



(Company No.: 7867-P)

Corporate Presentation

FY22 Corporate Update & Financial Results

29 September 2022

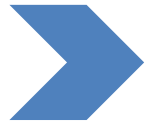
IR Adviser





FINANCIAL PERFORMANCE

Performance for packaging and property development segments largely maintained in FY2022 despite challenging external circumstances...



Group quarterly revenue breached RM1 billion revenue mark for first time



Packaging segment registered firm demand from domestic and export markets



Launched RM1.2 billion new properties in FY22, comprising 4,097 homes across six states in Peninsular Malaysia



Volatile global resin prices, and higher construction materials and operating costs impacted FY2022 profitability



Achieved ESG milestone with **inclusion in FTSE4Good Bursa Malaysia Index**

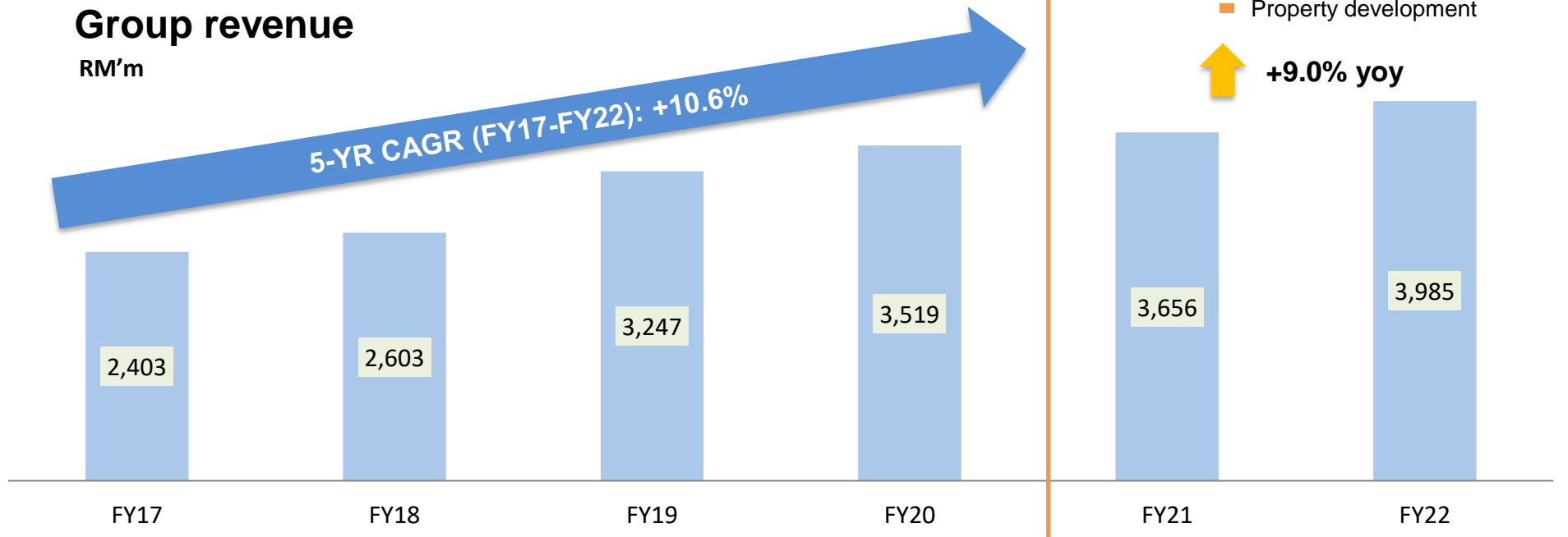
EXECUTIVE SUMMARY

FY22 topline growth driven by higher packaging sales... property development revenue largely sustained as construction progress pick up

- ❖ Packaging revenue rose 14.8% in FY22 on firm demand in domestic and export markets
- ❖ Property development revenue reduced 3.5% on deferred authorities' approvals for certain scheduled launches; delays in receiving Certificate of Completion & Compliance for projects in Johor and Melaka due to materials shortage for power supply infrastructure

