

## PRESS RELEASE

For Immediate Release

### OSK Group Registers Record Revenue of RM1.3 billion and PBT of RM488.0 million Proposes Final Dividend of 4.0 sen per share<sup>1</sup>

**Kuala Lumpur, 27 February 2023** – OSK Holdings Berhad ("OSKH" or "the Group") is pleased to announce its fourth quarter and full year financial results for the financial year 2022 ("4Q2022" and "FY2022") ended 31 December 2022 to Bursa Malaysia today, ending the year with new highs in revenue, PBT and key financial metrics.

Recovering to above pre-Pandemic levels, the Group clocked in a revenue of RM1.3 billion for FY2022, an increase of 17% from the corresponding period in the previous year ("YoY"), while PBT grew 5% to RM488.0 million YoY, representing a new record for the Group since 2016 on the back of improved operating performance and market conditions. Accordingly, the Group's financial position continues to grow from strength to strength as total assets reached a new high of RM9.68 billion (2021: RM9.22 billion) with a corresponding earnings per share of 20.72 sen (2021: 19.31 sen).

"Given the Covid-19 and macro challenges that we have faced over the past three years, the Group has performed well not only in terms of our financial performance which has recovered to above pre-Pandemic levels, but also in how we instil resiliencies that drive better business outcomes.

"The new milestones that we have achieved today is due to the strategies and plans that we had put in place years ago. These measures have come to fruition, underpinned by the continued economic recovery seen in the fourth quarter of FY2022," said the Group's Executive Chairman Tan Sri Ong Leong Huat.

#### FY2022 KEY BUSINESS HIGHLIGHTS (as of 31 December 2022)

<b>FY2022:</b>	<ul style="list-style-type: none"> <li>▪ New highs in overall financial performance in FY2022:               <ul style="list-style-type: none"> <li>○ Revenue: RM1.3bil (FY2021: RM1.1bil) (↑17% YoY)</li> <li>○ PBT: RM488.0 mil (FY2021: RM464.6 million) (↑5% YoY)</li> <li>○ PAT: RM429.8 mil (FY2021: RM401.8 million) (↑7% YoY)</li> </ul> </li> <li>▪ New highs in overall financial position in FY2022:               <ul style="list-style-type: none"> <li>○ Total assets: RM9.68 bil (FY2021: RM9.22 bil) (↑5% YoY)</li> <li>○ Shareholders' funds: RM5.68 bil (FY2021: RM5.47 bil) (↑4% YoY)</li> </ul> </li> <li>▪ Meaningful improvements in equity performance in FY2022:               <ul style="list-style-type: none"> <li>○ EPS: 20.72 sen (FY2021: 19.31 sen) (↑1.41 sen per share YoY)</li> <li>○ Dividend per share: 6.0 sen<sup>1</sup> (FY2021: 5.0 sen) (↑1 sen per share YoY)</li> <li>○ Net assets per share: RM2.75 (FY2021: RM2.65) (↑10 sen per share YoY)</li> <li>○ Return on equity: 7.66% (FY2021: 7.40%) (↑0.26 percentage points YoY)</li> </ul> </li> </ul>
<b>4Q2022</b>	<ul style="list-style-type: none"> <li>▪ Revenue decreased 4% QoQ to RM332.7 mil.</li> <li>▪ Nonetheless, PBT increased 3% QoQ to RM134.8 mil, despite a lower revenue QoQ. This is attributed to an improvement in both revenue and PBT from the Hospitality Segment and the Financial Services &amp; Investment Holding Segment.</li> </ul>
<b>Forward Earnings Visibility:</b>	<ul style="list-style-type: none"> <li>▪ As of end-FY 2022, total unbilled property sales remained strong at RM1.0 billion (FY 2021: RM0.9 billion) due to high take-up rates for new and ongoing projects, with minimal unsold completed stock.</li> </ul>

