



SCIENTEX PACKAGING (AYER KEROH) BERHAD

(Company No: 197201001354 [12994-W])

(Incorporated in Malaysia)

QUARTERLY REPORT

Quarterly report on consolidated results for the financial quarter ended 31 January 2025

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 31 January 2025

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31.1.2025 RM'000	Preceding year corresponding quarter 31.1.2024 RM'000	Current year to date 31.1.2025 RM'000	Preceding year corresponding period 31.1.2024 RM'000
Revenue	183,874	175,845	363,160	348,819
Operating profit	13,515	11,354	19,184	22,954
Interest expense	(942)	(724)	(1,938)	(1,747)
Profit before tax	12,573	10,630	17,246	21,207
Taxation	(3,145)	(2,621)	(4,499)	(5,120)
Profit for the quarter / period	9,428	8,009	12,747	16,087
Profit attributable to:				
Owners of the Company	9,350	8,018	12,246	15,724
Non-controlling interests	78	(9)	501	363
Profit for the quarter / period	9,428	8,009	12,747	16,087
Earnings per share attributable to owners of the Company (sen per share)				
- Basic	2.66	2.28	3.49	4.48

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2024)



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QUARTERLY REPORT

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The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 January 2025

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31.1.2025 RM'000	31.1.2024 RM'000	31.1.2025 RM'000	31.1.2024 RM'000
Profit for the quarter / period	9,428	8,009	12,747	16,087
Other comprehensive (loss)/income, net of income tax:				
Item that may be reclassified subsequently to profit or loss:				
- Foreign currency translation of foreign operations	(13,610)	406	(15,487)	1,826
Other comprehensive (loss)/income for the quarter / period, net of income tax	(13,610)	406	(15,487)	1,826
Total comprehensive (loss)/income for the quarter / period, net of income tax	(4,182)	8,415	(2,740)	17,913
Total comprehensive (loss)/income for the quarter / period attributable to:				
Owners of the Company	837	8,489	2,302	17,131
Non-controlling interests	(5,019)	(74)	(5,042)	782
	(4,182)	8,415	(2,740)	17,913

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2024)



SCIENTEX PACKAGING (AYER KEROH) BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 January 2025

	AS AT CURRENT FINANCIAL QUARTER ENDED 31.1.2025 RM'000 (Unaudited)	AS AT PRECEDING FINANCIAL YEAR ENDED 31.7.2024 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	293,289	303,206
Right-of-use assets	1,117	1,736
Deferred tax assets	323	347
Goodwill	42,786	42,786
	337,515	348,075
Current assets		
Inventories	83,474	84,731
Trade and other receivables	136,528	136,999
Tax recoverable	158	1,016
Cash and bank balances	31,993	40,808
	252,153	263,554
TOTAL ASSETS	589,668	611,629
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	221,213	221,213
Reserves	173,207	188,436
Equity attributable to owners of the Company	394,420	409,649
Non-controlling interests	3,728	9,731
Total equity	398,148	419,380
Non-current liabilities		
Lease liabilities	677	1,337
Deferred tax liabilities	36,103	36,016
	36,780	37,353
Current liabilities		
Borrowings	41,758	49,636
Lease liabilities	1,557	4,012
Trade and other payables	108,325	100,854
Tax liabilities	3,100	394
	154,740	154,896
Total liabilities	191,520	192,249
TOTAL EQUITY AND LIABILITIES	589,668	611,629
Net assets per share attributable to owners of the Company (RM)	1.12	1.17

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2024)



SCIENTEX PACKAGING (AYER KEROH) BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 January 2025

	Share capital RM'000	Treasury shares RM'000	Reserves		Retained earnings RM'000	Attributable to the equity holders of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
			Non-distributable	Distributable				
			Revaluation reserve RM'000	Translation reserves RM'000				
As at 1 August 2024	222,358	(1,145)	18,886	(11,103)	180,653	409,649	9,731	419,380
Profit for the period	-	-	-	-	12,246	12,246	501	12,747
Other comprehensive loss for the period	-	-	-	(9,944)	-	(9,944)	(5,543)	(15,487)
Total comprehensive (loss)/income for the period	-	-	-	(9,944)	12,246	2,302	(5,042)	(2,740)
Dividends paid	-	-	-	-	(17,531)	(17,531)	(961)	(18,492)
As at 31 January 2025	222,358	(1,145)	18,886	(21,047)	175,368	394,420	3,728	398,148
As at 1 August 2023	222,358	(1,145)	7,468	(11,041)	165,634	383,274	8,157	391,431
Profit for the period	-	-	-	-	15,724	15,724	363	16,087
Other comprehensive income for the period	-	-	-	1,407	-	1,407	419	1,826
Total comprehensive income for the period	-	-	-	1,407	15,724	17,131	782	17,913
Dividends paid	-	-	-	-	(8,766)	(8,766)	-	(8,766)
As at 31 January 2024	222,358	(1,145)	7,468	(9,634)	172,592	391,639	8,939	400,578

