caused by supply chain disruptions and elevated inflation remained key themes, and could affect global packaging demand in the near term.

"Notwithstanding these, Scientex continues to strengthen our operational and supply chain efficiencies, as well as upgrade our capabilities to maintain competitiveness."

The company remained on track in its expansion plans tailored for longer-term growth, he added.

"In our property division, we have lined up several new phases of launches across our developments in Peninsular Malaysia which will leverage on our strong branding, affordable pricing, and strategic locations.

"We expect stable demand for our affordably priced homes, and are undertaking cost management initiatives to address higher construction costs," he said.

At the company's 54th annual general meeting today, its shareholders approved a final dividend of five sen per share in respect of FY22.

Together with an earlier paid interim dividend of four sen per share, the estimated total dividend payout of RM139.6 million constitutes 34.1 per cent of FY22 net profit.

The dividend will be paid on Jan 9 next year.