

# Scientex to invest US\$25m in new US plant

**KUALA LUMPUR:** Scientex Bhd, a global packaging manufacturer and leading property developer, will invest up to US\$25 million (RM106.2 million) to set up a new stretch film manufacturing plant in Arizona in the United States, doubling its first venture in the West.

This endeavour will be undertaken by its newly formed wholly-owned subsidiary, Scientex Phoenix LLC, which will target the north, central and south American markets to take advantage of their anticipated ample supply of shale gas-based resin for raw materials.

“Being the largest stretch film producer in the Asia-Pacific region, Scientex today is the leading supplier of stretch film to Japan. With this new Arizona plant, we will bring

into the market our proven Japanese quality stretch film, using our expertise in cost-efficient production,” said managing director Lim Peng Jin in a statement.

He said the new plant would also create job opportunities in Arizona, supporting the initiatives of the state government.

“Moreover, our strategic location in the US places us close to the source of raw materials, enabling us to enjoy competitive prices and cost-savings in logistics.

“Combined with our strong track record in highly-efficient production practices, we believe this new

plant would enhance our competitive advantage in the global arena.”

Upon its targeted completion by the end of next year, the Arizona plant would house two stretch film lines with an annual production capacity of 30,000 tonnes, effectively reinforcing Scientex’s position among the top stretch film suppliers in the world.

Established in 1968 as a PVC cloth and leather manufacturer, Scientex today produces stretch films, consumer packaging, polypropylene strapping bands, form-fill and seal bags, polypropylene and polyethylene woven and

laminated bags, raffia tapes, flexible intermediate bulk containers, polyurethane adhesives and polymer materials such as laminated products, thermoplastic polyolefin and PVC sheets for automotive interior parts and solar encapsulant films.

To date, Scientex has manufacturing facilities in Malaysia and Vietnam, as well as sales and marketing arms in Japan, Indonesia, and Singapore.

Some 75 per cent of its manufacturing products are exported to over 60 countries worldwide.

The company’s shares rose 20 sen to RM6.80 at the close of trading yesterday. TA Securities has projected the stock to increase to RM8.47 and recommended it a “buy”.



**Lim Peng Jin**