



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

QUARTERLY REPORT

Quarterly report on consolidated results for the financial quarter ended 31 October 2018
The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the three months ended 31 October 2018

	3 MONTHS ENDED	
	Current year quarter 31.10.2018 RM'000	Preceding year corresponding quarter 31.10.2017 RM'000 (Restated)
Revenue	713,639	655,014
Operating profit	75,588	93,238
Interest expense	(3,781)	(2,335)
Investing results	731	1,663
Profit before tax	72,538	92,566
Taxation	(17,196)	(19,171)
Profit for the quarter / period	55,342	73,395
Profit attributable to:		
Owners of the Company	53,666	72,402
Non-controlling interests	1,676	993
Profit for the quarter / period	55,342	73,395
Earnings per share attributable to owners of the Company (sen per share)	10.98	14.97

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2018)



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

QUARTERLY REPORT

Quarterly report on consolidated results for the financial quarter ended 31 October 2018
The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the three months ended 31 October 2018

	3 MONTHS ENDED	
	Current year quarter 31.10.2018 RM'000	Preceding year corresponding quarter 31.10.2017 RM'000
Profit for the quarter / period	55,342	73,395
Other comprehensive income/(loss), net of income tax: Items that may be reclassified subsequently to profit or loss:		
- Foreign currency translation of foreign operations	5,496	(2,774)
Other comprehensive income/(loss) for the quarter / year, net of income tax	5,496	(2,774)
Total comprehensive income for the quarter / period, net of income tax	60,838	70,621
Total comprehensive income for the quarter / period attributable to:		
Owners of the Company	58,679	69,911
Non-controlling interests	2,159	710
	60,838	70,621

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2018)

SCIENTEX BERHAD
(Company No: 7867-P)
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 October 2018

	AS AT CURRENT FINANCIAL QUARTER ENDED 31.10.2018 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31.7.2018 RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	1,139,118	1,150,608
Investment properties	17,000	17,000
Land held for property development	822,240	843,946
Investment in jointly controlled entity	27,198	27,173
Investment in associate	35,170	34,463
Other investments	7,508	7,508
Deferred tax assets	28,920	28,920
Intangible assets	59,030	59,030
	2,136,184	2,168,648
Current assets		
Property development costs	275,077	232,957
Inventories	218,326	263,561
Trade and other receivables	578,431	526,599
Cash and bank balances	163,469	172,316
	1,235,303	1,195,433
TOTAL ASSETS	3,371,487	3,364,081
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	453,850	453,850
Reserves	1,368,422	1,309,743
Equity attributable to owners of the Company	1,822,272	1,763,593
Non-controlling interests	72,132	69,973
Total equity	1,894,404	1,833,566
Non-current liabilities		
Borrowings	322,235	323,941
Retirement benefits obligations	32,090	31,116
Deferred tax liabilities	50,638	50,638
	404,963	405,695
Current liabilities		
Borrowings	588,644	610,370
Trade and other payables	461,442	490,673
Tax liabilities	22,034	23,777
	1,072,120	1,124,820
Total liabilities	1,477,083	1,530,515
TOTAL EQUITY AND LIABILITIES	3,371,487	3,364,081
Net assets per share attributable to owners of the Company (RM)	3.73	3.61

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2018)



SCIENTEX BERHAD
(Company No: 7867-P)
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 OCTOBER 2018**

	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	Property revaluation surplus RM'000	Foreign currency translation reserve RM'000	Treasury shares RM'000	Other reserves RM'000				
At 1 August 2018	453,850	55,799	4,905	(1)	461	1,248,579	1,763,593	69,973	1,833,566
Profit for the period	-	-	-	-	-	53,666	53,666	1,676	55,342
Other comprehensive income for the period	-	-	5,013	-	-	-	5,013	483	5,496
Total comprehensive income for the period	-	-	5,013	-	-	53,666	58,679	2,159	60,838
At 31 October 2018	453,850	55,799	9,918	(1)	461	1,302,245	1,822,272	72,132	1,894,404
At 1 August 2017	411,843	55,799	11,142	(1)	461	1,056,220	1,535,464	68,416	1,603,880
Profit for the period	-	-	-	-	-	72,402	72,402	993	73,395
Other comprehensive loss for the period	-	-	(2,491)	-	-	-	(2,491)	(283)	(2,774)
Total comprehensive income for the period	-	-	(2,491)	-	-	72,402	69,911	710	70,621
At 31 October 2017	411,843	55,799	8,651	(1)	461	1,128,622	1,605,375	69,126	1,674,501

