

PRESS RELEASE



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**IREKA SEES GOOD PROGRESS IN ITS URBAN TRANSPORTATION BUSINESS**

***Kuala Lumpur, 29 September 2020:*** The lockdown and movement restrictions in the country to stop the spread of the COVID-19 virus have impacted Ireka's core businesses, including construction and property development, resulting in the lower turnover for construction work. Ireka, however, has plans to rise above the current crisis caused by the pandemic which includes stringent cost controls and streamlining operations across all the businesses; and increasing our focus on future growth areas.

Its new business unit, Mobilus Sdn Bhd, is one such growth area. Mobilus, a joint venture between Ireka and CRRC Urban Traffic Co., Ltd., a member of CRRC Group, will be implementing the first Automated Rapid Transit (ART) pilot project in Iskandar, Malaysia between December 2020 and February 2021. The pilot project is part of the Iskandar Regional Development Authority's (IRDA) larger implementation plans of the Iskandar Malaysia Bus Rapid Transit project. Ireka believes that upon the successful completion of the pilot, ART can be adopted as a new urban transport system to improve the public transport environment in Iskandar. At the same time, Mobilus has also been supporting the Sarawak State Government and related agencies on assessing the viability of ART for the Kuching Urban Transportation System. Ireka is on the path to being at the forefront of working towards solving the country's urban transportation problem. The need for improved connectivity and convenience of public transportation, to address traffic congestion in an overcrowded road network, with the increased need for parking spaces, amongst other challenges, has created opportunities for innovative urban transportation solutions, in Malaysia and in the region.

Aside from its Urban Transportation business, Ireka has also found opportunities to build on its track record of hospital construction with the country's expansion in this area by private healthcare providers and the Government. Ireka successfully tendered and won the Regency Specialist Hospital project in Johor. Ireka is well positioned to tender for more of these upcoming hospital construction projects. Work on our developments have continued now that all our sites are operational. Ireka is seeing an encouraging increase in post-MCO sales in its mid-market segment development, Dwi@Rimbun Kasia, and is confident that its well-designed, and affordable properties will thrive in a low-interest rate environment. Plans are already in place to

plan for the other phases on the Rimbun Kasia, including an innovative townhouse villa development called TeMu.

On the corporate front, Ireka announced a demerger plan with Aseana Properties Limited (“Asena”) in July 2020. This exercise will see Aseana buying back Ireka’s shares in Aseana, in exchange for certain assets owned by Aseana, namely The RuMa Hotel and Residences and a parcel of land in Kota Kinabalu, Sabah. We see the demerger plan as a positive move for the future of Ireka. Aseana’s shareholders have approved the demerger at their General Meeting held on August 18. We are now awaiting approvals from certain lenders and also shareholders of Ireka. Completion of the demerger is targeted for October 2020.

***“Ireka is breaking new ground with its expansion into urban transportation and being at the forefront of working towards solving the country’s urban transportation problem. I am very excited about the pilot project in Iskandar Malaysia, Johor to study how the ART system can be introduced onto Malaysia’s road infrastructure system. With its strong adaptability and flexibility as a transit system, we are confident that ART will be a game changer to the urban transportation landscape in Malaysia. I am grateful to the Iskandar Regional Development Authority (IRDA) for hosting the pilot project which we hope will help improve public transportation in Iskandar; and to help promote development of the regional economy and society.”***

***(Datuk Lai Voon Hon, Group MD, Ireka Corporation Berhad)***

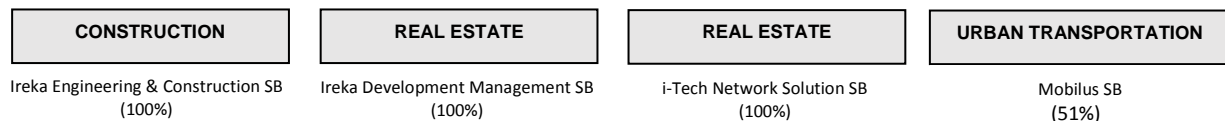
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**The operation of the Automated Rapid Transit System in China**

## **About Ireka Corporation Berhad**

**Ireka Corporation Berhad** ('Ireka') [www.ireka.com.my](http://www.ireka.com.my) was founded in 1967. Ireka was listed on the Second Board of Bursa Malaysia on 12 July 1993, and transferred to the Main Board (*now known as Main Market*) on 13 June 2002. Currently, the Group's activities are divided into four core businesses; namely **Construction, Real Estate, Technologies and Urban Transportation**.



In its over five decades of operation in the construction business, Ireka has distinguished itself by its involvement in constructing some of the country's most notable projects; such as the MRT V7 rail line, the Kuala Lumpur International Airport runway, Kuala Lumpur Middle-Ring Road II, North-South Expressway, Putrajaya Government Administrative Offices, DiGi Corporate Office (D'House), Technology Park Malaysia, The Westin Kuala Lumpur, OCBC Head Office and Wisma AIG.

In July 2019, Ireka and CRRC Urban Traffic (Europe) Co Ltd established a joint-venture company, Mobilus Sdn Bhd to spearhead its urban transportation business in Malaysia and Southeast Asia (ASEAN). A key focus will be on green energy and smart transportation solutions, in particular implementing an Automated Rapid Transit (ART) system for cities (a first for Malaysia and Southeast Asia).

For more information, please visit [www.ireka.com.my](http://www.ireka.com.my)