

Star BIZ

Scientex acquires 49ha in Kulai for RM123.6mil

KUALA LUMPUR: Property developer and packaging manufacturer Scientex Bhd has acquired two parcels of land totalling 49ha in Kulai, Johor for RM123.6mil, boosting its land bank to 271ha.

The company said in a statement yesterday that the land, situated in Senai along the North-South Expressway and Senai Highway, is 15 to 20 minutes away from its existing townships – Taman Scientex Senai and Taman Pulai Mutiara.

Managing director Lim Peng Jin said the acquisition would be a new growth opportunity for the company, allowing it to extend its expertise in providing affordable properties in Johor.

“It also provides sufficient sustaining power for our property development sec-

tion in the next 10 to 15 years.

“We will continue delivering affordable properties that are attuned to the affordability and preferences of buyers,” he said.

Among notable landmarks in the vicinity are the Senai International Airport, Johor Premium Outlets, and Seri Omega Private and International School.

Lim said a combination of internally-generated funds and bank borrowings would be undertaken to fund the acquisition, of which the ratio had yet to be determined.

“The acquisition is expected to be completed in the second half of next year, subjected to conditions and approval from the Estate Land Board,” he added.

Scientex currently has ongoing projects worth RM1.6bil in five townships in Johor,

namely Pasir Gudang, Kulai, Skudai, Senai and Pulai, besides a mixed development in Malacca.

Lim said property development contributed RM652mil revenue for Scientex, making up 30% of the group’s revenue, for the financial year ended July 31, 2016.

“The rest of the group’s revenue was derived from the manufacturing segment which comprised consumer and industrial packaging for local and international markets.

“We concluded a RM450mil capital expenditure exercise over the past three years to expand the annual capacity of our consumer packaging business from 30,000 tonnes to 156,000 tonnes,” he said. – Bernama