

Q1FY2024: MGB SOARS WITH 23% PROFIT SURGE

- Construction Order Book Remains Healthy at RM 1.19 billion
- Total Property Development Unbilled Sales of RM 0.74 billion

SELANGOR, 16 May 2024 – MGB Berhad (“MGB” or the “Group”), a construction and property development solutions provider and subsidiary of LBS Bina Group Berhad, today announced its first quarter results for the financial year ending 31 December 2024 (“Q1FYE2024”).

For the quarter under review, MGB registered a 22.57% increase in revenue to RM217.88 million compared to the preceding year’s corresponding quarter. This was mainly driven by the property development segment’s nine-fold increase in revenue to RM 87.59 million. This revenue surge predominantly came from higher sales and progress in development of Idaman Melur, Idaman Cahaya Phase 1 and Phase 2, Idaman Sari and Saujana Indah Phase 1. The construction and trading segment continues to be the main revenue driver for the Group. It accounted for 59.8% of Q1FYE2024 revenue, while the property development segment accounted for the remaining 40.2%.

In line with higher revenue, the Group posted a profit before tax and profit after tax of RM20.59 million and RM15.11 million, an increase of 28% and 23% respectively year-on-year. Nearing completion of the BSP Idaman and KITA Mekar projects, coupled with cost saving measures undertaken by the Group spurred earnings growth.

Commenting on the financial performance, MGB Group Executive Chairman Tan Sri Ir (Dr) Lim Hock San said, “We are delighted to announce commendable first quarter results as we start off the new year. With a steadfast commitment to excellence and unwavering dedication from MGB’s team, we have managed to set a solid foundation for the year ahead. This remarkable performance is a testament to our strategic vision and relentless pursuit of operational efficiency and cost optimisation. Our IBS (industrialised building system) precast concrete products have reduced construction time at worksites substantially by 33% and improved consistency of our construction process. IBS has managed to bring down our overhead costs and enhance the quality of our precast concrete

products that are being pre-fabricated in a controlled factory environment. To add on, with our first international order received for the supply and installation of precast concrete products for 400 villas in the prestigious Roshn Alarous project in northern Jeddah in February 2024, we are now ready to demonstrate our competency in manufacturing and deploying IBS precast concrete technology. We are optimistic that our tried and tested IBS precast concrete products will deliver the desired quality product that our customers expect and solidify our reputation in the region.”

He added, “As at 30 April 2024, MGB’s construction order book remained healthy at RM1.19 billion, while our property development unbilled sales totalled RM0.74 billion. Looking ahead, we are poised for continued growth and success. With a robust pipeline of projects, a strong financial position, and a talented team driving innovation and excellence, I am confident we will continue to deliver exceptional value and achieve new milestones in the quarters to come, alongside our conscious efforts to balance our ESG commitment and integrate these core principles into our business model.

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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 26,000 units of properties, particularly in the affordable homes segment. In addition, MGB has also completed more than 12,000 homes using their IBS Precast technology.

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

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