Group revenue

RM'm



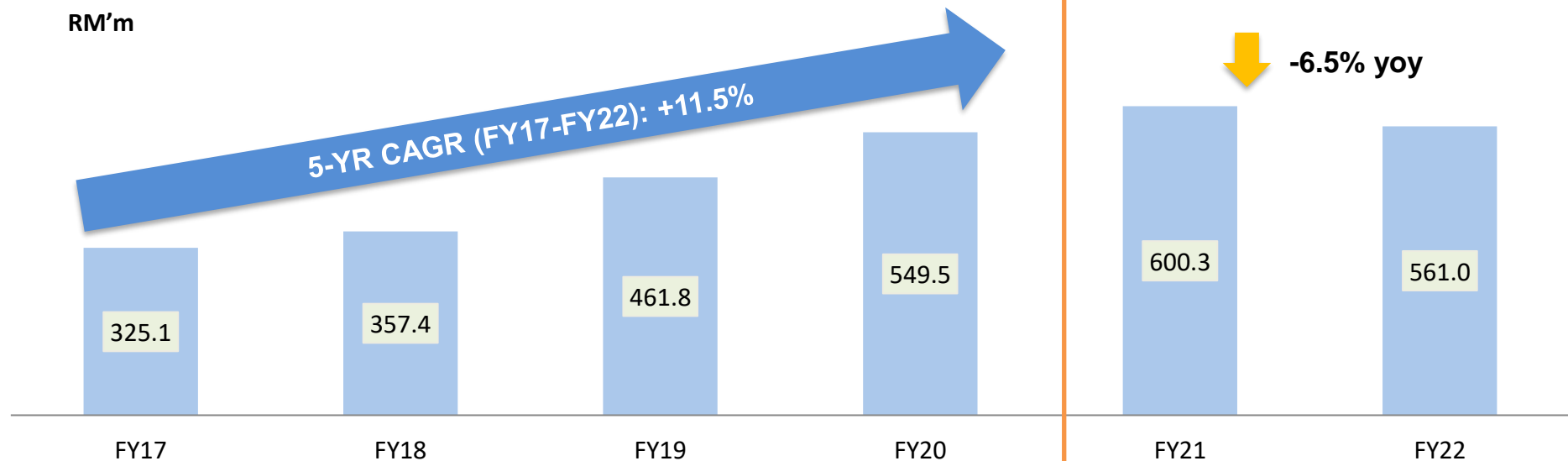
Revenue Performance

FY22 operating profit impacted by higher costs faced by packaging and property development segments...

❖ FY22 operating profit declined 6.5% due to rising raw material and operating costs for packaging segment; lower property development revenue and increased costs for construction materials and labour

Group operating profit

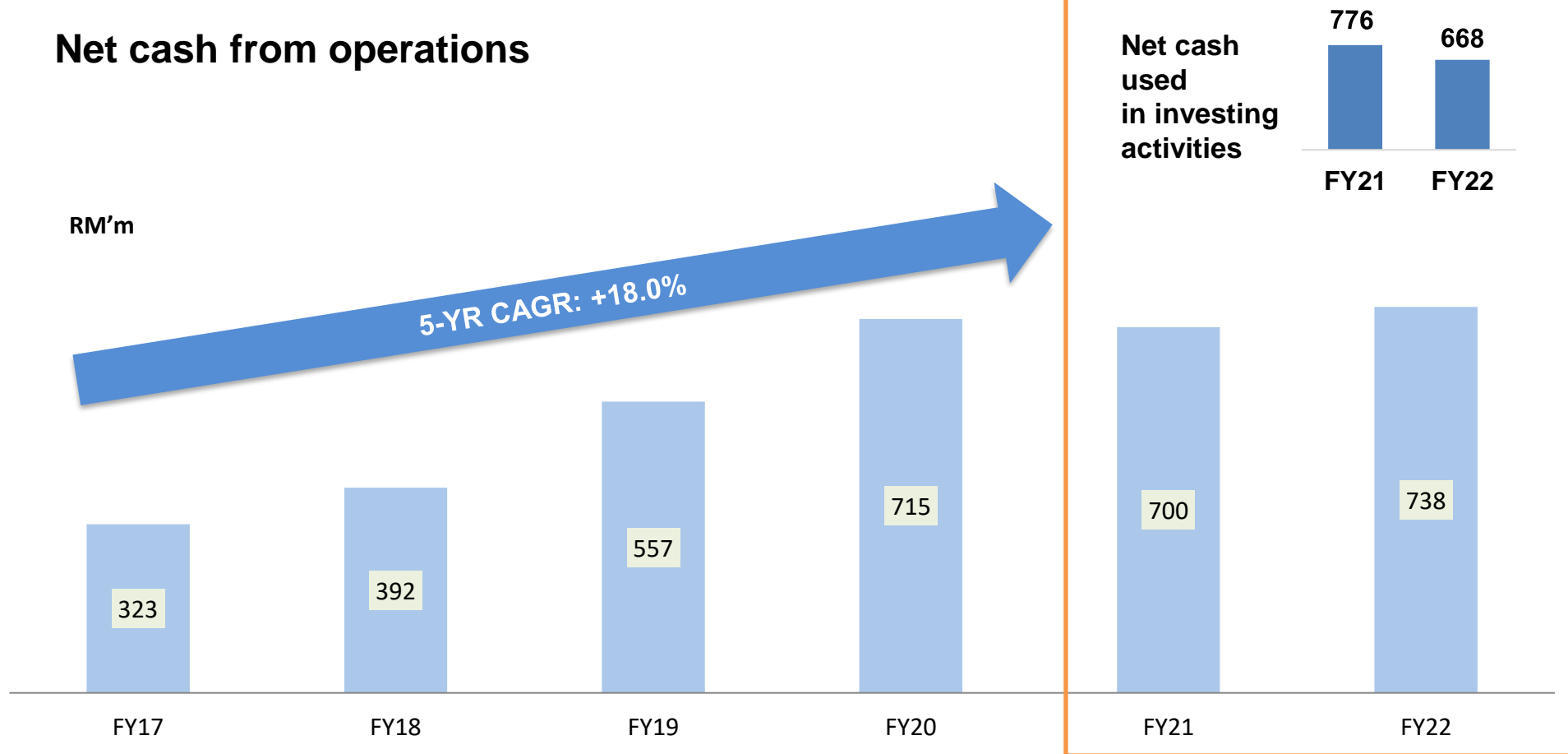
RM'm



Profit Performance

Healthy operating cashflow contributed by resilience of twin-core businesses... continued CAPEX to expand packaging and property development activities

Net cash from operations



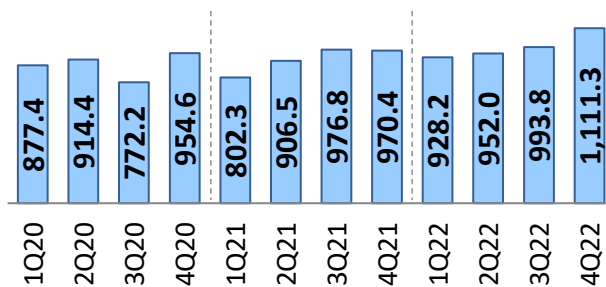
Cash Flow

Stable packaging demand and strong property billings driving 4Q22's double-digit topline growth...

