

## IGB plans major Johor project to rival Mid Valley City in RM215m land deal

By Justin Lim / [theedgemaalaysia.com](https://theedgemaalaysia.com)

27 Aug 2025, 07:06 pm



KUALA LUMPUR (Aug 27): IGB Bhd (KL:IGBB ASK **EDGE**) IGB Bhd is partnering with the Johor state-owned enterprise Southkey City Sdn Bhd (SCSB) to buy two parcels of leasehold land in Johor Bahru for RM214.97 million. The land, located next to its Mid Valley Southkey project, will be used for a mixed-use development that is expected to grow to a size similar to Mid Valley City in Kuala Lumpur.

In a filing with Bursa Malaysia, IGB said SCSB, which owns the land, is jointly-owned by Tasik Zamrud Sdn Bhd and Kumpulan Prasarana Rakyat Johor Sdn Bhd, a state-owned enterprise. The land lease expires in 2100, with 75 years remaining.

IGB's subsidiary, IGB Corporation Bhd (IGBCB), has formed a joint venture company, Enrich Horizon Sdn Bhd (EHSB), with SCSB. IGBCB will hold a 70% stake in EHSB, with SCSB holding the remaining 30%.

IGBCB will fund its RM173.1 million share using its own funds or borrowings. The money will be used to pay for the land. SCSB will use RM74.2 million from the land sale as its contribution.

The land price is based on a valuation of RM250 per square foot by Nilai Harta Consultant Sdn Bhd (June 25, 2025).

The planned development will include retail, hospitality and commercial spaces, aligned with the growth from the Johor-Singapore Special Economic Zone (JS-SEZ) and the upcoming RTS Link, expected in 2026.

IGB said the project, along with existing and future assets in Southkey, could grow to match the scale of Mid Valley City in Kuala Lumpur.

The deal still needs approval from the Ministry of Economy, which is expected within six months. If all goes smoothly, the land purchase should be completed in the first half of 2026. Construction and related costs will be funded by EHSB's internal resources and external borrowings if necessary.

IGB's share price closed unchanged at RM3.15 on Wednesday, giving the group a market capitalisation of RM4.18 billion. Year to date, the stock is up 17.54%.

Edited By Presenna Nambiar