

SP Setia plans project, in talks with govt on KL site

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The 16.3ha of prime land along Jalan Bangsar, where it proposes to undertake the project, is owned by the government.

SP Setia is currently in talks with the government to be given that land in exchange for building an integrated health and research complex for the Ministry of Health (MoH) on 22.4ha of land it owns in Setia Alam, Shah Alam.

It told the stock exchange yesterday that its unit, Sentosa Jitra Sdn Bhd (SJSB), has the government's in-principle approval for the land swap proposal.

The proposal was mooted by SJSB to the government along the lines of the public-private partnership concept.

The land in Bangsar currently houses five National Institute of Health agencies under the MoH's purview, which will be relocated to Setia Alam.

SP Setia said SJSB had finalised its design and costing for the new complex, to be known as the 1National Institute of Health (1NIH), and is now ready to commence negotiations with the MoH and the Public-Private Partnership Unit in the Prime Minister's Department.

The proposed new 1NIH will serve as a hub and centre of excellence for health research, training and consultation at both the local and global level. "The land swap nature of the deal means that the MoH/government will not have to fund any part of the cost for the construction of the new 1NIH complex." This, it said, will be paid for by the difference between the current market values of the Bangsar and the land in Setia Alam.

SP Setia told the stock exchange in a separate filing later that it plans to place out up to 15 per cent of its issued and paid-up capital. The issue price will be determined by way of book-building.