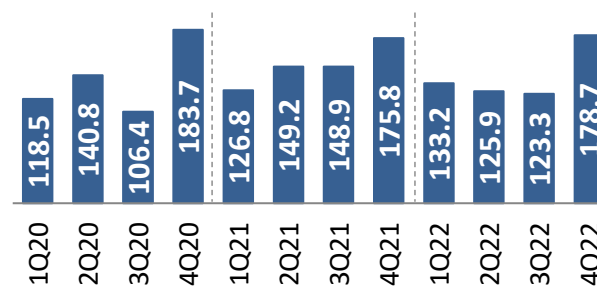
4Q22	4Q21	Change	RM'mil	FY22	FY21	Change	Remarks
1111.3	970.6	14.5%	Revenue	3,985.3	3,656.0	9.0%	• FY22 revenue growth reflects firm demand for packaging from domestic and export markets, while property segment revenue saw marginal decrease
178.7	175.8	1.6%	Operating Profit	561.0	600.3	(6.5%)	
208.0	205.4	1.3%	EBITDA	683.2	722.3	(5.4%)	• FY22 profitability impacted mainly by rising raw material prices and operating costs of packaging segment; lower contribution of property segment together with increased construction and labour costs
173.6	174.5	(0.5%)	PBT	548.3	601.0	(8.8%)	
125.0	142.7	(12.4%)	PATMI	409.9	457.2	(10.4%)	
8.06	9.20	(12.4%)	Basic EPS (sen)	26.43	29.50	(10.4%)	
16.1%	18.1%	(2.0 pt)	OP margin	14.1%	16.4%	(2.3 pt)	
18.7%	21.2%	(2.4 pt)	EBITDA margin	17.1%	19.8%	(2.6 pt)	
15.6%	18.0%	(2.4 pt)	PBT margin	13.8%	16.4%	(2.7 pt)	
11.2%	14.7%	(3.5 pt)	Net margin	10.3%	12.5%	(2.2 pt)	

*percentages presented might not reflect absolute figures due to rounding

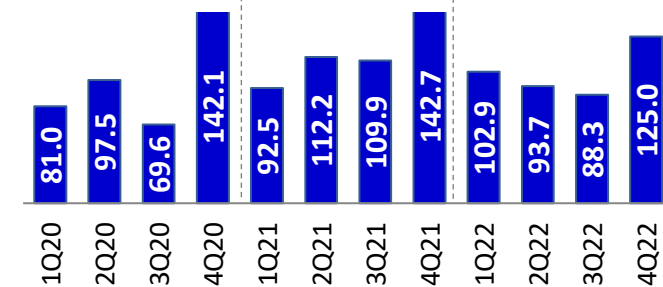
Quarterly Revenue (RM'm)



Quarterly Operating Profit (RM'm)



Quarterly PATMI (RM'm)



Income Statement Summary

Balance sheet expands on CAPEX for new landbanks and machinery...gearing remains at comfortable level

Balance Sheet (RM '000)	As at 31.07.2022	As at 31.7.2021	Remarks
Property, Plant & Equipment	1,463,755	1,382,668	Increase in machineries for packaging segment
Investment Property & Other Investments	22,634	41,425	Disposal of investment property
Right-of-use Assets	4,917	5,126	
Land Held & Property Development Costs	2,030,331	1,695,193	Due to landbanking exercise
Investment in Jointly Controlled Entity & Associated Company	102,822	99,373	
Inventories	449,350	386,958	
Trade & Other Receivables	871,867	898,054	
Cash & Bank Balances	191,177	243,308	Mainly due to better cash management
Deferred Tax Assets	7,279	15,552	
Intangible Assets	330,423	332,176	
TOTAL ASSETS	5,474,555	5,099,833	
Trade & Other Payables	820,319	708,209	
Borrowings (ST + LT)	1,171,475	1,119,797	In line with recent landbanking expansions
Tax & Deferred Tax	123,290	124,494	
Lease Liabilities	5,870	7,980	
Shareholders' Equity	3,109,596	2,895,663	Higher retained earnings
Retirement Benefits Obligations	45,943	42,145	
Minority Interest	198,062	201,545	
Net Tangible Assets / Share (RM)	1.79	1.65	
Net Borrowings	980,298	876,489	
Net Gearing	0.32x	0.30x	Gearing increased due to CAPEX & landbank expansion
TOTAL LIABILITIES	2,166,897	2,002,625	

Balance Sheet (Highlights)

