



24 JUL, 2019

## Ireka forms JV to explore rail opportunities

The Star, Malaysia

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**PETALING JAYA:** Ireka Corp Bhd has entered into a joint venture (JV) and shareholders' agreement with CRRC Urban Traffic (Europe) Co Ltd (CRRC UT Europe) to pursue urban transportation business opportunities in Malaysia and the South-East Asian region, particularly in the areas of rail, urban transportation, logistics, trading and construction.

In a statement, Ireka said that a 51:49 JV company (JVCo) would be established between Ireka and CRRC UT Europe.

CRRC UT Europe is a subsidiary of CRRC Urban Traffic Co Ltd, a member of the CRRC Group, the world's largest rolling-stock and

rail transit equipment manufacturer.

Earlier on Dec 4, 2017, CRRC UT Europe also took a strategic stake in Ireka, emerging as a substantial shareholder, holding approximately an 8.48% equity interest in the company. "The businesses of the JVCo will include sales and marketing of urban transportation products, special-purpose vehicles and other electro-mechanical equipment from CRRC UT and its affiliates.

"In addition, the JVCo will also provide coordination and liaison services on urban transportation projects; installation, maintenance and after-sales services, the possibility

of manufacturing in respect of vehicles, machinery and equipment; and to explore long-term investment opportunities for urban transportation projects and logistics businesses," said Ireka.

Ireka added that the JVCo would also focus on providing urban traffic solutions to the government, city councils and public institutions by deploying integrated solutions and innovative products such as new energy electric buses, and the autonomous rail rapid transit (ART) system.

ART is a leading-edge technology from the CRRC Group that combines the transit capaci-

ty of a modern tram with a virtual track, rail-less technology, hence bringing about a significant reduction in implementation costs and timeline compared to traditional rail transit systems.

Ireka has three core businesses - infrastructure, real estate and technology.

In its over five decades of operation in the infrastructure business, Ireka has been involved in notable projects such as the MRT V7 rail line, the KL International Airport runway, the Kuala Lumpur Middle Ring Road II and the North-South Expressway, among others.



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### SUMMARIES

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