

# IGB buys into property firm

## It takes up controlling stake in Johor-based developer

**KUALA LUMPUR:** IGB Corp Bhd has bought a controlling stake in a privately-held property firm based in Johor for RM33mil cash.

The company said in a filing with Bursa Malaysia that its unit Megan Prestasi Sdn Bhd would acquire 50% plus one share in Distinctive ACE Sdn Bhd under a share sale and purchase agreement with Datuk Kho Eng Hue @ Kho Eng Hooi.

IGB also inked a shareholders' agreement with the vendors – Datuk Kho, Tan Nyap Keong @ Tony Tan, Datin Lee Min Mooi @ Lee Min May,

Lim Ech Chan and Koh Bee Hoon. The transaction does not require shareholder approval.

Distinctive ACE had last November purchased four parcels of leasehold land in Pulai, Johor, from Medini Land Sdn Bhd totalling 72,940 sq m for RM99.92mil.

It has a total land bank of some 28.5 acres in Johor and has launched two projects there so far – 1Tebrau in Johor Baru city centre and Iskandar Residences in Medini.

IGB is to work with its new subsidiary to jointly develop an 18-acre

plot in Zone A, Medini in Iskandar Malaysia into a mixed development with a potential gross development value of RM2bil. The yet-to-be named project is to comprise retail, serviced residences, offices and hotels.

IGB managing director Robert Tan told a press conference the acquisition would complement its strategy of "building to keep" for recurring income.

The group derived some 80% of its profit and revenue from recurring income generated by its hotel and commercial properties, he said.



**Tan:** The acquisition will complement IGB's strategy.