

Scientex to acquire 960-acre land in Johor Bahru for affordable housing township

- *To build approximately 12,000 affordable homes in new Mukim Tebrau township; in line with Group's vision to build 50,000 affordable homes by 2028*

Shah Alam, Selangor, Malaysia, 5 July 2023 - Global packaging manufacturer and leading property developer **Scientex Berhad** (Scientex, 森德公司, Bloomberg: SCI MK) is proposing to acquire 960 acres of freehold land in Mukim Tebrau, Johor Bahru for RM547.7 million, further expanding its presence in affordable housing townships across the state.

The Group's subsidiary Scientex Lestari Sdn Bhd ("Scientex Lestari") had today entered into a Sale and Purchase Agreement ("SPA") with the land vendor Pelangi Sdn Bhd, a subsidiary of SP Setia Berhad. The land acquisition will significantly expand the Group's property development footprint in Johor, adding on to its six existing townships located in Pasir Gudang, Kulai, Skudai, Senai, Pulai, and Kota Tinggi.

The Group intends to launch a new mixed township development project on the land with an estimated 12,000 affordable homes to be built. The project's Gross Development Value (GDV) is yet to be determined.

The land is located within close proximity of the Johor Bahru city centre, and is under the jurisdiction of Majlis Bandaraya Johor Bahru. Additionally, the land is accessible from major highways such as the Senai Desaru Expressway.

"Scientex is committed to fulfilling the growing demand for affordable housing by the local communities. We have built a solid reputation since 1995 synonymous with promoting homes affordability, and we continue to identify strategic locations throughout Malaysia to launch new township developments.

Johor holds great significance as the starting point for our journey in developing affordable housing, with six townships established to date. The upcoming addition of Mukim Tebrau in our portfolio will enhance our ability to meet local population needs.

The anticipated new mixed township development in Mukim Tebrau aligns with our vision of constructing 50,000 affordable homes across Peninsular Malaysia by 2028. As at 30 June 2023, we have reached the milestone of delivering 29,000 homes which reflects our steady progress. This strategic expansion enables us to create a vibrant township in Mukim Tebrau and contribute to Johor's development."

Mr. Lim Peng Jin (林炳仁)
CEO, Scientex Berhad

The proposed land acquisition is subject to approval by the Estate Land Board and the Economic Planning Unit of the Prime Minister's Department of Malaysia, and if required, the approval of Scientex's shareholders. The acquisition will be financed by internally generated funds and bank borrowings, with completion targeted for the first half of 2024.

The same land was previously proposed for acquisition by the Group's subsidiary Scientex Quatari Sdn Bhd in 2021, but was terminated in March 2023 following a lapse in the SPA with Pelangi Sdn Bhd due to non-fulfilment of conditions precedent.

Upon completion of the proposed land purchase, the Group's total landbank across Johor, Melaka, Negeri Sembilan, Selangor, Perak, Penang, and Kedah would expand from approximately 6,700 acres to around 7,660 acres.

Since 1995, the Group has completed development projects worth more than RM8.3 billion in GDV across Peninsular Malaysia. The Group's affordable properties are priced below RM500,000 each, with the majority below the RM300,000 mark. Scientex's ongoing property development projects have total GDV of RM3.7 billion as at 30 April 2023.



About Scientex Berhad (森德公司, www.scientex.com.my)

Scientex Berhad (Scientex) is a leading manufacturer in flexible plastic packaging and a prominent developer of affordable homes in Malaysia.

Established in 1968, our drive to achieve continuous growth has seen us become one of the world's top manufacturers of stretch film and an end-to-end flexible plastic packaging producer with a presence across the packaging value chain, from stretch films, base films and printed films to bags and multi-layered flexible plastic packaging solutions used in industrial and consumer packaging.

To date, Scientex has 18 manufacturing plants across Malaysia, Vietnam, Myanmar and the United States of America; as well as sales offices in 9 countries, namely, Australia, Indonesia, Japan, Myanmar, New Zealand, Philippines, Singapore, Thailand and USA. Approximately 70% of its packaging products are exported to over 60 countries worldwide.

Scientex's property arm has township development projects in Pasir Gudang, Kulai, Skudai, Senai, Pulai, and Kota Tinggi (all in Johor), Ayer Keroh, Durian Tunggal and Jasin (all in Melaka), Seremban (Negeri Sembilan), Rawang and Kundang Jaya (both in Selangor), Ipoh (Perak), Tasek Gelugor (Penang), as well as Sungai Petani (Kedah). The Group is also acquiring a 251-acre land in Jenjarom, Selangor with targeted completion by second half of year 2023. To date, Scientex has delivered RM8.3 billion worth of properties and has projects-in-hand of RM3.7 billion.

Issued for and on behalf of SCIENTEX BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd

For media enquiries, please contact:

For investor enquiries, please contact:

Mr. Tay Tze Yi

E: tayty@aquilas.com.my

T: 03-2711 1391 / 016-3380 555

Ms. Julia Pong

E: julia@aquilas.com.my

T: 03-2711 1391 / 012-3909 258