



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

**QUARTERLY REPORT**

Quarterly report on consolidated results for the financial year ended 31 July 2024  
The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**For the financial year ended 31 July 2024**

|  | INDIVIDUAL QUARTER                          |   | CUMULATIVE QUARTER                          |                                       |
|--|---|---|---|---------------------------------------|
|  | Current year quarter<br>31.7.2024<br>RM'000 | Preceding year corresponding quarter<br>31.7.2023<br>RM'000 | Current year to date<br>31.7.2024<br>RM'000 | Preceding year<br>31.7.2023<br>RM'000 |
| <b>Revenue</b>   | <b>1,168,340</b>                            | <b>1,071,515</b>  | <b>4,475,599</b>                            | <b>4,076,896</b>                      |
| <b>Operating profit</b>  | <b>177,209</b>                              | <b>148,942</b>  | <b>736,534</b>                              | <b>589,598</b>                        |
| Interest expense   | (5,578)                                     | (7,529)   | (22,598)                                    | (33,545)                              |
| Investing results  | 5,343                                       | 4,145   | 14,947                                      | 12,614                                |
| <b>Profit before tax</b>   | <b>176,974</b>                              | <b>145,558</b>  | <b>728,883</b>                              | <b>568,667</b>                        |
| Taxation   | (33,780)                                    | (37,187)  | (159,698)                                   | (119,726)                             |
| <b>Profit for the quarter / year</b>                                     | <b>143,194</b>                              | <b>108,371</b>  | <b>569,185</b>                              | <b>448,941</b>                        |
| <b>Profit attributable to:</b>   |   |   |   |                                       |
| Owners of the Company  | 135,859                                     | 114,894   | 545,209                                     | 438,141                               |
| Non-controlling interests  | 7,335                                       | (6,523)   | 23,976                                      | 10,800                                |
| <b>Profit for the quarter / year</b>                                     | <b>143,194</b>                              | <b>108,371</b>  | <b>569,185</b>                              | <b>448,941</b>                        |
| Earnings per share attributable to owners of the Company (sen per share) |   |   |   |                                       |
| - Basic  | 8.76  | 7.41  | 35.15                                       | 28.25                                 |
| - Diluted  | N/A   | N/A   | N/A   | N/A                                   |

*(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2023)*



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**QUARTERLY REPORT**

Quarterly report on consolidated results for the financial year ended 31 July 2024  
 The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

**For the financial year ended 31 July 2024**

|   | INDIVIDUAL QUARTER   |                                      | CUMULATIVE QUARTER   |                     |
|---|----------------------|--------------------------------------|----------------------|---------------------|
|   | Current year quarter | Preceding year corresponding quarter | Current year to date | Preceding year      |
|   | 31.7.2024<br>RM'000  | 31.7.2023<br>RM'000                  | 31.7.2024<br>RM'000  | 31.7.2023<br>RM'000 |
| <b>Profit for the quarter / year</b>  | <b>143,194</b>       | <b>108,371</b>                       | <b>569,185</b>       | <b>448,941</b>      |
| <b>Other comprehensive income / (loss), net of income tax:</b>                |                      |                                      |                      |                     |
| Items that may be reclassified subsequently to profit or loss:                |                      |                                      |                      |                     |
| - Foreign currency translation of foreign operations                          | (9,053)              | 2,979                                | 1,718                | (2,587)             |
| Items that will not be reclassified subsequently to profit or loss            |                      |                                      |                      |                     |
| - Revaluation of land and buildings   | 11,418               | -                                    | 11,418               | -                   |
| - Remeasurement of defined benefit obligations                                | -                    | (1,203)                              | -                    | (1,203)             |
| - Fair value (loss) / gain arising from other investment                      | (905)                | 27                                   | (905)                | 27                  |
| Other comprehensive income / (loss) for the quarter / year, net of income tax | 1,460                | 1,803                                | 12,231               | (3,763)             |
| <b>Total comprehensive income for the quarter / year, net of income tax</b>   | <b>144,654</b>       | <b>110,174</b>                       | <b>581,416</b>       | <b>445,178</b>      |
| <b>Total comprehensive income for the quarter / year attributable to:</b>     |                      |                                      |                      |                     |
| Owners of the Company   | 135,485              | 116,598                              | 553,881              | 437,548             |
| Non-controlling interests   | 9,169                | (6,424)                              | 27,535               | 7,630               |
|   | <b>144,654</b>       | <b>110,174</b>                       | <b>581,416</b>       | <b>445,178</b>      |

