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## Scientex to buy Melaka land for mixed property development

BY ADAM AZIZ

**KUALA LUMPUR:** Scientex Bhd is buying two contiguous pieces of freehold agriculture land comprising a combined 208.9 acres (84.5ha) in Alor Gajah, Melaka, for RM68.25 million or RM7.50 per sq ft.

Scientex said it plans to develop the land into a mixed property development.

“However, it is currently too preliminary to ascertain the exact total gross development value, development cost, the expected commencement and completion dates of the development and the expected profits to be derived from the development of the land,” Scientex said in a filing with Bursa Malaysia yesterday.

Scientex, via its indirect wholly-owned subsidiary Scientex Heights Sdn Bhd, yesterday entered into a sale and purchase agreement with private limited Real Golden Development Sdn Bhd for the proposed acquisition.

The group noted that the proposed acquisition will enable it to boost and expand its existing land bank in Melaka.

“The land would provide the group adequate land bank to sustain its property development over the medium and longer term. Fur-

thermore, the close proximity to the group’s existing Durian Tunggal development will enable the group to tap into operational efficiencies and economies of scale to build more affordable homes, with an objective of building 50,000 affordably priced quality homes throughout the nation by 2028,” said Scientex.

**The land will provide it a steady and sustainable property development model.**

It added that the land will provide it a steady and sustainable property development model as the group continues to focus on landed affordably priced properties where demand has remained firm and resilient.

The group said the proposed acquisition will be funded by internal funds and/or bank borrowings.

“Barring any unforeseen circumstances, the proposed acquisition is expected to be completed in the first half of 2019,” it added.

Scientex shares closed up five sen or 0.6% at RM8.40 yesterday, giving it a market capitalisation of RM4.11 billion.