

Scientex optimistic of completing 50,000 affordable houses by 2028

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KUALA LUMPUR, Nov 7 (Bernama) – Global packaging manufacturer and property developer Scientex Bhd is optimistic of building 3,250 affordable houses in Peninsular Malaysia annually over the next 10 years, to achieve its Vision 2028 of completing 50,000 units.

Managing Director Lim Peng Jin said based on the company's experience of building over 2,000 units between 2014 until 2018, the target is realistic, supported by the efficiency of the Industrialised Building System (IBS) which the company has worked on for the past 20 years.

"With a higher volume, standard design and structure, we believe the IBS can help to bring down the construction cost to about 10-15 per cent and speed up construction.

"The exemption of the Sales and Service Tax (SST) on construction services and building materials announced by the government in the 2019 Budget could overall contribute to lowering the cost too," he told reporters after company's book launch in conjunction with its 50th anniversary here today.

Scientex has delivered 17,500 units of affordable houses priced RM500,000 and below since 1995.

Lim said the company has developed properties worth RM4 billion in Johor, Melaka, Selangor and Perak with 75 per cent of the units priced below RM300,000 and the remainder between RM300,000 and RM500,000.

He also said that although the company has 1,335.46 hectares (3,300 acres) of landbank in the four states, it will continue to seek opportunities to increase its landbank, particularly in Peninsular Malaysia.

Commenting on the 2019 Budget announcement on property crowdfunding driven by the private sector as an alternative for first-time home buyers, Lim said it is an innovative scheme but the company would need more information on the implementation mechanism.

"We are not in the scheme, but we are closely monitoring as developers will face a challenge of how to help homebuyers get bank loans," said Lim.

Earlier at the event, Lim said the company, which was incorporated in 1968, aims to become a RM10 billion company producing one million metric tonnes of flexible plastic packaging and completing 50,000 affordable homes in its Vision 2028.

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