

Daibochi 1Q21 net profit grows 16.5% to RM12.8 million

- *On track to complete RM100 million expansion plans to boost annual production capacity by 60%*
- *Increased commercialisation of sustainable flexible packaging solutions; supporting multinational customers' (MNCs) sustainability goals*
- *Shareholders approve 3.0 sen final dividend in respect of FY2020*

Melaka, Malaysia, 16 December 2020 - Flexible packaging manufacturer Daibochi Berhad (Daibochi; 耐慕志; Bloomberg: DPP:MK; Reuters: DPPM.KL) saw its net profit for the first quarter ended 31 October 2020 (1Q21) grow 16.5% to RM12.8 million from RM11.0 million previously, supported by higher sales to major consumer brands.

Group revenue rose 2.7% to RM156.7 million in 1Q21 from RM152.6 million previously, led by contributions from packaging sales in the Malaysian market which expanded 5.1% to RM88.5 million from RM84.2 million previously. Exports remained largely unchanged at RM68.2 million in 1Q21 versus RM68.3 million previously.

Daibochi's Executive Director Low Jin Wei reiterated that while the Group remained resilient in supporting flexible packaging requirements of MNCs in the food and beverage (F&B) and fast-moving consumer goods (FMCG) sectors, it is also paving the path forward by developing new sustainable solutions and expanding capacity.

“For over two decades, Daibochi has set benchmarks for high-quality and high-performance flexible packaging for the F&B and FMCG sectors. Today, we continue to reinforce our regional leadership by aligning our research and development activities with our customers’ goals to adopt sustainable packaging solutions towards carbon neutrality.

To date, we have commercialised various sustainable flexible packaging products through joint research and development with Scientex and our MNC clients, comprising mainly mono-material laminates that are 100% recyclable.

In addition to supporting increasing demands for sustainable packaging solutions, we also continue to fulfil the growing requirements for our existing packaging products. In this regard, we are well on track in our RM100 million capital expenditure programme to expand our production capacity by 60%.

The expansions come in a timely manner to support our growth efforts, as we set sights on increasing our coverage of new product categories in the F&B and FMCG segments, as well as grow our customer base in Southeast Asia and Oceania.”

***Mr. Low Jin Wei (“刘任伟”)
Executive Director, Daibochi Berhad***

At the Annual General Meeting held today, Daibochi shareholders approved the proposed final dividend of 3 sen per share in respect of FY2020, with ex-date on 30 December 2020 and payable on 15 January 2021. Together with an earlier paid interim dividend of 2 sen per share, total dividends amount to 5 sen per share with total payout of RM16.4 million, representing 34.3% of net profit for FY2020.



About Daibochi Berhad (www.daibochi.com)

Daibochi, established in 1972, is a leading end-to-end flexible packaging solutions provider for globally-renowned clients in the Food & Beverage (“F&B”) and FMCG sectors. Daibochi became a member of the Scientex Group since April 2019.

Daibochi’s scope of services includes printing, extrusion/dry lamination, slitting and bagging. The Group’s Melaka plants in Malaysia are equipped with ISO:9001, ISO:14001 and FSSC:22000 certifications.

Through the years, Daibochi has built a strong MNC-focused clientele which includes Nestle, Mondelez International, PepsiCo, and Mars. The Group also exports its products overseas, including to South East Asia and Oceania.

Issued for and on behalf of DAIBOCHI BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd. For more information, please contact:

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