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## Karambunai in the limelight after budget

By TEE LIN SAY

[linsay@thestar.com.my](mailto:linsay@thestar.com.my)

Share hike mainly based on speculation



PETALING JAYA: Sabah-based Karambunai Corp seems to have received more than its fair share of attention in the past month.

More recently, it hit the limelight when recently-revealed Budget 2011 stated that Nexus Karambunai – a renowned resort in Sabah – had committed to develop an integrated RM3bil eco-nature resort.

Under the Karambunai integrated resort plan, there are plans to develop a 150ha eco-nature resort at Karambunai alongside a mangrove centre, water theme park and waterfront properties to push for higher return on investments. It is understood that the RM3bil investment will be privately funded, although there are yet to be any concrete details on how this funding will be raised and by whom.

The budget stated that the project would commence next year. In the same paragraph on the Karambunai initiative, the budget proposed that “to support the tourism industry, the Government will allocate RM100mil.” However, it is not clear if this means that the Government will actually invest that money directly into the Karambunai project.

The major shareholder of Karambunai is its president, Tan Sri Chen Lip Keong, who owns 43.9% stake in the company. The 62-year old also owns gaming company NagaCorp, which is listed in Hong Kong and operates a casino in Cambodia.

Having long languished as a penny stock, Karambunai Corp’s shares have been on an uptrend in recent weeks, recording its 52-week high yesterday at 26.5 sen. This stands in stark contrast to four months ago, when the stock price was hovering at a meagre 5 sen.