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2023)*



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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As at 31 July 2024

|   | <b>AS AT<br/>CURRENT<br/>FINANCIAL<br/>YEAR ENDED<br/>31.7.2024<br/>RM'000</b> | <b>AS AT<br/>PRECEDING<br/>FINANCIAL<br/>YEAR ENDED<br/>31.7.2023<br/>RM'000</b> |
|---|--|--|
|   | <b>(Unaudited)</b>   | <b>(Audited)</b>   |
| <b>ASSETS</b>   |  |  |
| <b>Non-current assets</b>                                       |  |  |
| Property, plant and equipment                                   | 1,524,044  | 1,558,202  |
| Right-of-use assets   | 4,358  | 5,017  |
| Land held for property development                              | 1,765,614  | 1,420,231  |
| Investment in joint venture                                     | -  | 16,826   |
| Investment in associates  | 109,627  | 100,693  |
| Other investments   | 29,365   | 23,476   |
| Deferred tax assets   | 16,955   | 9,286  |
| Goodwill  | 305,022  | 305,022  |
|   | <b>3,754,985</b>   | <b>3,438,753</b>   |
| <b>Current assets</b>   |  |  |
| Property development costs                                      | 511,593  | 462,565  |
| Inventories   | 347,603  | 377,055  |
| Trade and other receivables                                     | 1,062,804  | 874,225  |
| Contract assets   | 224,286  | 186,206  |
| Cash and cash equivalents                                       | 252,358  | 166,411  |
|   | <b>2,398,644</b>   | <b>2,066,462</b>   |
| <b>TOTAL ASSETS</b>   | <b>6,153,629</b>   | <b>5,505,215</b>   |
| <b>EQUITY AND LIABILITIES</b>                                   |  |  |
| <b>Capital and reserves</b>                                     |  |  |
| Share capital   | 705,744  | 705,009  |
| Reserves  | 3,070,451  | 2,687,209  |
| Equity attributable to owners of the Company                    | 3,776,195  | 3,392,218  |
| Non-controlling interests                                       | 235,044  | 214,127  |
| <b>Total equity</b>   | <b>4,011,239</b>   | <b>3,606,345</b>   |
| <b>Non-current liabilities</b>                                  |  |  |
| Borrowings  | 70,000   | 70,000   |
| Lease liabilities   | 2,443  | 3,173  |
| Retirement benefits obligations                                 | 50,428   | 48,415   |
| Deferred tax liabilities  | 102,595  | 96,507   |
|   | <b>225,466</b>   | <b>218,095</b>   |
| <b>Current liabilities</b>                                      |  |  |
| Borrowings  | 863,029  | 766,840  |
| Lease liabilities   | 5,548  | 3,839  |
| Trade and other payables  | 842,846  | 790,321  |
| Contract liabilities  | 145,126  | 89,044   |
| Tax liabilities   | 60,375   | 30,731   |
|   | <b>1,916,924</b>   | <b>1,680,775</b>   |
| <b>Total liabilities</b>  | <b>2,142,390</b>   | <b>1,898,870</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                             | <b>6,153,629</b>   | <b>5,505,215</b>   |
| Net assets per share attributable to owners of the Company (RM) | 2.43   | 2.19   |

