

Hektar signs JV with Singapore's Frasers Centrepoint

KUALA LUMPUR: The Hektar group, which manages the Hektar Real Estate Investment Trust (Hektar REIT), has signed a joint-venture agreement with Singapore's Frasers Centrepoint Asset Management (Malaysia) Pte Ltd to formalise Frasers Centrepoint's purchase of a 40% stake in Hektar Asset Management Sdn Bhd for RM500,000 cash.

In a statement yesterday, Hektar Asset Management chief executive officer Datuk Jaafar Abdul Hamid said: "The joint venture will combine the strengths of the sponsor entities, pulling in Frasers Centrepoint's strategic reach and financial resources within the F&N group in Southeast Asia, and leveraging on Hektar group's experience and expertise in Malaysia."

The joint venture will mark Malaysia's first cross-border REIT partnership, with Frasers Centrepoint related to the Singapore-

listed REIT Frasers Centrepoint Trust.

Jaafar added the partnership would accelerate Hektar REIT's business strategy to own and manage world-class retail shopping centres, which Frasers Centrepoint had a similar interest in.

Meanwhile, the Securities Commission had earlier approved the appointment of two new Frasers Centrepoint directors, and a third independent director to the board of Hektar Asset Management, increasing the board size to eight.

The board will also set up an executive committee, which Frasers Centrepoint will hold representation in, to execute Hektar Asset Management's business strategy.

Hektar Asset Management and Hektar REIT would also be re-named and re-branded to reflect the identities and commitment of the parties involved.