



PRESS RELEASE

20 May 2026

IGB Berhad Posts Strong 1Q2026 Profit Growth as Strategic Divestment and Portfolio Resilience Anchor Results

Highlights:

- Profit before tax surged 219% to RM621.5 million in 1Q2026, significantly supported by the strategic divestment of a hotel associate
- Core segments remain robust, with retail, commercial, and hotel divisions all posting strong revenue growth during the period

Kuala Lumpur, 20 May 2026 – IGB Berhad ("IGBB" or "the Group") reported revenue of RM504.8 million for the first quarter ended 31 March 2026 (1Q2026), representing a 1% increase compared to RM499.4 million recorded in the preceding year's corresponding quarter. The growth was primarily supported by stronger contributions across the retail, commercial and hotel segments.

The Group's profit before tax ("PBT") surged to RM621.5 million in 1Q2026 from RM194.8 million in the preceding year's quarter. This 219% growth was mainly fueled by the strategic divestment of UK-based assets, including the St Giles Hotel London, alongside improved performance from the Group's core business segments.

In 1Q2026, the retail segment under IGB REIT posted a total revenue of RM261.3 million and net property income ("NPI") of RM159.2 million. This 52% increase against the preceding year (1Q2025: RM171.4 million revenue; RM105.0 million NPI) reflects the full-quarter contribution of The Mall, Mid Valley Southkey ("MVS Mall") following its injection into IGB REIT in November 2025. Notwithstanding the additional contributions from MVS Mall, the growth in both revenue and NPI was due to higher rental income across the retail portfolio.

The commercial segment, mainly represented by IGB Commercial REIT, reported total revenue and NPI of RM68.9 million (1Q2025: RM62.3 million) and RM21.8 million (1Q2025: RM14.9 million) respectively. The higher total revenue and net property income were mainly due to higher occupancy and average rental rates.

The hotel segment's revenue increased by 5% to RM87.3 million (1Q2025: RM83.5 million), driven by higher occupancy rates and an improvement in average room rates. PBT rose to RM426.2 million (1Q2025: RM10.4 million) on the back of a one-off gain from the disposal of an investment and the sale of business and assets of associate companies.

The property development segment recorded revenue of RM22.3 million (1Q2025: RM64.0 million) and PBT of RM5.0 million (1Q2025: RM12.2 million), reflecting a transition period as contributions were primarily derived from the sale of remaining residential inventories.

The Board has declared a special dividend of 2.5 sen per ordinary share for the year ending 31 December 2026.

Prospects for 2026

The IMF has raised Malaysia's GDP growth projection to 4.7% from 4.3%, signalling enhanced confidence in the national economy despite global volatility.

The retail sector remains mixed as consumer sentiment shifts toward affordability and necessity. Although rising operating costs and potential subsidy rationalisation pressure discretionary spending, the Group expects increased footfall driven by expanded retail investment and a national tourism push.

The commercial segment continues to outperform in a "flight-to-quality" environment. Our fully green-certified portfolio and tenant-first mindset ensure our assets remain the premier choice for businesses seeking well-located, high-performing spaces.

The hospitality sector is poised to benefit from the Visit Malaysia 2026 campaign despite challenges from the global environment. Alongside the grand reopening of St. Giles Mid Valley, Kuala Lumpur, the Group's hotel segment is cautiously optimistic on the resilience of its hotel properties.

In property development, the Group is progressing with ongoing sales of Southpoint Residences, the final component of Mid Valley City. The future pipeline features residential launches at The Batai, Bukit Damansara, and Merbau Hub & Residences, Bangsar South. Combined with our maiden industrial venture at EKA Industrial Park, total GDV exceeds RM1.5 billion. Furthermore, the recent approval by the Ministry of Economy for the land acquisition at Southkey, Johor, paves the way for the Group's future strategic expansion.

- END -

For media inquiries, please contact:

investorrelations@igbbhd.com

corporate-enquiry@igbbhd.com