

Scientex to buy land in Kuala Selangor for RM336m to build mixed-use development

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KUALA LUMPUR (March 8): Plastic products manufacturer Scientex Bhd is set to acquire land in Batang Berjuntai, Kuala Selangor, for a total of RM335.68 million to enhance its property development land bank. The group also proposed to build a mixed-use development on the acquired land.

In bourse filing on Friday, Scientex disclosed that its wholly owned subsidiary Scientex Park (M) Sdn Bhd has entered into a conditional sale and purchase agreement with Metalplex Plantation Sdn Bhd for the proposed acquisition of a parcel of freehold land measuring 826 acres.

Highlighting the promising development potential of the land, Scientex said the proposed acquisition presents an opportunity to create greater economic value and increase earnings potential over the medium to long term.

"The proposed acquisition will enable the Scientex group to leverage its existing and successful business model of providing affordable and quality landed properties to the affordable property mass market in the medium to long term," it said.

Additionally, Scientex said the land bank expansion aligns with the group's objective of constructing more affordable homes, aiming to complete 50,000 such homes nationwide by 2028.

On the proposed mixed-use development, The group said it is currently too preliminary to determine the exact total gross development value, development cost, expected commencement and completion dates of the project, and the anticipated profits from the land development.

The company added that the proposed acquisition will be funded by internally generated funds and bank borrowings.

Pending unforeseen circumstances and subject to the fulfilment of conditions, Scientex expects the acquisition to be completed in its entirety in the first half of 2025.

As of the noon break on Friday, Scientex's shares were three sen or 0.79% higher at RM3.80, giving the group a market capitalisation of RM5.89 billion.