(The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2018)

SCIENTEX BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the three months ended 31 October 2018

	3 MONTHS ENDED 31.10.2018 RM'000	3 MONTHS ENDED 31.10.2017 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit before taxation	72,538	92,566
Adjustments	23,870	15,601
Operating profits before working capital changes	<u>96,408</u>	<u>108,167</u>
Movement in working capital:		
Decrease in inventories	45,145	27,032
(Increase)/decrease in development properties	(16,859)	36,717
Increase in receivables	(38,655)	(56,750)
Decrease in payables	(11,857)	(9,112)
Cash generated from operations	<u>74,182</u>	<u>106,054</u>
Taxation paid	(18,882)	(16,387)
Gratuity and retirement benefits paid	(59)	-
Net cash from operating activities	<u>55,241</u>	<u>89,667</u>
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(7,167)	(10,112)
Deposit paid for purchase of property, plant and equipment	(10,955)	(59)
Purchase of land held for development	(0)	(115,006)
Deposit paid for purchase of land held for development	(5,446)	(12,514)
Proceeds from disposal of property, plant and equipment	3,248	75
Interest received	773	647
Net cash used in investing activities	<u>(19,547)</u>	<u>(136,969)</u>
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
Net (repayment)/drawdown of term loans	(2,471)	4,200
Net repayment of short term borrowings	(34,735)	(23,779)
Interest paid	(7,335)	(3,470)
Net cash used in financing activities	<u>(44,541)</u>	<u>(23,049)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(8,847)	(70,351)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	172,316	191,898
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>163,469</u>	<u>121,547</u>
Cash and cash equivalents in the cash flow statement comprise :		
Cash and bank balances	117,381	92,483
Short term deposits	46,088	29,064
	<u>163,469</u>	<u>121,547</u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2018)

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2018

PART A: EXPLANATORY NOTES PURSUANT TO FRS 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 2018 which were prepared under Financial Reporting Standards. 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 2018.

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 2018, except for the adoption of the new and revised Standards and Amendments effective on or after 1 August 2018.

Adoption of Amendments to MFRSs

The Group adopted the following amendments to MFRSs and IC Interpretations, mandatory for annual financial periods beginning on or after 1 August 2018.

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers (and the related clarifications)
Amendments to MFRS 2	Classification and Measurement of Share-Based Payment Transactions
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
Amendments to MFRS 140	Transfers of Investment Property
Amendments to MFRSs	Annual Improvement to MFRSs 2014 - 2016 Cycle
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration

The directors anticipate that the new MFRSs, amendments to MFRSs and IC Interpretations adopted will have no material impact on the financial statements of the Group upon their initial application.

The effects of first-time adoption of MFRS are primarily from the following:

(a) MFRS 9 Financial Instruments

MFRS 9 introduces the expected credit losses (“ECL”) model on impairment that replaces the incurred loss impairment model used in the MFRS 139. The ECL model requires impairment to be recognised on initial recognition including expected future credit losses whilst the incurred loss impairment model only requires recognition of credit losses incurred as at reporting date.

The assessment of credit risk, as well as the estimation of ECL, are required to be unbiased, probability-weighted and should incorporate all available information which is relevant to the assessment, including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL should also take into account the time value of money.

The Group has assessed the initial application of MFRS 9, which would be adopted in conjunction with adoption of new MFRS Framework, and do not expect the application of MFRS 9 will have a significant impact on the financial statements of the Group.

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A1 Basis of preparation (Cont'd)

(b) MFRS 15 Revenue from Contracts with Customers

MFRS 15 replaces MFRS 118 Revenue, MFRS 111 Construction Contracts and related interpretations.

With the adoption of MFRS 15, revenue is recognised by reference to each distinct performance obligation in the contracts with customers. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good service promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

The Group has assessed the initial application of MFRS 15, which would be adopted in conjunction with adoption of new MFRS Framework, and do not expect the application of MFRS 15 will have a significant impact on the financial statements of the Group.

