

## Scientex buying controlling stake in Daibochi for RM222m, to launch takeover

### CORPORATE NEWS


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By **Joseph Chin**



Scientex managing director Lim Peng Jin (left) shaking hands with Daibochi executive director Low Chan Tian after signing the agreement which will create a formidable regional giant from Malaysia with extensive resources to compete globally.

KUALA LUMPUR: [Scientex Bhd](#)  will launch a mandatory takeover of Daibochi Bhd to expand the flexible packaging business after it acquired a controlling 42.41% stake for RM222.50mil in a share swap.

Scientex said on Wednesday the proposed purchase of a 42.41% stake would be from several individual vendors who hold a controlling block of shareholding in Daibochi.

The RM222.50mil total purchase consideration or RM1.60 per Daibochi share would be via a share swap through the issuance of one new Scientex share for every 5.5 Daibochi shares held by vendors.

The share sale will trigger a mandatory takeover by Scientex of the remaining shares of Daibochi.

“This merger will enable Scientex to offer an integrated range of products to a larger client base and enhance its capabilities in the flexible packaging business through synergistic and complementary products to better serve global clientele.

“Scientex also intends to maintain Daibochi’s listing status on the Main Market of Bursa Malaysia, and retain all the management and staff,” it said.

Daibochi is a leading flexible packaging provider in the South East Asian region, with manufacturing plants in Malaysia and Myanmar.

Scientex managing director Lim Peng Jin said: “This synergistic merger will create a formidable regional giant from Malaysia with extensive resources to compete globally, offering an integrated range of flexible packaging solutions to a larger client base.

“Further to extending our market reach, it brings together strong technical know-how and skilled talent to tap into the exciting growth prospects for this market segment,” he said.

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