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2023)*



**SCIENTEX BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 JULY 2024**

|   | Reserves                |                           |  |  |                          | Retained earnings<br>RM'000 | Attributable to owners of the Company<br>RM'000 | Non-controlling interests<br>RM'000 | Total equity<br>RM'000 |
|---|-------------------------|---------------------------|--|--|--------------------------|-----------------------------|---|-------------------------------------|------------------------|
|   | Share capital<br>RM'000 | Treasury shares<br>RM'000 | Property revaluation surplus<br>RM'000 | Foreign currency translation reserve<br>RM'000 | Other reserves<br>RM'000 |                             |   |                                     |                        |
| As at 1 August 2023   | 705,009                 | (1)                       | 90,719                                 | 18,369   | 486                      | 2,577,636                   | 3,392,218                                       | 214,127                             | 3,606,345              |
| Profit for the year   | -                       | -                         | -                                      | -  | -                        | 545,209                     | 545,209   | 23,976                              | 569,185                |
| Other comprehensive income for the year                                     | -                       | -                         | 8,208                                  | 1,369  | (905)                    | -                           | 8,672   | 3,559                               | 12,231                 |
| Total comprehensive income for the year                                     | -                       | -                         | 8,208                                  | 1,369  | (905)                    | 545,209                     | 553,881   | 27,535                              | 581,416                |
| Capital injection in an existing subsidiary by non-controlling interests    | -                       | -                         | -                                      | -  | -                        | -                           | -   | 14,970                              | 14,970                 |
| Issuance of ordinary shares pursuant to Share Grant Plan                    | 729                     | -                         | -                                      | -  | -                        | -                           | 729   | -                                   | 729                    |
| Exercise of warrants  | 6                       | -                         | -                                      | -  | -                        | -                           | 6   | -                                   | 6                      |
| Dividends   | -                       | -                         | -                                      | -  | -                        | (170,639)                   | (170,639)                                       | (21,588)                            | (192,227)              |
| As at 31 July 2024  | 705,744                 | (1)                       | 98,927                                 | 19,738   | (419)                    | 2,952,206                   | 3,776,195                                       | 235,044                             | 4,011,239              |
| As at 1 August 2022   | 704,799                 | (1)                       | 90,719                                 | 18,168   | 494                      | 2,295,417                   | 3,109,596                                       | 198,062                             | 3,307,658              |
| Profit for the year   | -                       | -                         | -                                      | -  | -                        | 438,141                     | 438,141   | 10,800                              | 448,941                |
| Other comprehensive loss for the year                                       | -                       | -                         | -                                      | 201  | 22                       | (816)                       | (593)   | (3,170)                             | (3,763)                |
| Total comprehensive income for the year                                     | -                       | -                         | -                                      | 201  | 22                       | 437,325                     | 437,548   | 7,630                               | 445,178                |
| Non-controlling interests arising from acquisition of a subsidiary          | -                       | -                         | -                                      | -  | -                        | -                           | -   | 15,746                              | 15,746                 |
| Dilution of interest in an existing subsidiary                              | -                       | -                         | -                                      | -  | -                        | -                           | -   | 30                                  | 30                     |
| Acquisition of equity interests in a subsidiary by non-controlling interest | -                       | -                         | -                                      | -  | -                        | -                           | -   | 30                                  | 30                     |
| Issuance of ordinary shares pursuant to Share Grant Plan                    | 210                     | -                         | -                                      | -  | -                        | -                           | 210   | -                                   | 210                    |
| Share of other net asset changes in an associate                            | -                       | -                         | -                                      | -  | (30)                     | -                           | (30)  | -                                   | (30)                   |
| Dividends   | -                       | -                         | -                                      | -  | -                        | (155,106)                   | (155,106)                                       | (7,371)                             | (162,477)              |
| As at 31 July 2023  | 705,009                 | (1)                       | 90,719                                 | 18,369   | 486                      | 2,577,636                   | 3,392,218                                       | 214,127                             | 3,606,345              |

*(The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2023)*

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**For the financial year ended 31 July 2024**

|   | <b>12 MONTHS<br/>ENDED<br/>31.7.2024<br/>RM'000</b> | <b>12 MONTHS<br/>ENDED<br/>31.7.2023<br/>RM'000</b> |
|---|---|---|
| <b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>                                     |   |   |
| Profit before taxation  | 728,883   | 568,667   |
| Adjustments   | 135,466   | 157,779   |
| Operating profits before working capital changes  | <u>864,349</u>                                      | <u>726,446</u>                                      |
| Movement in working capital:  |   |   |
| Decrease in inventories   | 31,571  | 83,148  |
| Decrease in development properties  | 189,085   | 222,855   |
| Increase in receivables   | (208,253)   | (157,956)   |
| Increase in payables  | 113,943   | 49,787  |
| <b>Cash generated from operations</b>   | <u>990,695</u>                                      | <u>924,280</u>                                      |
| Taxation paid   | (127,023)   | (117,207)   |
| Gratuity and retirement benefits paid   | (4,541)   | (2,281)   |
| <b>Net cash from operating activities</b>   | <u>859,131</u>                                      | <u>804,792</u>                                      |
| <b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>                                     |   |   |
| Acquisition of a subsidiary, net of cash and cash equivalents acquired                    | -   | (60,103)  |
| Investment in associate   | -   | (4,493)   |
| Purchase of property, plant and equipment   | (85,537)  | (113,553)   |
| Deposit paid for purchase of plant and equipment  | (6,122)   | (9,559)   |
| Purchase of land held for property development  | (524,506)   | (61,061)  |
| Deposit paid for purchase of land held for property development                           | (137,961)   | (84,748)  |
| Deposit refund from termination of purchase of land                                       | 54,765  | 51,815  |
| Proceeds arising from dilution of interest in an existing subsidiary                      | -   | 30  |
| Acquisition of equity interest in subsidiary by non-controlling interest                  | -   | 30  |
| Proceeds from capital injection in an existing subsidiary<br>by non-controlling interests | 14,970  | -   |
| Proceeds from disposal of investment in joint venture                                     | 17,261  | -   |
| Proceeds from disposal of property, plant and equipment                                   | 12,332  | 3,634   |
| Dividend income received  | 8,407   | 2,629   |
| Interest received   | 6,309   | 5,336   |
| <b>Net cash used in investing activities</b>  | <u>(640,082)</u>                                    | <u>(270,043)</u>                                    |
| <b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>                                     |   |   |
| Dividends paid to:  |   |   |
| Shareholders of the Company   | (170,639)   | (155,106)   |
| Non-controlling shareholders of subsidiaries  | (21,588)  | (7,371)   |
| Proceeds from exercise of warrants in the Company   | 6   | -   |
| Net repayment of term loans   | -   | (246,255)   |
| Net drawdown/(repayment) of short term borrowings   | 93,194  | (106,203)   |
| Repayment of lease liabilities  | (3,227)   | (3,461)   |
| Finance cost paid   | (30,848)  | (41,119)  |
| <b>Net cash used in financing activities</b>  | <u>(133,102)</u>                                    | <u>(559,515)</u>                                    |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>  | 85,947  | (24,766)  |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>                                 | <u>166,411</u>                                      | <u>191,177</u>                                      |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>                                       | <u>252,358</u>                                      | <u>166,411</u>                                      |
| Cash and cash equivalents in the cash flow statement comprise :                           |   |   |
| Cash and bank balances  | 184,969   | 159,854   |
| Short term deposits   | 67,389  | 6,557   |
|   | <u>252,358</u>                                      | <u>166,411</u>                                      |

