

# IGB expands property, hospitality pipeline

## Southkey, tourism recovery to boost 2026 outlook

### PROPERTY

**PETALING JAYA:** IGB Bhd is expecting its property development and hospitality businesses to contribute a larger portion to its revenue mix in 2026, underpinned by its continued sales in Southpoint Residences and the Visit Malaysia 2026 initiative.

In its newly released 2025 annual report, the group's chief executive officer Tan Boon Lee (*pic*) said IGB remains positive on its prospects as it is positioned in sectors backed by growth drivers, including government initiatives to promote foreign direct investment and tourism.

"We will continue to undertake asset enhancement initiatives to ensure our properties remain contemporary and aligned with evolving preferences, while improving operational efficiency and reducing our environmental footprint."

The group also plans to actively pursue opportunities for growth both domestically and across the region, expanding its footprint and diversification towards a more balanced portfolio mix.

A new hotel is also under construction as part of its mixed-use development in Southkey, Johor.

For the financial year ended Dec 31, 2025 (FY25), IGB saw its revenue rise to RM1.91bil from RM1.67bil in FY24. It recorded a net profit of RM361.02mil for FY25, down from RM416.22mil in the year before.

In 2025, the group took steps to strengthen its development pipeline by growing its landbank reserves with strategic acquisitions.

This included its commitment to acquire two parcels of leasehold land totalling 19.7

acres adjacent to its Mid Valley Southkey development in Johor and entering into an agreement to buy two freehold land parcels in Ipoh, Perak, totalling 24.3 acres.

"In parallel, we are exploring opportunities in emerging sectors such as aged care, industrial development, co-living, student accommodation, and education, while leveraging our established strengths in integrated mixed-use developments," Tan said.

Malaysia's economy's growth momentum is expected to remain steady in spite of intensified global geopolitical conflict and economic volatility, the group predicted.

A healthy labour market and government initiatives under Budget 2026, such as aid from Sumbangan Tunai Rahmah and Sumbangan Asas Rahmah, are also projected to drive domestic consumption.

Meanwhile, investment activity is anticipated to remain strong, supported by high-growth initiatives like the Johor-Singapore Special Economic Zone and the National Semiconductor Strategy.

Additionally, continued expansion of the digital economy and tourism recovery is primed to further bolster the nation's economic prospects.

Tan commented that amid evolving consumer preferences, demand continues to rise for integrated community hubs that feature a diverse mix of services, accommodation, and commercial offerings.

"With our depth of experience, we believe

the group is well-positioned to capitalise on these opportunities and be recognised as a leading Malaysian developer in the mixed-use development sector," he said.

"IGB remains aligned with shareholder interests and is committed to delivering sustainable long-term value through disciplined growth, strategic portfolio management, and the continued monetisation of mature assets to unlock value for shareholders."

