

Press Release

POIC LAHAD DATU INVESTOR LIST GROWS

KOTA KINABALU, Fri. (March 2, 2012) -- The massive business potentials in Lahad Datu arising from the Lahad Datu palm oil industrial cluster (POIC Lahad Datu) project continues to draw investors.

Pengah Property Sdn Bhd, a subsidiary of Kuala Lumpur-based RENG Corporation Sdn Bhd, became the 40th investor to buy land in POIC Lahad Datu when it signed a sale and purchase agreement today with POIC Sabah Sdn Bhd, the state-owned company developing POIC Lahad Datu.

Pengah purchased 6.6 acres for the development of commercial buildings while RENG Corporation, the parent company specialised in design, construction technology, property and education signed an option to purchase an additional 100 acres. RENG has been in business since 1992.

RENG's group managing director Richard Eng and POIC Sabah's chief executive officer Datuk Dr Pang Teck Wai signed on behalf of their respective companies.

The signing ceremony, held at POIC Sabah's office at Wisma Perindustrian here, was witnessed by Datuk Raymond Tan Shu Kiah, the Sabah Minister of Industrial Development and chairman of POIC Sabah Sdn Bhd.

The land sale represents growing investor confidence in the project, which started in 2005 and has so far attracted about RM4.5 billion investment, the latest being a re-gasification facility by Petronas (Malaysia's national petroleum company) and a 300MW gas-fired power plant by Tenaga Nasional Berhad.

POIC Lahad Datu, which Prime Minister Dato Seri Najib Tun Razak visited on Feb 17, was last Tuesday (Feb 28) boosted by an announcement that the Federal government will fund the construction of a RM400 million container port at the project. in anticipation of the commissioning of major oleochemical plants and the export of oleochemical products.

Pengah is the second property developer who sees bright prospects in the Lahad Datu economy in general, and the demand for spaces for commercial and small and medium enterprises spinning off from POIC Lahad Datu. Sabah-based Bristeel Properties Sdn Bhd is developing 196 units of shop office lots and 26 units of warehouses.

POIC Lahad Datu has been identified as an Entry Point Project under the oil palm national key economic area (NKEA) within the Economic Transformation Programme 2010-2020. The project attempts to realise some of the RM100 billion investment potential in the 1.43 million hectares of oil palm in Sabah, accounting for over 30% of Malaysia's annual crude palm oil output of over 15 million tonnes.

Meanwhile, Pengah Property Sdn Bhd said in a statement that it anticipated a boom in mixed property developments in selected locations in Sabah and decided to get on the "POIC band wagon" because of its near term potentials. It plans to develop terraced and semi-detached industrial buildings priced between RM600,000-RM1 million. The property development is called Kimcrest Industrial Park @ POIC.



Caption:

Mr Richard Eng, Managing Director of Pengah Property Sdn Bhd exchanging the Sale & Purchase Agreement with Datu Dr. Pang Teck Wai, Chief Executive Officer, POIC Sabah Sdn Bhd – witnessed by YB Datuk Raymond Tan Shu Kiah, Ministry of Industrial Development Sabah.