*(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2023)*

**NOTES TO THE INTERIM FINANCIAL REPORT**  
**FOR THE FINANCIAL QUARTER ENDED 31 JULY 2024**

**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 2023 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 2023.

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 2023, except for the adoption of the following amendments to MFRSs that are effective for financial statements beginning on 1 August 2023, as disclosed below:

|                        |   |
|------------------------|---|
| MFRS 17                | Insurance Contracts   |
| Amendments to MFRS 17  | Insurance Contracts   |
| Amendments to MFRS 17  | Initial Application of MFRS 9 and MFRS 17 -<br>Comparative Information              |
| Amendments to MFRS 101 | Classification of Liabilities as Current or<br>Non-current                          |
| Amendments to MFRS 101 | Disclosure of Accounting Policies   |
| Amendments to MFRS 108 | Definition of Accounting Estimates  |
| Amendments to MFRS 112 | Deferred Tax related to Assets and Liabilities arising<br>from a Single Transaction |
| Amendments to MFRS 112 | International Tax Reform - Pillar Two Model Rules                                   |

The adoption of the above 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 2023 was not qualified.

**A3 Seasonal or cyclical factors**

The business operations of the Group for the current financial year 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 year 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 year 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 year under review, except for the followings:-

Share Grant Plan

On 1 December 2023, the Company issued and allotted 203,400 new ordinary shares to the eligible employees of Scientex Berhad's group of companies pursuant to the Scientex Berhad Share Grant Plan.

Conversion of Warrants to Ordinary Shares

During the current financial year under review, the Company issued 1,300 new ordinary shares pursuant to the exercise of 1,300 warrants at the exercise price of RM4.30 per warrant.

As at 31 July 2024, the total number of issued shares of the Company was 1,551,268,367 ordinary shares, out of which 100 ordinary shares were held as treasury shares. The total number of unexercised warrants was 103,285,027.

**A7 Dividends paid**

The amount of dividend paid by the Company since 31 July 2023 was as follows:

|   | RM'000  |
|---|---------|
| In respect of the financial year ended 31 July 2023:  |         |
| Single tier final dividend of 5 sen per ordinary share declared on 14 December 2023 and paid on 26 January 2024 | 77,563  |
| In respect of the financial year ended 31 July 2024:  |         |
| Single tier interim dividend of 6 sen per ordinary share declared on 21 June 2024 and paid on 19 July 2024      | 93,076  |
|   | 170,639 |

**A8 Segment information**

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

**12 months ended 31 July 2024**

|                        | Packaging<br>RM'000 | Property<br>Development<br>RM'000 | Total<br>RM'000 |
|------------------------|---------------------|-----------------------------------|-----------------|
| <b>Revenue</b>         | 2,594,478           | 1,881,121                         | 4,475,599       |
| <b>Results</b>         |                     |                                   |                 |
| Operating profit       | 217,990             | 518,544                           | 736,534         |
| Investing results      |                     |                                   | 14,947          |
| Interest expense       |                     |                                   | (22,598)        |
| Profit before taxation |                     |                                   | 728,883         |

