

IGB to expand Johor's Mid Valley City in Southkey

IGB Bhd has struck a RM215 million deal with Johor's Southkey City Sdn Bhd to acquire two parcels of leasehold land next to its Mid Valley Southkey project, paving the way for a major integrated development that could eventually rival the group's flagship Mid Valley City in Kuala Lumpur (KL).

The acquisition will be carried out via Enrich Horizon Sdn Bhd, a newly formed joint venture (JV) between IGB's wholly owned subsidiary IGB Corp Bhd and Southkey City.

IGB Corp will hold a 70% stake in Enrich Horizon, with Southkey City owning the remaining 30%.

According to IGB's filing to Bursa Malaysia, IGB Corp will fund its RM173.1 million share using internal funds and/or borrowings, while Southkey City's RM74.2 million contribution will come

from the land sale proceeds.

The land parcels, measuring about 19.7 acres (860,000 sq ft), are valued at RM250 per sq ft by Nilai Harta Consultant Sdn Bhd (as at June 25, 2025) and have a leasehold tenure expiring in 2100.

It is located strategically beside The Mall, Mid Valley Southkey, as well as existing commercial and hospitality components under development by IGB subsidiaries.

The JV will transform the parcels into a mixed-use hub incorporating retail, hospitality and commercial spaces.

IGB said the enlarged Southkey development, together with existing and future assets in the area, could grow to match the size and influence of Mid Valley City in KL.

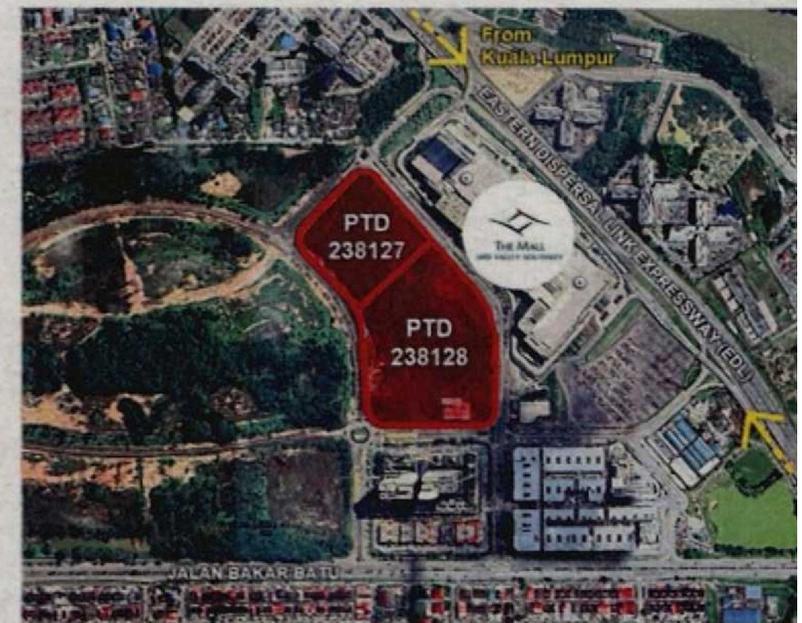
The group added that the project stands to benefit from the Johor-Singapore Special Economic

Zone (JSSEZ) and the Johor Bahru-Singapore Rapid Transit System (RTS) Link, which is scheduled for completion in 2026.

The proposed acquisition remains subject to the approval of the Ministry of Economy, which is expected to be obtained within six months. Barring unforeseen circumstances, the deal is expected to be completed in the first half of 2026 (1H26).

Construction and related development costs will be funded by Enrich Horizon's internal resources and, if required, borrowings.

Building on the successful partnership between IGB Corp and Southkey City for The Mall, Mid Valley Southkey, IGB said the new venture and land acquisition are expected to yield medium- to long-term benefits for stakeholders. — TMR



Source: maps.google

IGB acquires RM215m land in Southkey next to Mid Valley South for future expansion