

Ivory plans to raise RM44.9m

Firm expects to float shares on June 10

IPO WATCH

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IVORY Properties Group Bhd, a Penang-based property developer, plans to raise up to RM44.9 million in an initial public offering (IPO) next month.

In its draft prospectus on the Securities Commission (SC) website displayed for public objection until May 5, it is stated that the IPO will involve an offer for sale of 16.1 million existing shares and a public issue of 44.8 million new shares both priced at RM1 apiece.

When contacted, Ivory Properties group managing director Datuk Low Eng Hock said the company expects to float its shares on Bursa Malaysia on June 10.

AmInvestment Bank Bhd is the merchant bank handling the IPO.

Relatively unheard of Ivory Properties has been raising its profile in the real estate fraternity in Penang of late, having amassed projects with a gross development value of RM3.4 billion solely from its Penang

home base 11 years after its incorporation.

The company has completed projects worth RM680 million in Penang and other jobs worth RM480 million.

Among its ongoing and future projects that will keep it busy for the next four years include the RM1.1 billion Penang Times Square and the RM255 million Island Resort development along the Batu Ferringhi tourist belt, comprising condominium and resort villas.

It is also developing the RM300 million Tanjung Tourist Mall project in Tanjung Tokong, the RM400 million The Peak development located at the foot of Mount Erskine, which is a three-phase project on 5.48ha featuring condominiums and eight units of a four-storey shop-office.

On the mainland, Ivory is also developing the RM88 million Aston Villa project in Bukit Mertajam, featuring condominiums, landed property and commercial lots, as well as the RM420 million Ivory Eco Park in Tanjung Malim, Perak, which entails residential and commercial properties.



Low with some models of Ivory's property projects. Relatively unheard of Ivory Properties has been raising its profile in the real estate fraternity in Penang of late, having amassed projects with a GDV of RM3.4 billion solely from its Penang home base.

Firm all geared up to join big players

IVORY Properties Group Bhd, one of Penang's top property companies, plans to join other big players in the country by expanding into Selangor, Kuala Lumpur and Indonesia.

Its group managing director Datuk Low Eng Hock said the company has been building itself from scratch for the past 11 years and is now setting its sights on projects outside its traditional stronghold.

"We have received numerous enquiries to carry out property projects in Kuala Lumpur, Selangor and Medan, Indonesia.

"We are in the midst of talking with various parties, including listed property companies, to carry out projects either on a joint venture basis or on our own," Low told Business Times in an interview

in Penang.

Soon-to-be listed Ivory expects to raise RM44.9 million via its initial public offering (IPO) slated by June 10, after postponing its listing plans since 2008 due to the weak market situation.

Low said the company's forte include adding value to existing but slow-selling projects as well as rescuing and reviving abandoned projects, rejigging them and then reconceptualising the projects to catch the attention of buyers.

This provides a win-win situation for Ivory, buyers, authorities and the land owners.

"Although land is limited in the Klang Valley, there are many slow-selling projects or abandoned projects which we can turn around together with our joint-venture part-

ners or carry out on our own," he said.

Low added that Ivory plans to grow beyond its "rescue mission", but to do so would require massive capital expenditure which is a handicap for a private limited company such as Ivory Properties.

"That is why we are going for listing to raise money required for our future expansion as well as boost our credibility," said Low, who is a civil engineer by training.

Low said he gets ideas to boost sales of slow-selling properties from looking at newspaper advertisements in countries such as Hong Kong and Singapore, and emulating and inspiring his staff on how property players there do sales as well as come up with revolutionary building designs.

IVORY PROPERTIES FINANCIAL PERFORMANCE

