

IGB secures govt approval for RM215m Johor Bahru land deal

By Luqman Amin / theedgemaalaysia.com

10 Mar 2026, 10:22 pm



KUALA LUMPUR (March 10): IGB Bhd (KL:[IGBB](#) [ASK](#) [EDGE](#)) said its proposed RM214.97 million acquisition of two leasehold land parcels in Johor Bahru, undertaken via a joint venture with a Johor state-owned company, has received approval from the Ministry of Economy.

IGB said it received the ministry's approval letter on March 6, rendering the sale and purchase agreement unconditional as of Tuesday, according to its filing with Bursa Malaysia.

The approval follows an earlier agreement between the parties on Feb 16 to extend the conditional period of the SPA by three months to allow more time for the ministry to review and approve the land transaction.

The acquisition, first announced in August 2025, is to be carried out through Enrich Horizon Sdn Bhd (EHSB), a joint venture company formed between IGB's wholly-owned subsidiary IGB Corporation Bhd (IGBCB) and Johor state-owned Southkey City Sdn Bhd (SCSB).

Under the arrangement, IGBCB will hold a 70% stake in EHSB, while SCSB will own the remaining 30%. The joint venture vehicle will acquire the land parcels currently owned by SCSB.

IGBCB will fund its RM173.1 million equity contribution through internally generated funds and/or bank borrowings, while SCSB will contribute RM74.2 million, derived from proceeds of the land disposal.

The land parcels are located adjacent to IGB's Mid Valley Southkey development in Johor Bahru. The group intends to integrate the site into a future mixed-use development, complementing existing and upcoming assets in the Southkey area.

IGB has previously said the long-term vision for the precinct is to develop Southkey into a large integrated urban hub comparable in scale to Mid Valley City in Kuala Lumpur.

Shares in IGB closed 11 sen or 2.93% higher at RM3.86 on Tuesday, giving the group a market capitalisation of RM5.24 billion. The stock has gained more than 27% year to date.

Read also:

[IGB, Southkey City extend RM215m Johor Bahru land deal by three months pending Economy Ministry approval](#)

[IGB plans major Johor project to rival Mid Valley City in RM215m land deal](#)

Edited By S Kanagaraju