

Scientex unit proposes to acquire land in Selangor for RM123.28 million



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KUALA LUMPUR, May 13 (Bernama) -- Scientex Bhd is acquiring five parcels of freehold land in Rawang and Bandar Kundang, Selangor, for RM123.28 million to expand its landbank for property development activities.

The company, which is also a manufacturer of packaging products, said its wholly-owned subsidiary, Scientex Park (M) Sdn Bhd (SPSB), today entered into two conditional agreements for the purchase.

In a filing with Bursa Malaysia today, Scientex said SPSB had signed an agreement with Swan Lake City Sdn Bhd to purchase three parcels of land worth RM111.20 million.

The company had also signed another agreement with Fair City Sdn Bhd to purchase two parcels of land for RM12.08 million.

"The total purchase consideration of RM123.28 for the land was arrived at on a willing-buyer, willing-seller basis, after taking into consideration the strategic location of the land and its development prospects, which would allow Scientex group the opportunity to create greater economic value and increase the earnings potential, as well as to obtain better foothold in the property market," it said.

The group said the acquisition would also boost and expand its existing landbank and sustain its property development over the medium and long term.

"The close proximity between the group's existing Rawang development and the proposed development will enable the group to build affordable homes," it said.

The proposed acquisition, which is expected to be completed in the first half of 2020, will be funded by internal funds, bank loans and issuance of Sukuk Murabahah.

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