

**C** PRIVATE HOMES DIP IN RESALE PRICES OF NON-LANDED PROPERTY **C2**  
**INDUSTRIAL OUTPUT** GROWTH IN CHINA FALLS TO SIX-MONTH LOW **C5**

# BUSINESS



**HOLGER DILLING**  
 VARD HOLDINGS V-P ON  
 DIVERSIFYING INTO NEW  
 BUSINESS AREAS **C7**

## Surbana Jurong buys stakes in two firms amid African foray

**S'pore developer acquires 20% of CITICC (Africa) and 8.4% of Google X spin-off Flux Factory**

**Joyce Lim**

Urban developer Surbana Jurong has acquired stakes in two companies in a bid to further expand its presence in Africa, where demand is high for affordable housing.

One deal involves the firm, which was formed by the merger of Surbana International Consultants Holdings and Jurong International Holdings in June, investing US\$60 million (S\$85.4 million) to get 20 per cent of CITICC (Africa).

CITICC (Africa) is a US\$300 million investment platform set up by International Finance Corp, a member of the World Bank Group, and Chinese engineering firm Citic Construction.

Surbana Jurong group chief executive Wong Heang Fine said yesterday the investment paves the way for his company to potentially develop 30,000 affordable homes in sub-Saharan Africa in the next five years.

Surbana Jurong is also spending US\$9.25 million to acquire an 8.4 per cent stake in Flux Factory, a San Francisco-based software company that was spun off from Google X, a development lab by Google.

Mr Wong, who was speaking at the brand launch of Surbana Jurong yesterday, described the deal as a strategic long-term investment in technology that will ramp up its building design capabilities.

Flux Factory chief executive and founder Nicholas Chim said at the event yesterday that the partnership with Surbana Jurong would allow the company to bring its technology to developing economies.

He added that the global archi-



Surbana Jurong group chief executive Wong Heang Fine (left) with Mr Xu Ming Guang, assistant president of Citic Construction and director of CITICC (Africa), yesterday at Surbana Jurong's brand launch. Surbana is investing \$85.4 million to get 20 per cent of CITICC (Africa). PHOTO: SURBANA JURONG

tecture, engineering and construction software industry is estimated to be worth about US\$10 billion and will grow between 8.5 per cent and 10 per cent a year over the mid- to long term due to rapid urbanisation worldwide.

Mr Wong said investing in the two firms fits Surbana Jurong's strategy to grow as a global firm with presence in emerging markets. The company, which has undertaken projects in nine African countries, plans to increase staff strength from 4,000 to 6,000 and achieve a sales turnover of \$1.5 million within five years.

Besides its monetary investment,

Surbana Jurong will also bring its expertise to Africa, Mr Wong added, noting that the company will be involved in planning, designing and developing CITICC (Africa) housing projects.

Surbana Jurong chairman Liew Mun Leong said the partnership with Citic Construction is a "good start" that will help the company "go into China in a big way".

"It will open up a huge potential market for us very specifically in Chongqing... If we can prove ourselves in Chongqing, going into Central Asia is the next thing," added Mr Liew.

Yesterday's deals follow Surbana



Flux Factory's Mr Nicholas Chim says the Surbana partnership will allow the firm to bring its technology to developing economies.

Jurong's acquisitions of Singapore engineering company KTP Consultants and Chinese design firm Sinosun Architects & Engineering in June.

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