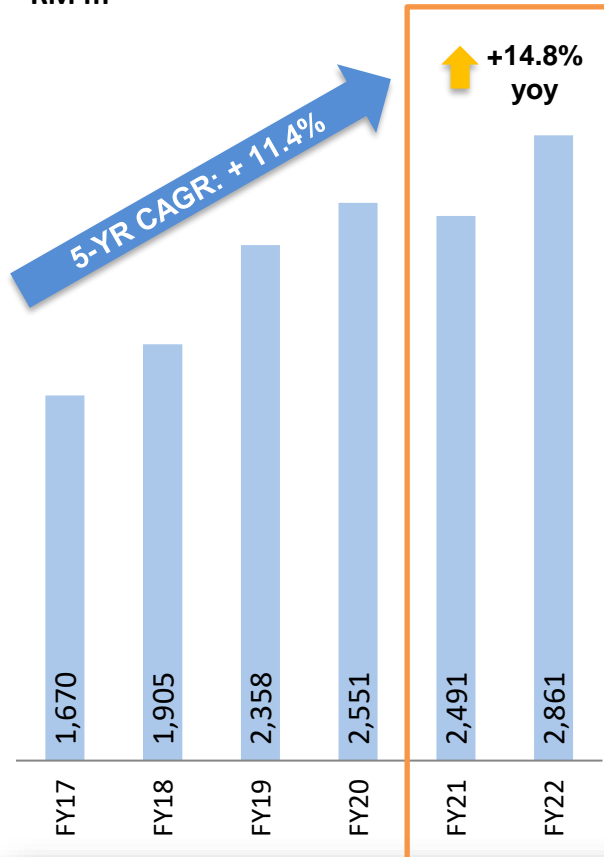


PACKAGING REVIEW

Packaging segment benefiting from stable demand in domestic and export markets... margins temporarily compressed due to raw material price volatility

Revenue

RM'm

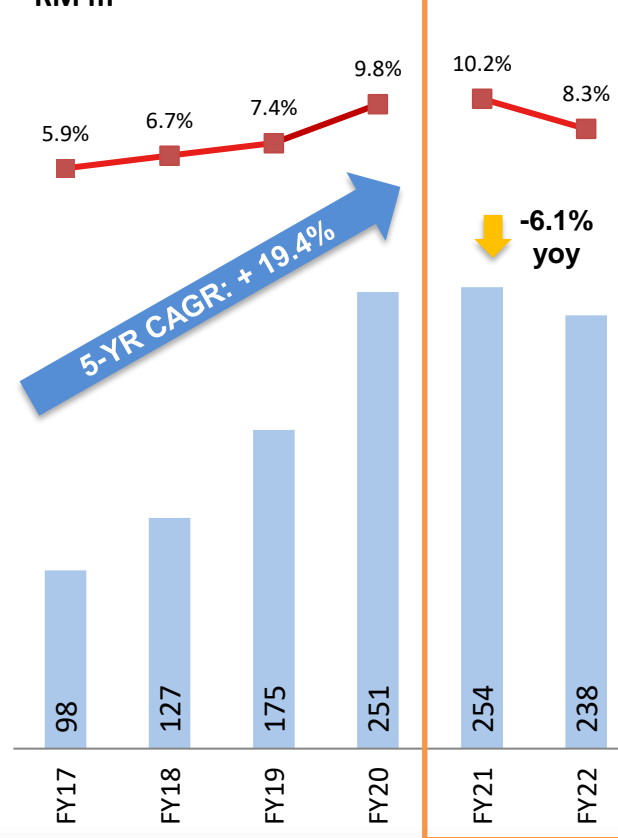


Operating Profit

Operating Profit

Operating Profit Margin

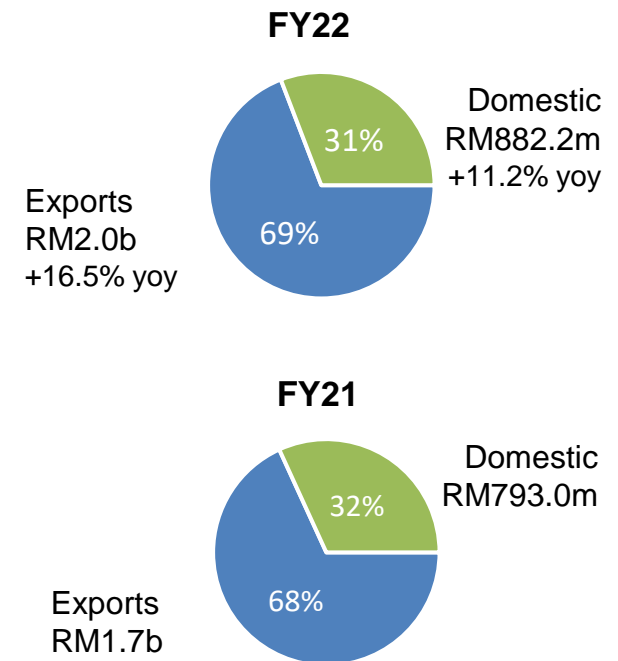
RM'm



Revenue

(by geography)

