

Ireka Corporation Bhd will be listing its property portfolio on the Main Market of the London Stock Exchange (LSE) on April 5, making it the first such listing of a property fund focussing on Malaysia.

The listing is via a property development fund, Aseana Properties Ltd (APL), which had acquired Ireka's entire interest in Ireka Land Sdn Bhd and ICSD Ventures Sdn Bhd.

“These proposed disposals and the listing exercise enable the Ireka group to unlock the value of its property portfolio at market value in the form of cash and APL shares.

“This allows Ireka to streamline its financial position and focus on its long-standing expertise in the construction and property sector,” said its group managing director Lai Siew Wah in a statement yesterday.

APL aims to provide shareholders with an attractive overall total return achieved mainly through capital appreciation by investing in Malaysia and Vietnam, being two of the fastest-growing economies in Asia.

Lai said the exercise would further enable Ireka to reduce its borrowings and invest in the future for its shareholders.

“The group’s financial position will be enhanced and this will enable us to tap into the vast opportunities present in Malaysia’s construction sector that is buoyed by the 9th Malaysian Plan.”

Lai said Ireka would be a major shareholder in APL, by retaining a 20% stake in the company. Ireka will also be the sole manager of APL, thus enabling it to earn recurring income from the services provided.

Ireka Land's properties in APL’s portfolio include One Mont'Kiara by i-Zen, Tiffani by i-Zen and i-Zen @ Kiara 1.

One Mont'Kiara is a mixed-development project comprising a retail mall and two office towers. i-Zen @ Kiara 1 is a 35-storey luxury serviced residence while i-Zen @ Tiffani comprises three blocks of luxury condominiums.

Ireka said the Sandakan Harbour Square project by ICSD Ventures would be included in APL. The mixed-development project consists of a central market, retail mall, hotel and shop offices.