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**A8 Segment information (Cont'd)**

**12 months ended 31 July 2023**

|                        | Packaging<br>RM'000 | Property<br>Development<br>RM'000 | Total<br>RM'000 |
|------------------------|---------------------|-----------------------------------|-----------------|
| <b>Revenue</b>         | 2,626,191           | 1,450,705                         | 4,076,896       |
| <b>Results</b>         |                     |                                   |                 |
| Operating profit       | 183,963             | 405,635                           | 589,598         |
| Investing results      |                     |                                   | 12,614          |
| Interest expense       |                     |                                   | (33,545)        |
| Profit before taxation |                     |                                   | 568,667         |

**A9 Disclosure items**

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

|   | 3 months ended      |                     | 12 months ended     |                     |
|---|---------------------|---------------------|---------------------|---------------------|
|   | 31.7.2024<br>RM'000 | 31.7.2023<br>RM'000 | 31.7.2024<br>RM'000 | 31.7.2023<br>RM'000 |
| (a) Interest income   | (1,985)             | (1,197)             | (5,222)             | (4,806)             |
| (b) Other income  | (3,180)             | (2,423)             | (7,225)             | (6,233)             |
| (c) Interest expense  | 5,503               | 7,455               | 22,302              | 33,231              |
| (d) Interest on lease liabilities   | 75                  | 74                  | 296                 | 314                 |
| (e) Depreciation of property, plant and equipment                                 | 32,296              | 30,632              | 128,542             | 120,131             |
| (f) Depreciation of right-of-use assets   | 916                 | 911                 | 3,533               | 3,734               |
| (g) Net (write back)/provision of receivables                                     | (5)                 | 88                  | (149)               | 270                 |
| (h) Net (write back)/provision of inventories                                     | (187)               | (1,148)             | (2,119)             | 556                 |
| (i) Gain on disposal of property, plant and equipment                             | (460)               | (156)               | (800)               | (323)               |
| (j) Property, plant and equipment written off                                     | 14                  | 676                 | 596                 | 714                 |
| (k) Impairment loss on goodwill   | -                   | 22,709              | -                   | 22,709              |
| (l) Net foreign exchange loss/(gain)  | 4,471               | (695)               | 3,378               | 1,821               |
| (m) Fair value gain on other investments  | (316)               | (767)               | (316)               | (766)               |
| (n) Fair value gain of money market deposits                                      | (186)               | (208)               | (1,087)             | (530)               |
| (o) Reversal of contingent consideration with respect to acquisition of associate | -                   | (198)               | -                   | (198)               |
| (p) Gain on disposal of investment in joint venture                               | -                   | -                   | (8,969)             | -                   |

In the current financial quarter and current financial year ended 31 July 2024, there were no:

- 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 property were brought forward without any amendments from the preceding annual financial statements, except for the followings:

During the financial year ended 31 July 2024, a revaluation exercise was carried out by the Group's listed subsidiary, Scientex Packaging (Ayer Keroh) Berhad, on land and buildings classified as property, plant and equipment. The revaluation resulted in a property revaluation surplus of approximately RM11,418,000 net of deferred tax, being included in revaluation reserve. The valuations were carried out by a professional independent valuer.



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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 year 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.

**A12 Changes in the composition of the Group**

There were no material changes in the composition of the Group during the current financial year, except for the following:

Disposal of investment in joint venture

On 30 January 2024, the Company disposed of 40% equity interest in a joint venture, namely MCTI Scientex Solar Sdn. Bhd. (“MSS”) for a cash consideration of RM17,261,000. Subsequent to the disposal, the shareholding percentage of the Company in MSS reduced from 50% to 10%. Accordingly, MSS ceased to be a joint venture of the Company and classified as other investment of the Company.

**A13 Contingent liabilities**

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

**A14 Capital commitments**

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

|   | As at<br>31.7.2024<br>RM’000 | As at<br>31.7.2023<br>RM’000 |
|---|------------------------------|------------------------------|
| Approved and contracted for:                              |                              |                              |
| Purchase of plant and machinery                           | 90,438                       | 50,767                       |
| Balance payment for purchase of land held for development | 1,242,076                    | 949,548                      |
|   | 1,332,514                    | 1,000,315                    |

