



Texchem Resources Bhd

Registration no: 197301002868 (16318-K)

PRESS STATEMENT / SIARAN AKHBAR

(FOR IMMEDIATE RELEASE)

TEXCHEM DELIVERS RM275.7 MILLION IN REVENUE FOR 1QFY24

- Seeing improvements in the Industrial and Polymer Engineering Divisions

George Town, 30 April 2024 – Malaysian conglomerate and Main Market-listed company, Texchem Resources Bhd (“Texchem”) (“德健资源”) has announced its financial results for the first quarter ended 31 March 2024 (“1QFY24”) today.

For the current quarter under review, Texchem’s revenue improved to RM275.7 million as compared to RM268.5 million a year ago. This was mainly driven by the Industrial and Polymer Engineering Divisions. 1QFY24 revenue from the Industrial Division increased 8.4% year-on-year (“YoY”) to RM124.1 million from RM114.5 million on the back of improved market demand. Polymer Engineering Division revenue for the quarter under review rose 10.9% YoY to RM49.1 million versus RM44.3 million last year. This was attributed to the recovery in the global market demand in the semiconductor sectors.

Commenting on the financial performance of Texchem Resources Bhd Group of Companies (“the Group”), **Executive Chairman of Texchem, Tan Sri Dato’ Seri (Dr) Fumihiko Konishi (丹斯里小西史彦)**, said “We are delighted to see improved market demand for our Industrial and Polymer Engineering Divisions, a trend reflected in our performance. Looking ahead, we anticipate this positive trend to sustain and are prepared to capitalize on the recovery. At the same time, the mass production of certain strategic projects for the Polymer Engineering Division, which began in the last quarter of 2023, continues to pick up pace. This would contribute positively to the Group in the current financial year (FY24) and beyond.”

“Meanwhile, the Group strives to improve the performance of the Food and Restaurant Divisions by continuing to focus on executing our initiatives on operating efficiency and key product developments. We want to continue building resilience not only to weather through the obstacles but also to seize the vast opportunities ahead,” Tan Sri Dato’ Seri (Dr) Fumihiko Konishi concluded.

The Industrial Division recorded a profit before tax (“PBT”) of RM2.1 million for 1QFY24 vis-à-vis RM1.1 million in the prior year corresponding quarter, representing a 95.4% YoY growth. Meanwhile, PBT for the Polymer Engineering Division came in at RM3.0 million as compared to a loss before tax of RM0.9 million in 1QFY23. The improvements for both Divisions stemmed from the higher demand coupled with better margins. However, with the weaker performances of Food and Restaurant Divisions, Texchem reported a net loss of RM1.3 million for the current quarter under review.

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About Texchem

Texchem was founded in 1973 as a textile chemical trader before transforming into a Malaysian conglomerate. Texchem was listed on the Second Board of Kuala Lumpur Stock Exchange (KLSE) in 1993 and subsequently transferred to the Main Market of Bursa Malaysia Securities Berhad in 2001. Texchem's headquarter is in Penang with presence in Malaysia and across ASEAN countries, serving customers in various countries. Today, the Group has 5 core business divisions – Industrial, Polymer Engineering, Food, Restaurant and Venture Business.

The Industrial Division provides integrated sourcing and distribution solutions for polymer, plastic resins, industrial chemicals, food additives, dyestuff and textile chemicals to global and domestic customers. Meanwhile, the Group is also a polymer engineering solutions provider backed by strong in-house technological and design capability. It serves key industries such as data storage & memory, semiconductor, medical/life sciences, automotive, consumer electronics and fast-moving consumer goods. The production facilities are strategically located in major manufacturing hubs with 8 manufacturing facilities across 3 countries – Malaysia, Thailand & Vietnam.

Texchem's Food Division is engaged in the food related business which includes processing and marketing of marine products, production for food service sector, trading and aquaculture. The Division's management of food safety and hygiene is in line with stringent international regulations and our processing facilities are HACCP certified.

Under the Restaurant Division, Texchem is the founder and operator of Sushi King, Malaysia's largest Halal Japanese chain of restaurants with 130 outlets nationwide, which are supported by its integrated supply chain. Apart from Sushi King, other restaurant brands are Hoshino Coffee, Doutor Coffee and Miraku.

Lastly, Texchem's Venture Business initiates and nurtures new businesses which are synergistic to its existing core businesses. Currently, the division is focusing on TEXa, a patented and United States Department of Agriculture (USDA) certified durable bio-



based polymer that is used to make products that can be reused multiple times, which promotes a circular economy.

Released on behalf of Texchem Resources Bhd by Capital Front Investor Relations.

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