



To: All Shareholders of IGB Berhad

Dear Sir/Madam

ADDENDUM TO THE ANNUAL REPORT 2022

The Board of Directors of IGB wishes to inform that page 10 of the Annual Report 2022 is by this addendum amended, corrected, and taken as read.

The revised page 10, on the following amendments, is attached:

- (a) Gross dividend per ordinary share
- (b) Net borrowings
- (c) Net debt to Capital and Reserves attributable to equity holders of the Company

Save for the above, all other details in the Annual Report 2022 remain unchanged.

We apologise for the errors and for any inconvenience caused.

This Addendum is dated 5 May 2023.

Management Discussion and Analysis

(continued)

Table 1: Five Year Group Financial Highlights

| FINANCIAL YEAR ENDED 31 DECEMBER | | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|---------|-----------|-----------|-----------|-----------|------------------|
| Revenue | RM '000 | 1,302,010 | 1,436,479 | 1,016,417 | 930,053 | 1,291,270 |
| Profit before tax | RM '000 | 480,591 | 463,099 | 147,663 | 351,405 | 421,139 |
| Profit attributable to equity holders of the Company | RM '000 | 235,643 | 208,665 | 9,250 | 161,845 | 159,114 |
| Issued and paid-up share capital | RM '000 | 884,327 | 886,344 | 1,338,596 | 1,393,859 | 1,394,110 |
| Capital and reserves attributable to equity holders of the Company | RM '000 | 3,435,006 | 3,614,372 | 3,611,760 | 3,840,996 | 3,759,486 |
| Total Assets | RM '000 | 8,565,497 | 8,607,814 | 8,584,839 | 9,117,930 | 8,929,436 |
| Earnings per share (basic) | sen | 35.24 | 30.66 | 1.09 | 18.17 | 17.63 |
| Net assets per share | RM | 5.02 | 5.30 | 4.10 | 4.25 | 4.17 |
| Gross dividend per ordinary share: | | | | | | |
| - cash dividend | sen | 2.0 | 1.0 | - | 15.0 | 5.0 |
| - dividend-in-specie | sen | - | 2.0 | 2.0 | 2.0 | - |
| Share price as at 31 Dec | RM | 2.48 | 3.61 | 2.58 | 1.96 | 2.32 |
| Dividend yield | % | 0.81 | 0.83 | 0.78 | 8.67 | 2.16 |
| Total borrowings | RM '000 | 4,046,638 | 3,843,479 | 4,033,034 | 4,140,376 | 4,091,658 |
| Net borrowings | RM '000 | 2,983,374 | 3,101,366 | 3,230,359 | 2,701,463 | 2,740,738 |
| Net debt to Capital and Reserves attributable to equity holders of the Company | Times | 0.87 | 0.86 | 0.89 | 0.70 | 0.73 |

3. Operations Overview



The property market saw some improvement in 2022, with increases in both the number and value of transactions. This improvement was mainly supported by the resumption of economic activities and the reopening of Malaysia's international borders. However, the sector continued to suffer from labour shortages, increased construction costs, and higher borrowing costs as Bank Negara Malaysia (Bank Negara) raised the Overnight Policy Rate (OPR). Additionally, the oversupply of high-end properties continued.

Tan & Tan Developments Berhad (Tan & Tan), the Group's property development arm focused on growing and refining its lifestyle products namely Coliv – Kuala Lumpur's first co-living accommodation operated on a professional scale, and ReU Living (ReU) – the Group's eldercare operator which was launched in the year. We also looked for opportunities to dispose of non-core assets. For example, in the year, we actively looked for buyers for our land in Subang, Morib and Kundang North. These disposals are expected to be completed in 2023.

The focus in 2022 was to market and sell the remaining stocks in Stonor3 KLCC. In the first half of 2022, international borders were not fully opened, and our key markets of China and Hong Kong were still under restricted travel. We maintained our focus on local buyers. Through innovative sales and marketing strategies and responding to local buyer's needs, we recorded 70 units sold in 2022, well ahead of our competition in the KLCC precinct. We anticipate to be able to sell out this project by 2023.

Following the pandemic, people's requirement for property have changed. Flexibility of space has become increasingly important as people want to be able to accommodate changes to their lifestyle needs and working from home has become more commonplace. People have also increased the value they place on outdoor areas and the availability of spaces that support a healthier lifestyle. There has also been an increasing preference for simple and more affordable properties to allow buyers the flexibility to customise their own living spaces.