

Aeon to use mall capex for refurbishing

KUALA LUMPUR: Aeon (M) Bhd is expected to use up its capital intended for the purchase of land in Seremban, Negri Sembilan, for the construction of a new shopping centre for refurbishing its existing malls.

The company recently announced that it was terminating the land purchase plan due to non-fulfillment of

the conditions precedents, which lapsed after the agreeable time-frame of 18 months.

TA Securities in its note said it was "neutral" on the termination as it had not factored in any potential contributions from the development before the completion of land acquisition.

"We now assume land purchase

consideration to be used as capex (capital expenditure) for refurbishing its existing malls," it said.

Aeon terminated a sale and purchase agreement with Ireka Engineering & Construction Sdn Bhd for the acquisition of a piece of freehold land in Seremban for construction of a shopping centre.