The effects of the transition from FRSs to MFRSs are as follows:

**Condensed Consolidated Statement of Profit or Loss
for the three months ended 31 October 2017**

	As previously stated under FRSs RM'000	Effects of adoption of MFRS 15 RM'000	31.10.2017 As restated RM'000
Revenue	658,682	(3,668)	655,014
Cost of sales	526,310	(3,668)	522,642
Profit from operations	93,238	-	93,238
Interest expense	(2,335)	-	(2,335)
Investing result	1,663	-	1,663
Profit before tax	92,566	-	92,566
Taxation	(19,171)	-	(19,171)
Profit for the quarter	73,395	-	73,395

**Condensed Consolidated Statement of Profit or Loss
for the three months ended 31 July 2018**

	As previously stated under FRSs RM'000	Effects of adoption of MFRS 15 RM'000	31.7.2018 As restated RM'000
Revenue	733,154	(5,459)	727,695
Cost of sales	577,955	(5,459)	572,496
Profit from operations	108,198	-	108,198
Interest expense	(4,010)	-	(4,010)
Investing result	2,709	-	2,709
Profit before tax	106,897	-	106,897
Taxation	(17,664)	-	(17,664)
Profit for the quarter	89,233	-	89,233

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A2 Audit report

The Group's preceding annual financial statements for the financial year ended 31 July 2018 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.

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 quarter under review.

A7 Dividends paid

There were no dividends paid by the Company in the current financial year-to-date ended 31 October 2018.

A8 Segment information

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

3 months ended 31 October 2018

	Manufacturing RM'000	Property Development RM'000	Total RM'000
Revenue	575,793	137,846	713,639
Results			
Profit from operations	35,792	39,796	75,588
Investing results			731
Finance cost			(3,781)
Profit before taxation			72,538

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A8 Segment information (Cont'd)

3 months ended 31 October 2017

	Manufacturing RM'000	Property Development (Restated) RM'000	Total (Restated) RM'000
Revenue	469,104	185,910	655,014
Results			
Profit from operations	34,670	58,568	93,238
Investing results			1,663
Finance cost			(2,335)
Profit before taxation			92,566

A9 Disclosure items

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

	3 months ended	
	31.10.2018 RM'000	31.10.2017 RM'000
(a) Interest income	(773)	(647)
(b) Other income	(593)	(594)
(c) Interest expense	3,781	2,335
(d) Depreciation	21,568	17,276
(e) Net write back of receivables	(129)	(7)
(f) Net provision of inventories	90	301
(g) Loss/(Gain) on disposal of plant and equipment	48	(70)
(h) Gain on disposal of property	(983)	-
(i) Net foreign exchange loss/(gain)	4,355	(2,589)

In the current financial quarter and current financial year-to-date ended 31 October 2018, 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.

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A11 Events subsequent to the end of the reporting period

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

Share grant plan

On 5 December 2018, the Company has extended its Scientex Berhad Share Grant Plan (“SGP”) which is expiring on 20 January 2019 for another five (5) years i.e. 21 January 2019 to 20 January 2024 in accordance to the terms and conditions of the SGP By-Laws. On the even date, the Company granted and vested 307,000 new ordinary shares to the selected eligible employees of Scientex Berhad’s group of companies under the SGP. Pursuant thereto, the total number of issued share of the Company increased from 488,926,500 ordinary shares to 489,233,500 ordinary shares.

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 31.10.2018 RM’000	As at 31.10.2017 RM’000
Approved and contracted for:		
Purchase of plant and machinery	42,857	40,336
Balance payment for purchase of land held for development	61,423	76,841
	104,280	117,177

A15 Related party transactions

The Group’s related party transactions in the current financial quarter and current financial year-to-date ended 31 October 2018 were as follows:

	3 months ended	
	31.10.2018 RM’000	31.10.2017 RM’000
Purchase of goods from associated company	21,915	22,603
Rental income from jointly controlled entity	(232)	(232)

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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 OCTOBER 2018

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

B1 Review of performance

	3 MONTHS ENDED		Change %
	Current year quarter	Preceding year corresponding quarter (Restated)	
	31.10.2018 RM'000	31.10.2017 RM'000	
Revenue	713,639	655,014	9.0%
Operating profit	75,588	93,238	-18.9%
Profit attributable to owners of the Company	53,666	72,402	-25.9%

Current quarter review

For the current financial quarter ended 31 October 2018, the Group achieved revenue of RM713.6 million, an increase of 9.0% compared to RM655.0 million recorded in the preceding year corresponding quarter. The increase in revenue was contributed mainly by the manufacturing division. However, property division recorded a lower revenue for the current financial quarter mainly due to the timing differences in recognising the progress billings from its various projects. The Group operating profit was RM75.6 million, a decrease of 18.9% compared to RM93.2 million in the preceding year corresponding quarter. The lower operating profit recorded in the current financial quarter was mainly due to lower revenue recognised by the property division.