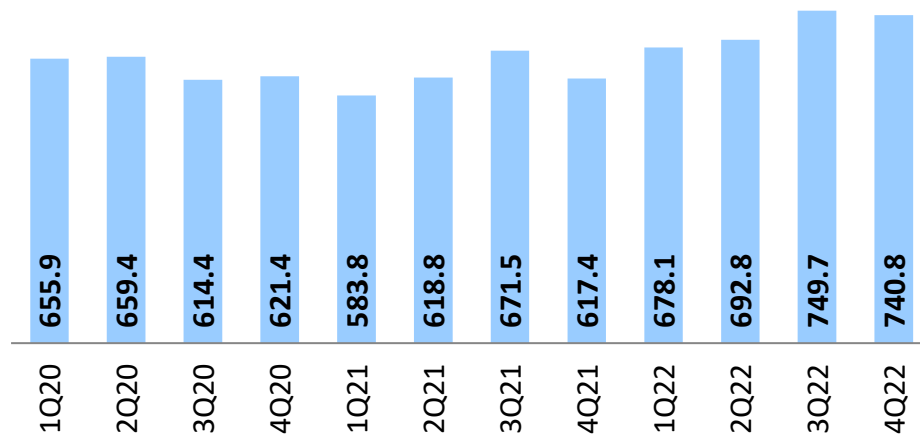
Overseas
Malaysia



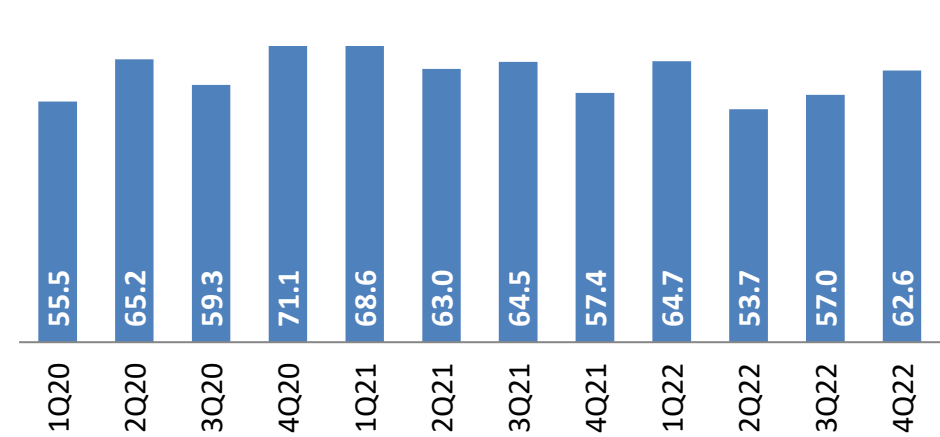
Segment Performance: Packaging

Resilient revenue and operating profit reflecting stable packaging demand...

Revenue
(Quarterly)



Operating Profit
(Quarterly)



17 Manufacturing Plants

Malaysia

Perak, Sungai Siput – PE Film & Bag
 Perak, Chemor – FFS Bag
 Selangor, Pulau Indah – Stretch Film
 Selangor, Pulau Indah – BOPP Film
 Selangor, Rawang – PE Film & Bag
 Selangor, Klang – PE Shrink Film
 Selangor, Shah Alam – Robotic Stretch Film Plant
 Selangor, Pulau Indah – PU Adhesives

Melaka, Ayer Keroh – Converting
 Melaka, Teluk Emas – Converting
 Melaka, Tanjung Kling – CPP & MCPP Film
 Melaka, Jasin – CPP & MCPP
 Melaka, Tanjung Kling – PP Strapping Band
 Melaka, Bukit Rambai – Solar Encapsulant

Vietnam

Ho Chi Minh, Vietnam – Woven Bag & Raffia

Myanmar

Yangon, Myanmar – Converting

USA

Phoenix, USA – Stretch Film

Operations Review: Packaging

Partnering Japan's leading producer of liquid and paste packaging... to expand regional market share

- On 2 September 2022, announced proposed acquisition of 80.2% stake in **Taisei Lamick Malaysia** for RM63.8 million cash; remaining 19.8% to be held by Japan's Taisei Lamick
- Primarily involved in manufacturing and sale of printed and laminated flexible light packaging materials for F&B and FMCG products
- Acquisition provides immediate foothold in fast-growing film business for liquid and paste packaging
- Enhances offering of diversified and customized flexible packaging, e.g. healthcare, hygiene, and value-added packaging solutions

General Food



Dairies & Beverages



Seasoning Powder / Sauces / Pastes



Retort Pouches



Composite Can Liner & Membrane



Condom wrapper



Expanding capabilities and capacities across packaging processes... new robotics stretch film plant expected to commence production in 4Q CY2022

2022 New Facility & Machinery



Robotics Stretch Film Plant



Chemor Plant



Metallizer Machine



Cast Polypropylene (CPP) Lines

- New robotics stretch film plant expected to commence production in 4Q CY2022
 - Installed initial two cast stretch film lines with total capacity of 1,500 MT/month or 18,000 MT/annum
- Completed expansion of Chemor plant in 3Q CY2022
 - Improved layout for better process flow and production efficiency of form-fill-seal sacks for petrochemical use
- Commissioned 2 new cast polypropylene lines and state-of-the-art metallizer in 3Q CY2022
 - Total capacity of 900 MT/month
 - Capabilities of ultra high barrier packaging properties
 - Customizable for different functionalities requirements for fully recyclable solutions

Growth Strategies: Packaging

Scientex a fully integrated end-to-end packaging provider... playing key role in driving sustainable transition and developing plastic circularity



As a leading producer of packaging solutions, Scientex plays a key role in **driving sustainable transition**.

Leveraging on our **end-to-end capabilities** across the value chain, we have continuously made **successful innovations** in industrial and consumer packaging, and contribute meaningfully towards developing **plastic circularity**.

Growth Strategies: Packaging

Producing resource efficient stretch films with reduced materials usage...

Stretch Film Innovations



Nano 4.5 Micron Stretch Film

- World thinnest stretch film produced directly from cast line in a single process
- Significant reduction in consumption of raw material
- Folded edges eliminates film breakages



Nano Ultra XE

- Latest Nano 67-layer cutting edge technology - First in Asia
- Reduced usage of materials up to 50% compared to conventional machine wrap films
- Lower wastage due to superior holding force and puncture strength

Growth Strategies: Packaging

Development of fully recyclable packaging solutions allow F&B and FMCG manufacturers to accelerate transition into sustainable packaging...

