

Ireka sees return from Aseana stake this year

Aseana to sell assets and return capital to shareholders

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KUALA LUMPUR: Ireka Corp Bhd expects its 23% stake in London-listed Aseana Properties Ltd to be realised as early as this year.

Ireka's new executive chairman Datuk Lai Siew Wah said Aseana Properties planned to sell its assets and return its capital to shareholders, including Ireka.

Aseana Properties' core activities are acquisition, development and redevelopment of upscale residential, commercial, hospitality and healthcare projects in the major cities of Malaysia and Vietnam.

"I am also hopeful that with Aseana's plans to realise its assets, we will be able to get our capital returns.

"Ireka is determined to continue providing value for our shareholders and this is the board's top priority," he said in a statement released after its shareholders meeting.

Ireka met shareholders yesterday on the disposal of its land in Senawang, Negri Sembilan to Japanese-owned Aeon for RM53.66mil.

The 20.88-acre site is for a shopping centre to serve Seremban, Seremban 2 and Kuala Pilah.

Ireka's unit, Ireka Engineering & Construction Sdn Bhd, which is selling the land, will also undertake to build the shopping centre and car park for a total maximum price of RM203.14mil.

The disposal price to Aeon includes land conversion premium, earthworks and infrastructure costs.

This transaction provides a good opportunity for Ireka to employ its capability as a developer and design & build contractor to serve multi-national corporations such as Aeon.

Not only is Ireka able to source, purchase and improve on a piece of land in terms of approvals, it can also build on the land, giving

Aeon a hassle-free option to developing a shopping centre.

Ireka has projects with a total gross development value of RM2bil which will keep the company busy for the next five years.

"It is always the company's intention to expand into property development, particularly in the mid-market section and this is why Ireka has launched its new zenZ brand in 2014.

"Properties under the zenZ brand include the Kasia Greens development in Nilai which is 100% sold and due to be handed over to the owners this month.

"Two other projects, Dwi@Rimbun Kasia Courtyard Homes, also in Nilai and ASTA Enterprise Park (Ireka's first foray into the industrial sector), located in Kajang are expected to come on stream over the next few months," it said.

Ireka's construction order book is about RM1.4bil of which RM900mil is still outstanding.