Manufacturing revenue was RM575.8 million, an increase of 22.7% compared to RM469.1 million in the preceding year corresponding quarter. The increase was mainly contributed by the newly acquired subsidiary, Klang Hock Plastic Industries Sdn Bhd (“KHPI”) and the recent commencement of the Group’s new stretch film operation in Phoenix, Arizona. However, profit from operations increased marginally to RM35.8 million compared to RM34.7 million in the preceding year corresponding quarter, as a result of lower product margins achieved and product mix.

Property revenue was RM137.8 million, a decrease of 25.9% compared to RM185.9 million in the preceding year corresponding quarter. Profit from operations decreased to RM39.8 million compared to RM58.6 million recorded in the preceding year corresponding quarter. The decrease in revenue was mainly due to timing differences in recognising the progress billings from its various development projects especially Taman Pulau Mutiara, despite overall good take up rates in these projects. Meanwhile, our new launches in Taman Senai Utama and Taman Pulau Mutiara have also received overwhelming response from the public. However, as these projects were in the early stages of construction, contribution in terms of revenue and profit were not significant at present. The decrease in profit from operations was in tandem with the overall decrease in revenue.

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

	Current quarter	Preceding quarter (Restated)	Change %
	31.10.2018 RM'000	31.7.2018 RM'000	
Revenue	713,639	727,695	-1.9%
Profit before tax	72,538	106,897	-32.1%
Profit attributable to owners of the Company	53,666	88,287	-39.2%

The Group's revenue for the current financial quarter was RM713.6 million compared to the preceding financial quarter of RM727.7 million. The decrease in revenue was mainly due to lower progress billings recognised for the property division. Profit before taxation for the current financial quarter was RM72.5 million compared to the preceding financial quarter of RM106.9 million. The decrease was mainly due to lower revenue recognised from the property division as well as lower profit margins achieved and product mix derived from manufacturing division.

B3 Current financial year prospects

Manufacturing

For the manufacturing division, it will remain focused on improving its operational efficiencies for its plants. Notwithstanding the current uncertainties and volatility in the markets, the Group continues to be focused on expanding its market presence and is exploring niche markets by offering customised products which offer higher margins. For its custom films, the Group will focus on developing sustainable packaging products which hold great promise as the world moves towards sustainable manufacturing practices.

The Group will be focused on ramping up its stretch film operations in its Phoenix, Arizona based manufacturing facility and leverage on its proximity to its customers to expand its customer base and overall market presence in the Americas. The Group is in the midst of implementing automation as part of its long term solution to enhance production efficiency. The Group expects the plant to make positive contributions in the coming years as it gradually increases its production capacity to meet demand in the United States and the Americas.

Whilst the external operating environment remains challenging, the Group remains cautiously optimistic that the strategies put in place to address rising costs, improving yields and focusing on niche markets will yield positive results for the current financial year.

Property

The Group remains optimistic for the affordable housing segment for the current financial year. Its Pulai and Senai 2 projects are on track to see good demand based on interest generated during the launch of the link access road from the Pulai project to the 2nd Link to Singapore. The overwhelming demand for its Melaka Durian Tunggal project launches has led to the Group to acquire another piece of land opposite its existing project to address the demand for affordable housing in Melaka. The acquisition of this 208.9 acres land is expected to be completed within the next 6 months upon fulfilment of all necessary conditions precedent, including approval from the Estate Land Board. Its Rawang project is due to be officially launched in early 2019 and preliminary enquiries has been good due to its affordably priced products and strategic location.

To ensure that its products are affordably priced, the Group seeks to optimise land use availability through proper planning and innovative use of land. It also strives to manage costs and wastage and improve constructional efficiency through adoption of standard designs and standardised construction methods as part of its overall strategy to ensure that its products are competitively priced. The Group remains confident that demand for its affordable housing will continue to be resilient and strong for the current financial year, barring any unforeseen circumstances.

