

# Scientex acquires Penang land for RM462.5 mil for future development

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KUALA LUMPUR (May 24): Property developer Scientex Bhd (KL:SCIENTX) said on Friday it is acquiring land in Seberang Perai, Penang for RM462.50 million to expand its land bank for future development.

The plan is to develop the land measuring 708.5 acres (286.72 hectares) into a mixed-property development, Scientex said in an exchange filing on Friday. However, the company noted that it is too early to estimate the potential gross development value of the land and other project details.

The acquisition will be funded with internally generated funds and bank borrowings, Scientex said.

The proposed acquisition is in line with the company's goal to build more affordable homes towards its objective of completing 50,000 affordable homes throughout the nation by 2028.

"The land is expected to provide a steady and sustainable property development model, as the Scientex group continues to focus on affordably priced landed properties, where demand continues to remain firm and resilient," Scientex said.

The proposed acquisition is expected to be completed in its entirety in the first half of 2025, the company added.

In April, Scientex said it had so far handed over 35,062 affordable houses, with about 70% of them sold at prices below RM300,000 per unit.

Scientex's property division, which initially started in Johor, has expanded its reach to Melaka, Negeri Sembilan, Selangor, Perak, Penang, and Kedah. The company has also expanded to Bangkok and Jakarta through joint ventures.

Scientex's net profit for the second financial quarter ended Jan 31, 2024 (2QFY2024) rose 33% to RM141.01 million, from RM106.29 million a year earlier. Revenue for the quarter increased by 12% to RM1.09 billion, from RM978.39 million a year ago.

At Friday's market close, shares in Scientex stood three sen or 0.68% higher at RM4.44, giving the developer a market capitalisation of RM6.89 billion.