**A15 Related party transactions**

The Group’s related party transactions in the current financial quarter and current financial year ended 31 July 2024 were as follows:

|  | 3 months ended      |                     | 12 months ended     |                     |
|--|---------------------|---------------------|---------------------|---------------------|
|  | 31.7.2024<br>RM’000 | 31.7.2023<br>RM’000 | 31.7.2024<br>RM’000 | 31.7.2023<br>RM’000 |
| Purchase of goods from associated companies  | 47,176              | 42,108              | 176,320             | 169,506             |
| Sales of goods to associated companies       | (196)               | (186)               | (613)               | (521)               |
| Rental income from associated company        | (139)               | (139)               | (557)               | (557)               |
| Rental income from jointly controlled entity | -                   | (232)               | (463)               | (926)               |
|  | -                   |                     | -                   |                     |

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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 JULY 2024**

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

**B1 Review of performance**

|   | INDIVIDUAL QUARTER         |  | Changes<br>% | CUMULATIVE QUARTER           |                                | Changes<br>% |
|---|----------------------------|--|--------------|------------------------------|--------------------------------|--------------|
|   | Current<br>year<br>quarter | Preceding year<br>corresponding<br>quarter |              | Current<br>financial<br>year | Preceding<br>financial<br>year |              |
|   | 31.7.2024<br>RM'000        | 31.7.2023<br>RM'000                        |              | 31.7.2024<br>RM'000          | 31.7.2023<br>RM'000            |              |
| Revenue   | 1,168,340                  | 1,071,515                                  | 9.0%         | 4,475,599                    | 4,076,896                      | 9.8%         |
| Operating profit                                | 177,209                    | 148,942                                    | 19.0%        | 736,534                      | 589,598                        | 24.9%        |
| Profit attributable to owners of<br>the Company | 135,859                    | 114,894                                    | 18.2%        | 545,209                      | 438,141                        | 24.4%        |

(i) Current quarter review

For the current financial quarter ended 31 July 2024, the Group recorded revenue of RM1.17 billion, an increase of 9.0% compared to RM1.07 billion recorded in the preceding year corresponding quarter. The Group's operating profit stood at RM177.2 million, reflecting an increase of 19.0% compared to RM148.9 million achieved in the preceding year corresponding quarter.

**Packaging** revenue was RM651.3 million compared to RM619.7 million recorded in the preceding year corresponding quarter. The increase in revenue was mainly contributed from its industrial packaging products. Operating profit for the current financial quarter stood at RM45.2 million compared with preceding year corresponding quarter of RM24.3 million. Excluding the impact of the goodwill impairment in the preceding year corresponding quarter, the current financial quarter's operating profit decreased marginally mainly due to product mix.

**Property** revenue stood at RM517.0 million, reflecting an increase of 14.4% compared to RM451.8 million recorded in the preceding year corresponding quarter. The higher revenue was contributed by steady construction progress for its ongoing projects in Bandar Jasin, Rawang, Sungai Petani, Kundang, Tasek Gelugor and Pulau. In addition, the robust demand for our new launches in Sungai Dua, Jenjarom, Pulau and Senai also contributed to the increase in revenue for the quarter under review. In tandem with the higher revenue recorded, operating profit increased to RM132.0 million compared to RM124.7 million recorded in the preceding year corresponding quarter.

(ii) 12-month review

For the financial year ended 31 July 2024, the Group recorded higher revenue of RM4.48 billion compared to the preceding financial year of RM4.08 billion. Operating profit also recorded higher at RM736.5 million compared to the preceding financial year of RM589.6 million.

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**B1 Review of performance (Cont'd)**

(ii) 12-month review (Cont'd)

**Packaging** revenue remains stable at RM2.59 billion for the current financial year compared to preceding financial year of RM2.63 billion. The Group's industrial packaging products have seen an improvement in sales driven by increase demand in export market, offset by the lower sales in its consumer packaging products due to weaker market demand. Operating profit stood at RM218.0 million compared to RM184.0 million recorded in the preceding financial year mainly contributed from its industrial packaging products due to product mix and improvement in operational efficiency.

**Property** revenue stood at RM1.88 billion for the current financial year, a notable improvement compared to RM1.45 billion recorded in the preceding financial year. Accordingly, operating profit also recorded higher at RM518.5 million compared to preceding financial year of RM405.6 million. The better performance achieved was due to higher sales and steady construction progress in existing projects as well as resilient take-up rates in our new launches.

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

|  | Current quarter     | Preceding quarter   | Changes % |
|--|---------------------|---------------------|-----------|
|  | 31.7.2024<br>RM'000 | 30.4.2024<br>RM'000 |           |
| Revenue                                      | 1,168,340           | 1,108,014           | 5.4%      |
| Profit before tax                            | 176,974             | 178,514             | -0.9%     |
| Profit attributable to owners of the Company | 135,859             | 130,496             | 4.1%      |

The Group's revenue for the current financial quarter remains stable at RM1.17 billion compared to RM1.11 billion recorded in the preceding financial quarter. Profit before tax stood at RM177.0 million for the current financial quarter compared to RM178.5 million recorded in the preceding financial quarter.

