

# Ireka's 23% associate sells Aloft KL for RM418.7m

BY GHO CHEE YUAN

KUALA LUMPUR: Aseana Properties Ltd, a London-listed property developer in which Ireka Corp Bhd has a 23% stake, is selling the Aloft Kuala Lumpur Sentral Hotel in Malaysia to Prosper Group Holdings Ltd for RM418.7 million (US\$104.6 million).

At current exchange rates, Aseana will record a gain of approximately RM138.72 million (US\$35.9 million) from the proposed disposal.

According to its filing with the

London Stock Exchange yesterday, the gross transaction value of RM418.7 million includes the purchase of the entire issued share capital of ASPL M3B Ltd and Iringan Flora Sdn Bhd, and assumptions of certain debts, assets and liabilities of the Aloft companies.

It said the disposal is conditional upon satisfactory completion of a due diligence review by Prosper Group, and on consent from Starwood Asia Pacific Hotels & Resorts Pte Ltd, being the operator of the Aloft Hotel.

Aseana said the proceeds from

the disposal will be used to fully repay the medium-term notes (MTNs) issued for the Aloft Hotel, and to partly repay the MTNs issued for the Harbour Mall Sandakan and Four Points Sheraton Sandakan Hotel.

"Upon repayment, the company's net gearing will be reduced to 0.48 times from 1.12 times, based on unaudited accounts as at Sept 30, 2015," it added.

Aseana, which focuses on the Malaysian and Vietnamese markets, targets to complete the transaction in the third quarter of 2016.