(The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2024)

SCIENTEX PACKAGING (AYER KEROH) BERHAD

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(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

For the six months ended 31 January 2025

	6 MONTHS ENDED 31.1.2025 RM'000	6 MONTHS ENDED 31.1.2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	17,246	21,207
Adjustments	16,531	16,078
Operating profit before working capital changes	33,777	37,285
Movement in working capital:		
(Increase)/decrease in inventories	(2,787)	10,554
Increase in receivables	(650)	(3,331)
Increase in payables	7,280	979
Cash generated from operations	37,620	45,487
Interest received	622	595
Tax (paid)/refund	(979)	581
Net cash from operating activities	37,263	46,663
CASH FLOWS USED IN INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	303	14
Purchase of property, plant and equipment	(3,357)	(4,743)
Deposit paid for purchase of property, plant and equipment	(448)	(1,282)
Net cash used in investing activities	(3,502)	(6,011)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Net repayment of short-term borrowings	(7,878)	(28,749)
Dividends paid to shareholders of the Company	(17,531)	(8,766)
Dividends paid to non-controlling interests	(961)	-
Interest paid	(1,882)	(1,654)
Interest paid on lease liabilities	(56)	(93)
Repayment of lease liabilities	(522)	(526)
Net cash used in financing activities	(28,830)	(39,788)
NET CHANGE IN CASH AND CASH EQUIVALENTS	4,931	864
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	40,808	23,615
Effect of exchange differences	(13,746)	993
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	31,993	25,472

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2024)

SCIENTEX PACKAGING (AYER KEROH) BERHAD

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NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 JANUARY 2025

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 2024 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 2024.

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 2024, except for the adoption of the following amendments to MFRSs that are effective for the financial statements beginning on 1 August 2024, as disclosed below:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

The adoption of these amendments to MFRSs does not 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 2024 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. As at 31 January 2025, the total number of issued shares of the Company was 351,171,292 ordinary shares, out of which 550,100 ordinary shares were held as treasury shares.

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A7 Dividends paid

The amount of dividend paid by the Company since 31 July 2024 was as follows:

RM'000

In respect of the financial year ended 31 July 2024:

Single tier final dividend of 5.00 sen per ordinary share declared on 17 December 2024 and paid on 14 January 2025.

17,531

A8 Segment information

The Group did not present operating segment analysis as the business of the Group focuses solely in manufacturing and marketing of flexible plastic packaging materials within their internal reporting system. Accordingly, the chief operating decision makers review the business performance of the Group as a whole.

A9 Disclosure items

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

	3 months ended		6 months ended	
	31.1.2025	31.1.2024	31.1.2025	31.1.2024
	RM'000	RM'000	RM'000	RM'000
(a) Interest income	(237)	(325)	(622)	(595)
(b) Other income	(41)	(10)	(44)	(31)
(c) Interest expense	919	681	1,882	1,654
(d) Interest on lease liabilities	23	43	56	93
(e) Depreciation of property, plant and equipment	7,586	7,863	15,239	15,864
(f) Depreciation of right-of-use assets	305	313	618	665
(g) Net write-back of receivables	(136)	(87)	(190)	(137)
(h) Net provision/(write-back) of inventories	452	(723)	245	(1,243)
(i) Gain on disposal of plant and equipment	(29)	-	(303)	(6)
(j) Property, plant and equipment written off	13	6	14	6
(k) Net foreign exchange loss/(gain)	906	189	4,805	(498)

In the current financial quarter and current financial year-to-date ended 31 January 2025, there were no:

- Gain or loss on disposal of quoted or unquoted investments;
- Impairment of assets; and
- Any other material items not disclosed above.

A10 Valuation of property, plant and equipment

The valuation of property, plant and equipment were brought forward without any amendments from the preceding annual financial statements.

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.

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.

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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 31.1.2025 RM'000	As at 31.1.2024 RM'000
Approved and contracted for:		
Purchase of plant and machinery	13,031	2,168

A15 Related party transactions

The Group's related party transactions in the current financial quarter and current financial year-to-date ended 31 January 2025 were as follows:

	3 months ended		6 months ended	
	31.1.2025 RM'000	31.1.2024 RM'000	31.1.2025 RM'000	31.1.2024 RM'000
Other related companies *				
Sale of goods	9	2,055	28	2,294
Purchase of goods	57,597	56,611	120,001	97,371
Services received	30	30	60	60

* Other related companies refer to subsidiaries and/or associates of holding company, Scientex Berhad.

