

## STRATEGIC COLLABORATION

# Ireka, CRRC UT in deal to undertake jobs in Malaysia, region

**KUALA LUMPUR:** Ireka Corp Bhd has inked a share subscription agreement and a memorandum of understanding (MoU) with CRRC Urban Traffic (Europe) Co Ltd (CRRC UT), a member of the China-based CRRC Group, to jointly undertake several projects in Malaysia and in the region.

CRRC UT has taken up a strategic stake in Ireka and will emerge as a substantial shareholder, holding approximately an 8.48 per cent equity interest in the company upon completion of its share subscription.

Together with the share subscription, Ireka and CRRC UT simultaneously signed an MoU to explore business opportunities in four key areas, namely urban traffic solutions, tourism and in-



*CRRC Group is the world's largest producer of rolling stock and rail related products and systems.*

frastructure projects, logistics, trading of construction and building materials, and rail and infrastructure construction pro-

jects arising from China's One Belt One Road initiative in Malaysia.

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largest manufacturer of rolling stock and rail related products and systems.

"The share subscription agreement and MoU are important milestones for a long-term strategic collaboration between Ireka and the CRRC Group as it provides a platform for both parties to leverage on each other's technical knowledge, expertise and experience for expansion and growth in these four areas.

"Ireka's board is confident that the investment from this joint venture will provide the ideal opportunity to diversify into a number of exciting new areas, in particular, urban traffic solutions and rail infrastructure related projects," said the company in a statement yesterday.

The partnership with CRRC

UT will see Ireka venturing into a new business direction that is in line with Malaysia's Economic Transformation Programme, to upgrade the country's public transport and infrastructure system, with the aim to increase modal share of public transport to 40 per cent by 2030.

Ireka said the partnership with CRRC UT would provide urban traffic solutions to develop efficient integrated public transport systems will contribute positively to this goal.

A giant for the railway transportation industry in the world, the CRRC Group already has a presence in Malaysia and is an active player in the country's rail industry through its supply of contracts for the LRT System, Express Rail Link and KTM Komuter.