

Scientex to invest RM9.6m more in Vietnam plant

By JASON NG

SCIENTEX Incorporated Bhd is expected to spend up to US\$3 million (RM9.6 million) for its Vietnam operation this year, in its efforts to expand into the food packaging business.

Managing director Lim Peng Jin said the company will install five more production lines to churn out an additional 200 tonnes of products in its Vietnam factory by the third quarter of its financial year.

"Demand is growing. To-

With the demand for food packaging growing at a rate of 10% annually, the company will install five more production lines to churn out an additional 200 tonnes of products

day, with microwave and convenience stores, the demand for food packaging will grow at rate of 10% annually, in line with the trends in developed countries," he said, after the company's EGM in Kuala Lumpur yesterday.

Lim said the market for food packaging is estimated to be worth some RM576.16 billion this year.

Late last year, the company invested about RM3.6 million on extruders and weaving machinery at its Vietnam plant for the production of woven fabrics and flexible intermediate bulk containers.

Following the expansion, Scientex increased its production capacity to 300 tonnes per month from 150 tonnes.

Meanwhile, its property

division will be launching a mixed development project with RM500 million gross development value in Kulai, Johor, this month.

The company plans to build about 4,000 units of mixed development properties on 100ha of land, which Scientex acquired on Aug 31, 2007.

The project is expected to be completed in 10 years.

At the EGM yesterday, the company's shareholders approved the privatisation exercise of its 61.37% controlled Scientex Packaging Bhd unit.