

# Scientex buys land in Johor Bahru city centre to build 12,000 affordable homes

By [S Birruntha](#) - July 5, 2023 @ 6:58pm



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KUALA LUMPUR: Scientex Bhd's subsidiary Scientex Lestari Sdn Bhd is buying 960 acre land in Johor Bahru city centre for RM547.7 million, to build 12,000 affordable homes.

The company today entered into a conditional sale and purchase agreement (SPA) with SP Setia Bhd's subsidiary Pelangi Sdn Bhd for the eight parcels of land in Tebrau, Johor.

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

Meanwhile, SP Setia said the proposed disposal is in line with its direction to optimise and rebalance its land bank whilst maintaining an efficient capital structure.

It will also improve the company's gearing level and allow acceleration of project development and growth of SP Setia's remaining townships in Johor.

Scientex's share price was up 1.4 per cent to RM3.47, while SP Setia's share price was up 0.89 per cent to close at 56.5 sen.