

Naza TTDI to revisit IPO plans in next 2 to 3 years

> Property developer not closing doors on listing, says current conditions not conducive

BY EVA YEONG

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KUALA LUMPUR: Naza Corp Holdings Sdn Bhd's property arm Naza TTDI Sdn Bhd will look at its initial public offering (IPO) plans again in the next two to three years.

"We've been talking about IPO for a while now. We've explored this twice but unfortunately the market wasn't in our favour and we decided to shelve the idea. I guess the timing is not okay, right now, to look at IPOs," said Naza Corp executive chairman and CEO SM Nasarudin SM Nasimuddin.

"But we are not closing our doors on it, we could possibly explore it in two to three years from now," he told reporters at the launch of KL Metropolis show gallery yesterday.

The property developer had previously spoken about its listing plans twice in the past, circa 2008 and 2011 but the plans never took off.

Naza TTDI deputy executive chairman and group managing director SM Faliq SM Nasimuddin said some components of the RM20 billion KL Metropolis will be suitable for injection

into a real estate investment trust (REIT) in the future.

"That's why it is very important for us to start initiating the retail mall and the hotel components. For Naza TTDI and also on the group side, we are looking at ideas on how to consolidate the assets into

a REIT. It is always the plan but of course we have to wait for certain maturity of the properties first," he said.

First announced in October 2011, KL Metropolis initially had a gross development value (GDV) of RM15 billion. Faliq said an "official" launch will be in January 2017.

"When the market trickles in two to three months' time, it will be better because the Budget would have been announced and the MRT would be up and running already. So I think the sentiments would change in the property sector," he said.

"The reason why we launch now, is because we wanted to create the exhibition centre first. We look at that as a catalyst. We could have launched this empty project but three years ago we would not have been able to capture the value we can get today. So by doing the exhibition centre, now when we bring our buyers, they can see it is completed and be part of the more solidified vision," he added.

The exhibition centre, named Malaysia International Trade & Exhibition Centre (Mitec), was completed in June. Faliq said it is in the midst of obtaining various

approvals, including fire and safety from the authorities.

Mitec, which will be operational in March next year, is expected to be a key

venue for athletes as Malaysia hosts the 29th Southeast Asia Games. The GDV of Mitec alone is RM810 million and it takes up 13.10ha. It has a gross floor area of one million square feet and is able to accommodate 40,000 visitors at any one time.

Besides Mitec, the rest of KL Metropolis is divided into eight precincts namely Met 1, Met 2, Met 3, Met 5, Met 6, Met 7, Met 8 and Met 9. Met 1 comprises two blocks of office towers, one serviced residences and two retail malls with net lettable area of 81,000 sq ft to be developed on 4.29ha. The total GDV of Met 1 is RM1.3 billion.

Faliq said the soft launch for Met 1 residences will be held next month. He said the 616 residential units have already gained interest ahead of its official launch in January next year and is confident of achieving 60% take-up rate before the official launch.

The estimated selling price is RM1,000 to RM1,100 per sq ft for units sized between 650 sq ft and 1,600 sq ft.

The entire KL Metropolis takes up 75.5ha with a GDV of RM20 billion and will be developed over 15 years. To date, Naza TTDI has three strategic joint ventures with Nusmetro Property Sdn Bhd, Triterra Metropolis Sdn Bhd and Hap Seng Land Sdn Bhd.



ZULKIFLI ERSAL
/THESUN

Faliq (centre)
at the launch of
KL Metropolis
Show Gallery in
Kuala Lumpur
yesterday.