Fully Recyclable Packaging Solutions



- Leadership position in development of fully recyclable flexible plastic packaging solutions
- Continue to innovate to improve barrier properties and heat sealing capabilities
- Increasing applications across a variety of packaging formats and segments

Introducing new packaging innovations from renewable sources...



Fully Compostable Packaging

- Packaging derived from natural sources and decomposes into water and CO₂ by microorganism when under soil
- Collaborating with more customers to innovate new compostable packaging solutions

Fully Recyclable Paper Based Packaging

- Paper packaging with barrier properties
- Options for customers who prefer paper based solutions



Growth Strategies: Packaging

Supporting brand owners' increasing demands for packaging with recycled contents... reducing consumption of virgin plastic resin

Packaging with Recycled Content



Packaging with PCR content

- Asia first instant noodle packaging made with 30% certified post consumer recycled (PCR) resin content
- PCR resin recovered from ocean bound plastic (OBP)



Packaging with PIR content

- Bread bag with 30% post industrial recycled (PIR) content for our Australia/New Zealand customer
- Growing demand in the F&B & FMCG sectors

Growth Strategies: Packaging

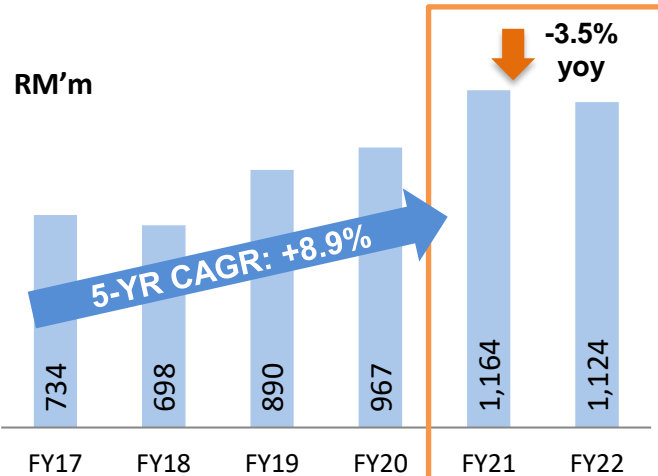


PROPERTY DEVELOPMENT REVIEW

Property development largely resilient despite launch delays and higher costs...

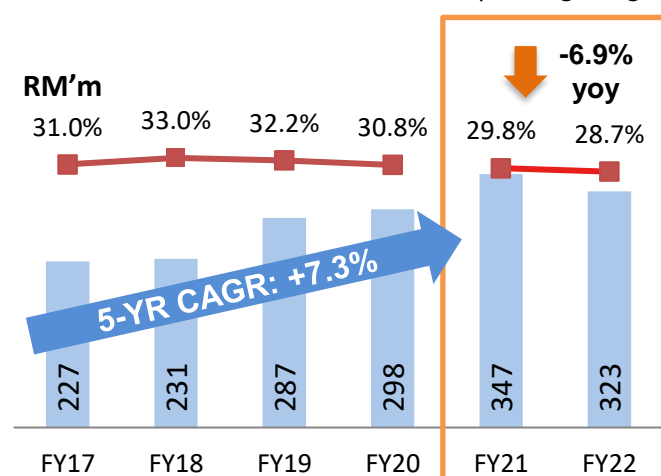
Revenue
(Annual)

RM'm

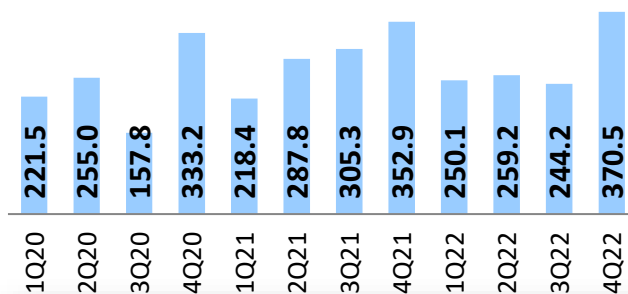


Operating Profit
(Annual)

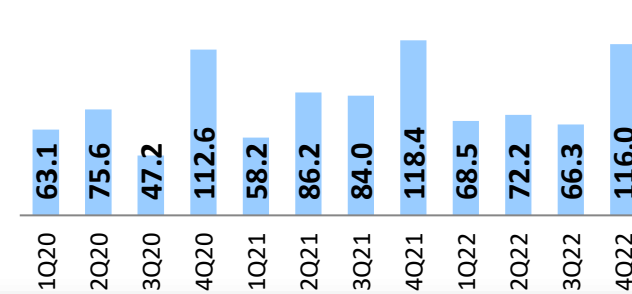
RM'm



Revenue
(Quarterly)



Operating Profit
(Quarterly)



RM1.2b GDV

launched in FY22

- 4,097 units across 18 launches in Penang, Selangor, Melaka, Negeri Sembilan, Johor



Segment Performance: Property Development

Expanded affordable homes presence to Seremban with maiden launch...



2-storey terrace houses

Launched development in Seremban (109-acre)

- Launched first two phases in July 2022
- 173 and 192 units 2-storey terrace house
- GDV of RM143.3 million

Take-up rate 75%

Launched first high-rise residential development in Klang Valley with sustainable elements...

