

BERNAMA - IGB's net profit surges to RM161.85 mln in FY2021

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KUALA LUMPUR, Feb 25 -- IGB Bhd's net profit surged to RM161.85 million for the financial year ended Dec 31, 2021 (FY2021) from RM9.25 million in the preceding year, thanks largely to a one-off gain of about RM193.4 million from the disposal of a joint-venture company in the final quarter.

The group made earnings of RM233.77 million in the last three months of 2021, against a net loss of RM10.44 million a year earlier, due mainly to a higher contribution from the property development division and the one-off gain, IGB said in a Bursa Malaysia filing today.

Full-year revenue, however, decreased by eight per cent to RM930.05 million from RM1.02 billion previously due to lower contributions from all operating divisions other than property development, it added.

For FY2021, the group's profit after tax included a one-off tax expense net of deferred tax of RM56.2 million which arose from the disposal of certain investment properties held by the group to IGB Commercial Real Estate Investment Trust (REIT).

On the group revenue for the fourth quarter (Q4) of FY2021, IGB said it rose by nine per cent year-on-year to RM300.45 million due to higher contributions from property development, hotel and investment divisions.

In its property investment division (retail), IGB REIT, reported a net property income of RM93.7 million in the quarter, a marginal rise from RM93.1 million a year ago.

Occupancy rates as at Dec 31, 2021, for the group's commercial buildings were above 70 per cent with average rental rates at RM6.27 per sq ft.

Its property development revenue was mainly derived from sales of completed condominium units at Stonor 3, which rose by more than 100 per cent to RM40.1 million compared to RM13.6 million in the same period last year.

The group does not currently have any property development projects under construction. Its revenue from hotel rose by 96 per cent to RM24.7 million in Q4 FY2021 from RM12.6 million a year ago. Average occupancy remains low.

It is declaring an interim dividend of 4.3 per cent per annum for the six-month period from Sept 2, 2021, to, March 1, 2022, and this will be paid on March 18, 2022.

A second interim dividend of 5.0 sen per share is declared for FY2021 and this will be paid on March 18, 2022, with ex-date on March 11.

Barring unforeseen circumstances, the board expected the group's financial results for the financial year 2022 to be satisfactory.

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