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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 JANUARY 2025

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

B1 Review of performance

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current year quarter	Preceding year corresponding quarter		Current year-to-date	Preceding year corresponding period	
	31.1.2025 RM'000	31.1.2024 RM'000		31.1.2025 RM'000	31.1.2024 RM'000	
Revenue	183,874	175,845	4.6%	363,160	348,819	4.1%
Operating profit	13,515	11,354	19.0%	19,184	22,954	-16.4%
Profit attributable to owners of the Company	9,350	8,018	16.6%	12,246	15,724	-22.1%

Current quarter review

For the current financial quarter ended 31 January 2025, the Group achieved revenue of RM183.87 million, reflecting an increase of 4.6% compared to RM175.85 million recorded in the preceding year corresponding quarter. The increase was mainly due to higher sales in its export market. Export sales contributed RM81.62 million or 44.4% of the group revenue whilst domestic market contributed the balance RM102.25 million or 55.6% of the group revenue.

With higher revenue, operating profit increased from RM11.35 million to RM13.52 million. A better sales mix and improved operational efficiency also contributed to the performance for the quarter under review.

6-month review

For the 6-month financial period ended 31 January 2025, the Group recorded revenue of RM363.16 million, an increase of 4.1% compared to RM348.82 million recorded in the preceding year corresponding period, mainly attributed to stronger demand in export markets. Exports as a percentage to group revenue increased to 46.4% compared to 41.8% in the preceding year corresponding period.

Despite the higher revenue, the Group's operating profit declined by 16.4% to RM19.18 million from RM22.95 million recorded in the preceding year corresponding period. The reduction in operating profit was primarily due to foreign exchange losses incurred in current financial period.

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

	Current year quarter	Preceding quarter	Changes %
	31.1.2025 RM'000	31.10.2024 RM'000	
Revenue	183,874	179,286	2.6%
Profit before tax ("PBT")	12,573	4,673	> 100%
Profit attributable to owners of the Company	9,350	2,896	> 100%

For the three months ended 31 January 2025, the Group achieved revenue of RM183.87 million, reflecting an increase of 2.6% compared to RM179.29 million recorded in the preceding quarter.

PBT saw an increase to RM12.57 million, up from RM4.67 million in the preceding quarter. This growth was driven by better sales mix, improved in operational efficiency and a lower foreign exchange losses.

B3 Current financial year prospects

The global market outlook remains challenging, influenced by ongoing political uncertainties, inflationary pressures, and subdued market sentiment.

Amid these conditions, the Group remains steadfast in managing operational costs and maintaining competitiveness through optimised machine utilisation, waste reduction, and enhanced workforce productivity.

With sustainability emerging as a key priority in modern consumer lifestyles, the Group leverages its technical expertise and innovation capabilities to deliver customer-centric packaging solutions that align with evolving market demands while working closely with its customers in advancing their sustainability goals.

As part of its commitment to reducing its carbon footprint in operation, the Group has recently completed the installation of solar rooftop photovoltaic (PV) systems. The solar rooftop PV systems will contribute to lower energy costs and reduce Scope 2 emissions. This initiative underscores our dedication to embedding renewable energy into operations and creating shared value for our customers.

Meanwhile, socioeconomic conditions in Myanmar remain challenging due to ongoing political and economic instability. The Group continues to closely monitor the situation and national policy changes to mitigate any potential impact on operations while exploring alternative options for its Myanmar business.

Despite external challenges, the Group remains committed to enhancing its competitiveness and driving sustainable performance in the current 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.

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B5 Taxation

Details of tax expense for the current financial quarter and current financial year-to-date were as follows:

	3 months ended		6 months ended	
	31.1.2025	31.1.2024	31.1.2025	31.1.2024
	RM'000	RM'000	RM'000	RM'000
In respect of current quarter/period:				
- Income tax	2,959	3,248	4,412	4,717
- Deferred tax	186	(627)	87	403
	<u>3,145</u>	<u>2,621</u>	<u>4,499</u>	<u>5,120</u>

The effective tax rate for the current financial quarter and year-to-date under review is higher than the statutory income tax rate due to certain non-deductible expenses.

B6 Status of corporate proposals

There were no material corporate proposals announced and not completed as at the date of this report.

B7 Borrowings

	Short term	
	As at 31.1.2025 RM'000	As at 31.1.2024 RM'000
<u>Unsecured:</u>		
Denominated in RM		
- Trade financing	41,758	28,844
Total	41,758	28,844

B8 Material litigation

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

B9 Dividend

The Board of Directors does not recommend any dividend for the current financial quarter under review.

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B10 Earnings per share

		3 months ended		6 months ended	
		31.1.2025	31.1.2024	31.1.2025	31.1.2024
(i) Basic earnings per share					
Profit attributable to owners of the Company	RM'000	9,350	8,018	12,246	15,724
Weighted average number of ordinary shares	'000	350,621	350,621	350,621	350,621
Basic earnings per ordinary share	(sen)	2.66	2.28	3.49	4.48

- (ii) Diluted earnings per ordinary share are not presented as there are no dilutive potential ordinary shares outstanding for the current financial quarter.

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)
Geetharani A/P Ranganathan (MAICSA 7070549) (SSM Practising Certificate No. 201908000614)
Company Secretaries

11 March 2025