

# Ireka looking to diversify into rail infrastructure, logistics operations

**PETALING JAYA:** Construction and property company Ireka Corp Bhd is partnering with CRRC Urban Traffic Co Ltd (CRRC UT) and Shentong Express Co Ltd to explore opportunities in the logistics and rail infrastructure industries, a move to diversify its business operations.

The group told Bursa Malaysia that it had on Jan 24 entered into a memorandum of understanding (MoU) with CRRC UT and Shentong Express to establish a formal working relationship focusing on investment and development of logistics warehouses, distribution centres and other ancillary real estate facilities; as well as the supply of infrastructure and equipment including logistics, commercial and special-purpose vehicles to support Shentong Express' business expansion in Malaysia and other markets in Southeast Asia.

Ireka noted that the parties will work together to prepare a comprehensive business plan for the logistics businesses within three months from

the MoU.

China-based CRRC Group is the world's largest manufacturer of rolling stock and rail related products and systems. CRRC UT, being part of the CRRC Group, is involved in providing investments, engineering technology and construction solutions in the rail and urban transportation sectors.

China-listed Shentong Express is an integrated logistics services firm, focusing on express delivery of municipal, inter-provincial and international courier items. It has a presence in China, Korea, Australia, Japan, the US and the UK.

Ireka said the partnership with CRRC UT and Shentong Express will create a strong strategic alliance that provides an important platform for this tripartite relationship to leverage on each other's technical knowledge, expertise and experience for expansion and growth in Malaysia and Southeast Asia.

Ireka and CRRC UT will be Shentong Express' exclusive partner in

developing a strong support infrastructure for Shentong Express' operations, in real estate, as well as in logistics and transport vehicles.

"Over the last 50 years, we have successfully diversified and expanded from being in construction, to property development to real estate and to information technology.

"We are excited about diversifying into urban traffic solutions and rail infrastructure related projects; as well as into the world of logistics.

"I know that Ireka is ideally positioned to take on this new challenge because of our long track record and I am delighted that both CRRC and STO have selected us as a trusted partner to grow their presence in Malaysia and Southeast Asia," said Ireka group managing director Datuk Lai Voon Hon.

Ireka's share price last closed at 74.5 sen. Trading in the counter, which was suspended yesterday pending the company's announcement, will resume today.