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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	
	31.10.2018	31.10.2017
	RM'000	RM'000
In respect of current quarter:		
- Income tax	17,196	19,171

B6 Status of corporate proposals

There were no material corporate proposals announced and not completed as at date of this report, except as disclosed below:

(i) Proposed acquisition of two (2) pieces of freehold lands in Mukim Durian Tunggal, Daerah Alor Gajah, Melaka

On 15 August 2018, the Company announced that Scientex Heights Sdn Bhd, a wholly-owned subsidiary of SQSB, which is a wholly-owned subsidiary of the Company had entered into a sale and purchase agreement (“SPA”) with Real Golden Development Sdn Bhd for the proposed acquisition of two contiguous pieces of freehold lands held under GRN 41764 Lot No. 2883 and GRN 22740 Lot No. 3267 respectively, all in Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka, measuring an aggregate net area of 208.9 acres for a total purchase consideration of RM68.2 million. The proposed acquisition is pending fulfilment of the conditions precedent as set out in the SPA. It is expected to be completed in the first half of 2019.

(ii) Proposed acquisition of Daibochi Berhad (formerly known as Daibochi Plastic And Packaging Industry Berhad) (“Daibochi”)

On 14 November 2018, the Company announced that it has entered into a heads of agreement with certain shareholders of Daibochi (“Vendors”) for the proposed acquisition of 139,062,766 ordinary shares in Daibochi (“Sale Share”), representing approximately 42.41% of the total number of issued shares in Daibochi for a total purchase consideration of RM222,500,426 (equivalent to RM1.60 per Sale Share) to be satisfied entirely by the issuance of 25,284,129 new ordinary shares in the Company (“Proposed Acquisition”). Subsequently, the Company has on 10 December 2018 entered into a conditional share sale agreement with the Vendors in relation to the Proposed Acquisition. The Company is obliged to extend a mandatory take-over offer to acquire all the remaining shares and warrants in Daibochi not already owned by the Company and its persons acting in concert (“Proposed MGO”) upon the Proposed Acquisition becoming unconditional. The Company had on 27 December 2018 submitted the listing application to Bursa Malaysia Securities Berhad for the listing of and quotation for the new ordinary shares of the Company to be issued pursuant to the Proposed Acquisition and Proposed MGO.

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B7 Borrowings and debt securities

As at 31 October 2018	Long term RM'000	Short term RM'000	Total borrowings RM'000
Secured			
Denominated in RM			
- Sukuk Murabahah	300,000	-	300,000
Denominated in USD			
- Trade financing	-	5,071	5,071
Unsecured			
Denominated in USD			
- Term loan	22,235	9,882	32,117
- Trade financing	-	382,379	382,379
Denominated in JPY			
- Trade financing	-	180,812	180,812
Denominated in RM			
- Trade financing	-	10,500	10,500
Total	322,235	588,644	910,879

As at 31 October 2017	Long term RM'000	Short term RM'000	Total borrowings RM'000
Secured			
Denominated in RM			
- Sukuk Murabahah	100,000	-	100,000
- Term loan	63,000	7,000	70,000
Unsecured			
Denominated in USD			
- Term loan	-	4,200	4,200
- Trade financing	-	213,126	213,126
Denominated in JPY			
- Trade financing	-	36,260	36,260
Denominated in RM			
- Trade financing	-	21,100	21,100
Total	163,000	281,686	444,686

B8 Material litigation

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

B9 Dividend

In respect of the financial year ended 31 July 2018, the Board of Directors recommended a single tier final dividend of 10 sen per ordinary share (single tier final dividend for financial year 2017 of 10 sen per ordinary share). The dividend has been approved by shareholders at the Annual General Meeting held on 5 December 2018 and is payable on 18 January 2019.

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B10 Earnings per share

		3 months ended	
		31.10.2018	31.10.2017
(i) Basic earnings per share			
Profit attributable to equity holders of the Company	(RM'000)	53,666	72,402
Weighted average number of ordinary shares in issue	('000)	488,926	483,558
Basic earnings per share	(sen)	10.98	14.97

(ii) Fully diluted earnings per share

There was no dilution in earnings per share as there were no dilutive potential ordinary shares as at 31 October 2018.

By Order of the Board

Tung Wei Yen (MAICSA 7062671)
Company Secretary

28 December 2018