

[Previous Story](#)[Next Story](#)[Article rank](#) | 28 Apr 2015 | [StarBiz](#)

Pesona Metro buying another concession holder

Pesona's acquisition of SASB is to enable the company to obtain and participate in the concession. - pesona Metro Holdings

PETALING JAYA: Construction firm Pesona Metro Holdings Bhd has further entrenched its position in the concession business by entering into a sale of shares agreement with Semarak Korporat Sdn Bhd (SKSB) to acquire a 90% equity stake in Selasih Asli Sdn Bhd (SASB) for RM60mil.

This would be the company's second acquisition, after it bought SEP Resources Sdn Bhd for RM29.15mil last December.

SEP Resources has a 22-year concession with University Malaysia Perlis (UniMAP) valued at some RM600mil, which was first announced in February 2014.

The company said in a Bursa Malaysia announcement that SASB, a special-purpose vehicle, was incorporated to enter into a concession agreement with the relevant authorities for the design, development and maintenance of student hostels at a tertiary-level institution in Peninsular Malaysia.

SASB, whose directors are Maszeallan Mohamad and Mohamed Irzan Mohamed Al Amin, has not commenced operations.

"Pesona's acquisition of SASB is to enable the company to obtain and participate in the concession. Upon completion of this proposed acquisition, SASB will be a 90%-owned subsidiary of Pesona Metro," it said.

The company said details of the concession would be announced after the signing of the agreement.

A source noted that the acquisition price of RM60mil would be double the amount paid for SEP Resources, thereby valuing the concession closer to RM1.2bil.

In the SEP Resources concession, the agreement came along with a construction cost of RM129.8mil for the design, construction and completion of the facilities and infrastructure relating to the student hostels of UniMAP.

"Pesona Metro is now poised to emerge as one of the bigger construction and development companies in the country.

"With the acquisition of SASB, we will be able to tender for more projects such as student hostels apart from our existing portfolios involving construction of highways and roads. We already have an undisputed proven track record in this particular construction sector.

"It is expected to contribute positively to the company's recurrent revenue once the projects are running," said Pesona Metro managing director Wie Hock Beng.

Recently, there had been reports that the company was working to secure a highway concession in the Klang Valley worth over RM2.1bil as part of a move to diversify its business for future growth and also to secure strong recurrent revenues.

This article was shared by a user of PressReader - an online source of publications from around the world. PressReader contains copyrighted material, trademarks and other proprietary information. Receipt of this article should not be interpreted as grant of any licenses express or implied, to the intellectual property of PressReader or publishers of publications presented. PressReader - Connecting People Through News PressReader, 200-13111 Vanier Place, Richmond BC V6V 2J1, Canada Phone: +1 604 278 4604 © 2003-2015 NewspaperDirect Inc. dba PressReader. All rights reserved. Terms of Use: http://www.pressdisplay.com/pressdisplay/showlink.aspx?pageid=ins_terms Privacy Policy: http://www.pressdisplay.com/pressdisplay/showlink.aspx?pageid=ins_privacy

[Previous Story](#)[Next Story](#)