



For Immediate Release

MGB BERHAD ANNOUNCES EXCITING VENTURE EXPANSION INTO THE KINGDOM OF SAUDI ARABIA

To operate precast concrete factory for Supply and Installation Contracts in Jeddah, Saudi Arabia

SELANGOR, 27 July 2023 – **MGB Berhad** (“MGB” or the “Group”), a construction and property development solutions provider and subsidiary of LBS Bina Group Berhad, today announced that via its subsidiary, MGB International for Industry (“MGBI”) has entered into a joint venture agreement with SANY Alameriah Industrial (“SA”), a branch of SANY Alameriah For Construction Co., Ltd. (“JVA”). The signing of the JVA follows from the Memorandum of Understanding signed on 13 January 2023. The venue of the signing was in Riyadh, Kingdom of Saudi Arabia (“the Kingdom”), witnessed by H.E Ibrahim Youssef Almubarak, Assistant Minister of Investment and Mr. Abdulrahman Al-Taweel, the Undersecretary of the Ministry of Municipal and Rural Affairs and Housing for Housing Supply and Real Estate Development.

SA is a joint venture company incorporated in the Kingdom of Saudi Arabia between SANY, the second largest heavy equipment manufacturer in the world, and Alameriah, a renowned developer in the Kingdom. Alameriah is principally involved in general construction activities, real estate development, infrastructure, design and build, and manufacturing of precast concrete products.

MGBI will operate SA’s precast concrete factory located at Al Lith RD, Jeddah 3rd Industrial City in Jeddah, the Kingdom of Saudi Arabia for the production and installation of precast concrete products to cater for the Supply and Installation Contracts (“Contracts”). The factory has a production capacity of up to 810,000 m³ for 3 years. Under the terms of the JVA, SA will secure Contracts for a total of two hundred seventy thousand cubic metre (270,000 m³) of precast concrete products within three (3) years, with a minimum order of Ninety Thousand Cubic Metre (90,000 m³) during the first year. The current market rate for precast concrete products in the Kingdom of Saudi Arabia is within the range from Saudi Riyals (“SAR”) 1,800 to 2,200 per m³.

This will be MGB's first international project, and a well-timed entry into the Kingdom's property development and housing sector. The Kingdom has undertaken substantial reforms, such as the introduction of the Saudi Housing Programme in 2018, in line with the Kingdom's Vision 2030, with an aim to increase accessibility to affordable, quality, safe and well-located housing in order to raise the homeownership to 70% by 2030. This is advantageous for MGB, as having the expertise in mass construction of affordable housing means MGB is in a position to potentially secure new contracts in the future. The Company is confident that it will be able to increase its presence in the region, as it makes preparations to commence its business operations.

LBS Executive Chairman Tan Sri Ir. Lim Hock San said, "Throughout the years, we have innovated and further refined our production of IBS precast concrete products with the intention to expand our geographical footprint and industry presence in construction and precast concrete manufacturing business internationally. Thus, we are excited on our expansion of our operations into the Kingdom of Saudi Arabia. Our partnership with SANY Group in Malaysia for the manufacturing of IBS precast concrete products has been fruitful thus far, and we are excited to further strengthen our partnership by working together in Saudi Arabia. We thank the SANY Group for their trust and confidence in us."

Domestically, MGB has completed more than 6,000 homes using their IBS Technology since 2018. MGB is expected to complete an additional 4,000 homes using IBS Technology over the next few months, which will add to its existing portfolio as an experienced IBS precast concrete products manufacturer and main contractor that specialises in affordable housing.

- End -

About MGB Berhad

Established in 2007, MGB Berhad ("MGB") has evolved into a construction and property development solutions provider, primarily focusing on providing efficient and cost-effective solutions across a wide range of industries, in particular building mass market and affordable living spaces for generational living in Malaysia.

Through its subsidiaries, MGB provides a full range of design, construction and development services including design and build, project management, civil engineering, value engineering, geotechnical specialisation, and manufacturing in Industrialised Building System (IBS) precast concrete products.

MGB has accumulated a strong track record, with more than 15 years in design and build to general construction for residential, commercial and industrial buildings as well as infrastructure works. MGB

has successfully completed more than 21,000 units of properties, particularly in the affordable homes segment.

For more information, please visit www.mgbgroup.com.my.

For media inquiries, please contact:

1. Corporate Communication, Media & Digital, LBS at media@lbs.com.my
2. Ng Shu Wain at shuwain@imejiwa.com.