**B3 Current financial year prospects**

Packaging business continues to face a challenging outlook due to ongoing supply chain disruptions, inflationary pressure, fluctuation in foreign currency exchange rates, geopolitical tensions and subdued market sentiment.

Packaging Division remains focused in managing its operational costs while improving its operational efficiency in order to maintain its competitiveness in the market. In addition, it continues to innovate and develop customised value-added packaging solutions in order to cater the growing demand of our customers for sustainable and fully recyclable packaging solutions.

As part of our efforts to integrate sustainability into our operations, Scientex's rooftop solar PV system installation for its headquarters and 10 key manufacturing plants nationwide is on schedule to be completed by January 2025, the renewable energy generated will help offset some of the energy costs and reduce Scope 2 emissions.

Packaging Division remains committed to drive sustainable performance for the coming financial year.

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**B3 Current financial year prospects (Cont'd)**

Property Division continues to witness steady demand for its affordable properties. The new launches of its project in Jenjarom (Selangor), Sungai Dua (Penang), Sungai Petani (Kedah), Ipoh (Perak), Jasin (Melaka) and Pulaui (Johor) have achieved encouraging take-up rates, signalling the continued strong demand for our affordable homes. We expect this positive momentum to continue with our future launches.

Encouraged by the well-received projects, the Property Division continue to pursue more land banking to sustain its project pipeline. The latest land acquisitions in Muar and Pulaui (both in Johor), Bestari Jaya (Selangor) and Jawi (Penang) are expected to be completed in financial year 2025. These developments are expected to contribute positively to the Group's performance and chart its steady pave way to complete 50,000 affordable homes by 2028. Details of the land acquisitions are set out in Note B6.

Property Division remains optimistic that the demand for affordable homes will remain resilient for the coming financial year.

**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 were as follows:

|                                | 3 months ended |               | 12 months ended |                |
|--------------------------------|----------------|---------------|-----------------|----------------|
|                                | 31.7.2024      | 31.7.2023     | 31.7.2024       | 31.7.2023      |
|                                | RM'000         | RM'000        | RM'000          | RM'000         |
| In respect of current quarter: |                |               |                 |                |
| - Income tax                   | 37,834         | 36,442        | 163,097         | 112,554        |
| - Deferred taxation            | (1,666)        | 2,175         | (1,011)         | 8,748          |
| In respect of prior year:      |                |               |                 |                |
| - Income tax                   | 1,084          | (1,544)       | 1,084           | (1,544)        |
| - Deferred taxation            | (3,472)        | 114           | (3,472)         | (32)           |
|                                | <u>33,780</u>  | <u>37,187</u> | <u>159,698</u>  | <u>119,726</u> |

The Group's effective tax rate for the current financial year is lower than the statutory income tax rate mainly due to the utilisation of tax incentives by certain subsidiaries of the Group.

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**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 followings:-

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

a) Muar

On 5 February 2024, the Company announced that Scientex Heights Sdn Bhd, a wholly-owned subsidiary of the Company entered into a Sale and Purchase Agreement (“SPA”) with Guan Hong Plantation Private Limited for the proposed acquisition of 24 parcels of freehold land, all situated in Mukim of Parit Jawa, District of Muar, State of Johor, measuring in aggregate an approximate area of 442.7566 hectares for a total purchase consideration of RM200 million. On 4 July 2024, the Company announced that all conditions precedent of the SPA have been satisfied. Accordingly, the SPA has become unconditional. The completion of the proposed acquisition shall take place upon full payment of the balance purchase price to be made to the vendor. The proposed acquisition is expected to be completed by third quarter of year 2024.

b) Pulai

On 10 June 2024, the Company announced that Scientex Quatari Sdn Bhd, a wholly-owned subsidiary of the Company entered into a SPA with Lee Pineapple Company (Pte) Limited for the proposed acquisition of 14 parcels of freehold land, all situated in Mukim of Pulai, District of Johor Bahru, State of Johor, measuring in aggregate an approximate area of 350.2568 acres for a total purchase consideration of RM381.4 million. The proposed acquisition is expected to be completed in the first half of year 2025.