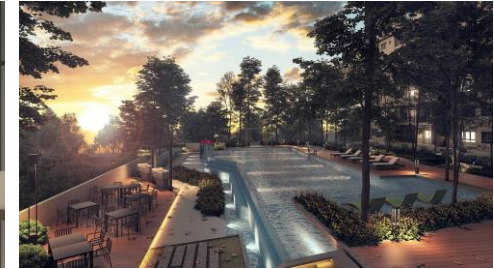


MORI RESIDENCES

SCIENTEX

R A W A N G

TAMAN SCIENTEX PARK



Launched high-rise development in Taman Scientex Rawang, Selangor

- Freehold residence in Rawang hotspot
- 4-acre private Alpine Park and 40+ facilities
- Featuring energy efficiency, lower maintenance, and sustainable home - GreenRE certified upon completion
- GDV of RM230 million

Take-up rate 85%

Operations Review: New Property Launches

Continuing ambitious landbanking and cross-border growth strategy... to launch maiden project in Sungai Petani, Kedah in FY2023

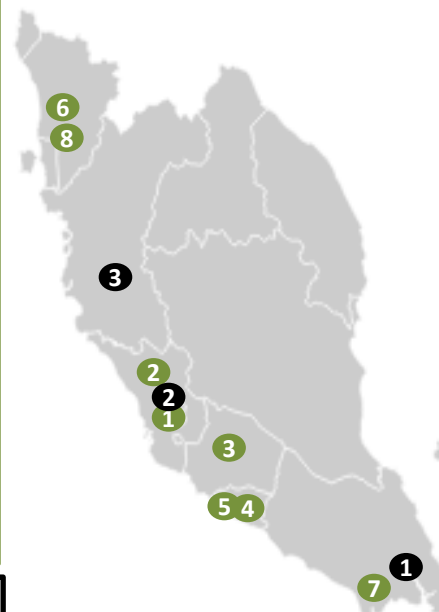
Completed as at Jul' 2022 (2,511 acres)

- 1 Cheras, Selangor: 139 acres, RM96.6 mil
- 2 Kundang Jaya 2, Selangor: 41 acres, RM30.4 mil
- 3 Seremban, Negeri Sembilan: 109 acres, RM66.2 mil
- 4 Jasin, Melaka: 1,357 acres, RM260.2 mil
- 5 Jasin, Melaka: 158 acres, RM75.6 mil
- 6 Sungai Petani, Kedah: 162 acres, RM35.9 mil
- 7 Pulai, Johor: 202 acres, RM184.7 mil
- 8 Northern Seberang Perai: 343 acres, RM246.7 mil

Pending Completion (1,430 acres)

- 1 Mukim Tebrau, Johor Bahru: 960 acres, RM518.1 mil
- 2 Jenjarom, Selangor 251 acres, RM207.6 mil
- 3 Klebang, Ipoh: 219 acres, RM66.9 mil

Peninsular Malaysia



As at
FY21*

29
developments

RM36.5B
Potential GDV

7,197
acres

As at
FY22*

31
developments

RM38.8B
Potential GDV

7,665
acres

*Includes landbank pending completion.

Growth Strategies: Property Development

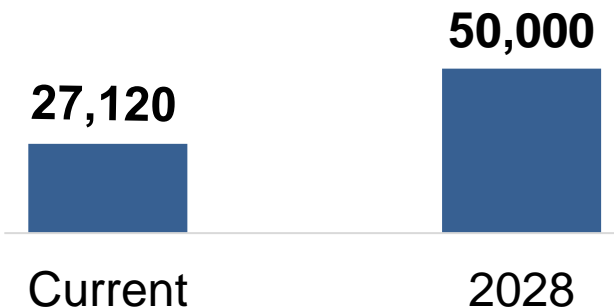
Aiming to provide high-quality, reasonably priced homes to meet Malaysia's growing need for affordable housing...



Vision 2028

- ❖ To deliver **50,000** affordable homes to the public by 2028

Number of affordable homes built



Growth Strategies

- ❖ Implementing cost optimisation initiatives across value chain
- ❖ Prioritising three main pillars: Speed, Cost and Quality
- ❖ Continuously engaging in strategic landbank expansion

Growth Strategies: Property Development



SUSTAINABILITY

Sustainable thinking embedded at the heart of business process and strategies... driving shared value for stakeholders and the planet



CREATING SHARED SUSTAINABLE VALUE

- Responsible Business Conduct and Governance
- Providing Affordable Housing
- Product Innovation
- Economic Value Contributed



FOR THE BETTERMENT OF THE ENVIRONMENT

- Responsible Waste Management
- Optimising Consumption of Materials
- Reducing Energy Efficiency and Emissions
- Environmental Compliance



OUR PEOPLE, OUR PRIDE

- Occupational Safety and Health
- Empowering Our People
- Contributing to Local Communities



Operations Review: ESG pillars

Pursuing innovation to create sustainable economic value for society at large... upholding best practices across the value chain

CREATING SHARED SUSTAINABLE VALUE



RM3.4 billion
in economic value

distributed to
shareholders, employees,
suppliers and governments



27 product
innovations

successfully
commercialised

1,403 units
of affordable homes
completed



FTSE4Good

Listed as a constituent
company of the
FTSE4GOOD Bursa
Malaysia (F4GBM) Index

Leading the way in pioneering transformative solutions for a better tomorrow...

