

**Scientex Packaging (Ayer Keroh) Bhd - Q&A at AGM, 17 Dec 2024 - personal notes, paraphrased**

<i>Question / topic</i>	<i>Company answer</i>	<i>Questions remaining</i>
Sales down 8% in FY24 (12% in US\$) - volume, ASP, insights?	Vol -3%, ASP down due to product mix. Demand down... vague, as per annual report.	Which forms of packaging are gaining on FPP? What are the adverse changes in product mix? What are we doing about it?
Freight costs blamed...	Peaked In 1Q, softened, surged in 4Q Some contracts pass through, but with time lag	Significance of freight costs within mix?
Staff costs -15% in FY24 - ?	Headcount down (22%!), + cost control	Staff competence, morale, retention?
6 major accidents ?	The fault of employees not following SOPs	
Automated bag manufacturing facility	Investment RM11m, utilisation 35-40%, est payback 4yrs. Focus on petfood bags, discussing other applications.	
Rooftop solar	4.5MWp, costing RM9m, to be complete 1Q25, hoping to save 10% of elec costs, est payback 4yrs.	
Capacity utilisation	55% in Malaysia, 25% in Myanmar	
Myanmar, 'considering options' - ?	Company remains profitable (NP & OCF margins > rest of group, despite war)	
Competitors?	Amcor, Huhtamaki, Tomypak Cost competition intensifying especially from China	SciPack's margin decline esp severe?
Growth potential	New markets in Brazil, Ghana (?) & Japan	??? What about current markets???
Purchases from Scientex soared... 20% by value in full yr, more in recent qtrs	RPT volume rose 15%, with an increase in speciality film, & film with post-consumer resin, these higher-priced	
Faster payment for Scientex purchases...	Shorter credit terms for film with PCR content	
ROE sliding, targets?	No target	
ROE strategies for improvement	Cost control & efficiency	err, sales, marketing, product quality...?
Assessments of board & mgt perf, KPI?	No KPI, all fine	
Investor briefings, please resume	No, too busy	