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

On 8 March 2024, the Company announced that Scientex Park (M) Sdn Bhd, a wholly-owned subsidiary of the Company entered into a SPA with Metalplex Plantation Sdn Bhd for the proposed acquisition of a freehold land, situated in Mukim of Batang Berjuntai, District of Kuala Selangor, State of Selangor, measuring an approximate area of 826 acres for a purchase consideration of RM335.7 million. On 11 September 2024, the Company announced that all conditions precedent of the SPA have been satisfied. Accordingly, the SPA has become unconditional. The completion of the proposed acquisition shall take place upon full payment of the balance purchase price to be made to the vendor’s solicitors. The proposed acquisition is expected to be completed by fourth quarter of year 2024.

(iii) Proposed acquisition of lands in the State of Pulau Pinang

On 24 May 2024, the Company announced that Scientex (Skudai) Sdn Bhd (“SKSB”), a wholly-owned subsidiary of the Company entered into a SPA with Land Capacity Sdn Bhd for the proposed acquisition of 37 pieces of freehold land, all situated in District of Seberang Perai Selatan, State of Pulau Pinang, measuring in aggregate an approximate area of 708.477 acres for a total purchase consideration of RM462.5 million.

On 19 July 2024, the Company announced that the approval of the Estate Land Board (“ELB Approval”) is not required for the proposed acquisition pursuant to a letter dated 5 July 2024 issued by Pejabat Tanah dan Galian Negeri Pulau Pinang. In view that ELB Approval is no longer a pre-requisite under the SPA, the vendor and SKSB have entered into a Supplemental Agreement to vary certain clauses of the SPA, among others, to pay the balance purchase price no later than 9 October 2024 or subject to payment of agreed interest by 9 November 2024. Additionally, the balance purchase price shall be released to the vendor in accordance to the SPA and upon the due registration of all 37 lots in favour of SKSB as proprietor of the lands free from encumbrances. The proposed acquisition is expected to be completed in the fourth quarter of year 2024.

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**B7 Borrowings and debt securities**

| As at 31 July 2024  | Long term<br>RM'000 | Short term<br>RM'000 | Total<br>borrowings<br>RM'000 |
|---|---------------------|----------------------|-------------------------------|
| <b><u>Secured</u></b><br><b>Denominated in RM</b><br>- Sukuk Murabahah    | 70,000              | -                    | 70,000                        |
| <b><u>Unsecured</u></b><br><b>Denominated in JPY</b><br>- Trade financing | -                   | 89,841               | 89,841                        |
| <b>Denominated in RM</b><br>- Trade financing                             | -                   | 773,188              | 773,188                       |
| <b>Total</b>  | 70,000              | 863,029              | 933,029                       |

| As at 31 July 2023  | Long term<br>RM'000 | Short term<br>RM'000 | Total<br>borrowings<br>RM'000 |
|---|---------------------|----------------------|-------------------------------|
| <b><u>Secured</u></b><br><b>Denominated in RM</b><br>- Sukuk Murabahah    | 70,000              | -                    | 70,000                        |
| <b><u>Unsecured</u></b><br><b>Denominated in JPY</b><br>- Trade financing | -                   | 14,416               | 14,416                        |
| <b>Denominated in RM</b><br>- Trade financing                             | -                   | 752,424              | 752,424                       |
| <b>Total</b>  | 70,000              | 766,840              | 836,840                       |

**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 2024, the Board of Directors recommended a single tier final dividend of 6 sen per ordinary share (single tier final dividend for financial year 2023 of 5 sen per ordinary share). The dividend will be payable on 17 January 2025, subject to shareholders' approval at the forthcoming Annual General Meeting of the Company.

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**B10 Earnings per share**

|   |          | 3 months ended |           | 12 months ended |           |
|---|----------|----------------|-----------|-----------------|-----------|
|   |          | 31.7.2024      | 31.7.2023 | 31.7.2024       | 31.7.2023 |
| <b>(i) Basic earnings per share</b>                 |          |                |           |                 |           |
| Profit attributable to owners of the Company        | (RM'000) | 135,859        | 114,894   | 545,209         | 438,141   |
| Weighted average number of ordinary shares in issue | ('000)   | 1,551,268      | 1,551,064 | 1,551,199       | 1,551,042 |
| Basic earnings per share                            | (sen)    | 8.76           | 7.41      | 35.15           | 28.25     |

**(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 year does not exceed the exercise price of the warrants.

By Order of the Board

Chua Siew Chuan (MAICSA 0777689) (SSM Practising Certificate No. 201908002648)

Tung Wei Yen (MAICSA 7062671) (SSM Practising Certificate No. 201908003813)

Ong Ling Hui (MAICSA 7065599) (SSM Practising Certificate No. 202008000555)

Company Secretaries

24 September 2024