FOR THE BETTERMENT OF THE ENVIRONMENT

23.6%

reduction
in plastic waste generated
by the Packaging Division



7.8%

recycled resin used
in production



1.6%

decrease
in Group-wide GHG
emissions



4 additional
manufacturing plants

receive the ISCC Plus Certification
for post-consumer resin traceability



10.9%

decrease
in Group-wide GHG
emissions Intensity

Safeguarding employees well-being and providing local communities with opportunities for socio-economic advancement...

OUR PEOPLE, OUR PRIDE



Members of local communities comprise

80%

of our workforce



RM900,000

donated to local communities

** Including resources pooled from our generous employees across the Group*

ZERO

on-site fatalities recorded



50%

increase in the training hours per employee





INVESTMENT MERITS

Twin growth engines with further potential to expand... attractive proxy to the burgeoning packaging sector and Malaysia's affordable property market

Regional leader in total solutions for packaging

- Among top producers of FPP in the world from stretch film to custom films such as BOPP, PE and CPP films for laminated packaging products
- Among the very few FPP players capable of achieving circular chain of plastic economy and providing highly demanded sustainable packaging solutions

Property division continues expanding

- A leading developer of affordable homes in Malaysia
- Overwhelming take-up achieved from most projects within 6 months
- Expanded further across Peninsular Malaysia for affordable homes
- Ongoing & future GDV stands at RM31.1b

Growth-oriented management with global mindset

- Vast experience in executing strategic expansion plans across both domestic and international markets
- Successfully undertaken acquisitions of Great Wall Plastics, Seacera Polyfilms, Mondi Ipoh, KHPI, SPAK (formerly Daibochi), and Taisei Lamick Malaysia (ongoing)
- Presence in US, Vietnam, Malaysia, Myanmar, Australia, Japan, Indonesia and Singapore; exports to over 60 countries, and growing

Dividend Policy

- Consistently paid dividends since 2001
- 30% dividend payout policy effective 2011

Valuations @ 26 Sep 2022

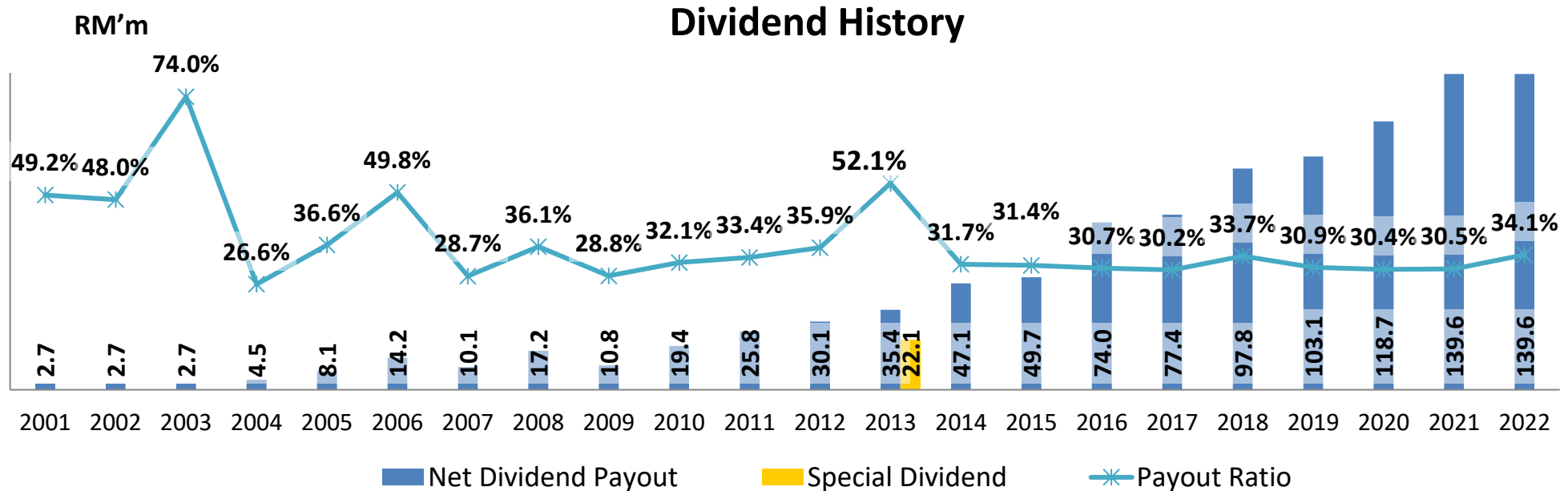
Share Price (RM)	3.53
Market Cap (RM 'mil)	5,475.0
Market Cap (USD 'mil)	1,190.2
PE (ttm)	13.4
EV/EBITDA (ttm)	9.7
FY22 Dividend Yield	2.5%

Share Price Performance (27 Sep 2021 to 26 Sep 2022)



Investment Merits

Kept dividend policies even in high-growth model... total dividends of 9 sen in respect of FY2022



FY2021 Dividend: Total Dividend of 9 sen

- Paid interim dividend of 4 sen per share on 23 July 2021
- Paid final dividend of 5 sen per share on 13 January 2022

FY2022 Dividend: Total Dividend of 9 sen

- Paid interim dividend of 4 sen per share on 22 July 2022
- Proposed final dividend of 5 sen per share, subject to shareholders approval

Dividend Policy:
Minimum 30% of Net Profit
 (effective FY2011)

Dividend History



Thank You

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