<b>Land Bank</b>	<ul style="list-style-type: none"> <li>▪ New land acquired: During FY2022, the Group has acquired two (2) pieces of freehold land in Sungai Petani, Kedah, and in Seremban, Negeri Sembilan, with a combined GDV of RM401.3 million.</li> <li>▪ The Group's land bank currently totals 2,003 acres as of 4Q 2022, located across Malaysia's Klang Valley, Sungai Petani, Butterworth, Kuantan, and Seremban, and Melbourne, Australia<sup>2</sup>, with an estimated effective GDV of RM 16.3 billion.</li> </ul>
<b>Basic Earnings Per Share (EPS)<sup>3</sup></b>	<ul style="list-style-type: none"> <li>▪ 4Q 2022 EPS increased to 5.88 sen (4Q 2021: 4.77 sen).</li> <li>▪ FY 2022 EPS increased to 20.72 sen (FY 2021: 19.31 sen).</li> </ul>
<b>Dividend</b>	<ul style="list-style-type: none"> <li>▪ A single-tier final dividend of 4 sen per share<sup>1</sup> for FY2022 was proposed by the Board of Directors at the Board meeting held on 24 February 2023 for FY2022.</li> <li>▪ Single-tier interim dividend of 2 sen per share for FY2022 was paid to eligible Shareholders on 6 October 2022 totalling RM41.2 million.</li> </ul>
<b>Outlook:</b>	<ul style="list-style-type: none"> <li>▪ World Bank in its Global Economic Prospects report (January 2023) projects a softer global outlook in the coming year, and expects Malaysia's GDP growth at 4% in 2023, amid weaker external demand.</li> <li>▪ Malaysia achieved a GDP growth of 7.0% in 4Q2022 (3Q2022: 14.2%, 2Q2022: 8.9%, 1Q2022: 5.0%). Although 4Q2022 GDP is higher than the long-term average of 5.1%<sup>4</sup>, the national economy showed early signs of diminishing impact of stimulus measures and low-base effect.</li> <li>▪ As of February 2023, BNM has maintained the overnight policy rate ("OPR") at 2.75%, and the Reserve Bank of Australia has increased the cash rate to 3.35% with indication of further increases in the coming year.</li> <li>▪ Efforts in pre-emptive risk mitigation and elevating cost-efficiency will continue to play a key role in improving our delivery process, as we remain vigilant on our cost base and productivity.</li> <li>▪ Our business division will also continue to explore new markets and drive innovation to ensure that we remain competitive in the market amidst a challenging global growth outlook.</li> <li>▪ Sustainability considerations have been incorporated into our business decisions and we will continue to drive our sustainability agenda to create a harmonious, healthy and sustainable environment for our community.</li> </ul>

1 The proposed single-tier final dividend of 4.0 sen per share is subject to Shareholders' approval at the forthcoming Annual General Meeting.  
 2 Reflecting effective share of joint-venture project Melbourne Square ("MSQ") in Melbourne, Australia.  
 3 No potential issuance of ordinary shares or instruments that were dilutive in nature at the end of the current year-to-date FY2022.  
 4 Bank Negara Malaysia: Malaysia GDP long-term average from 1Q 2011 to 4Q 2019.

In Malaysia, the Property Development Division ("OSK Property") successfully launched a total of RM1,111.3 million worth of properties during the financial year compared with RM883.2 million in FY2021. The new launches were spread across our townships in Bandar Puteri Jaya in Kedah and Iringan Bayu in Negeri Sembilan, as well as Butterworth and the Klang Valley. OSK Property also successfully handed over 1,122 units of residential homes to our purchasers in FY2022 with high QLASSIC scores.

While in Australia, we continue to sell completed MSQ Stage 1 residential apartments. Going forward, Stage 2 of MSQ comprising a single tower of approximately 600 units of apartments is expected to be soft launched in the middle of 2023.

Our Property Investment Division continues to generate stable rental revenue from Plaza OSK, Faber Towers and Atria Shopping Gallery. The division recorded a valuation gain of RM6.0 million in FY2022 with strengthening occupancy rates in Plaza OSK and Faber Towers, as well as lower impairment/ write back of debts as the retail and office sector recovers after full reopening of economic activities.

Worth noting, the Group's Capital Financing Division saw its financing portfolio surpassing the RM1 billion mark at RM1.08 billion, as of end-FY2022, as we diversified into Syariah-compliant financing and factoring.

Over in Australia, our Capital Financing team focused on real estate commercial loans and have today established a clientele in Western Australia, Tasmania, Victoria and New South Wales. Since the previous financial year, our financing portfolio in Australia has grown seven (7) times to RM318.6 million (FY2021: RM42.8 mil). With the expansion of our financing portfolio and products offering in Malaysia, as well as Australia, the Division is expected to contribute a stronger financial performance to the Group in FY2023.

Our hotels have benefitted from the strong rebound in the hospitality sector, since the easing of travel restrictions in April 2022. Occupancy and room rates across of all hotels under the Group have recorded significant improvement mainly boosted by pent-up demand for local tourism and meeting / convention events. This has helped drive up our average room rates and resulted in an increase in revenue and profits generated. We expect the pent-up demand for local tourism will continue in FY2023. The rebranding exercise to convert our Damai Laut asset to DoubleTree by Hilton Damai Laut Resort was completed in September 2022. The hotel, which has re-opened on 15 September 2022, has garnered good feedback and was profitable within the first three (3) months.

For the Industries Segment, our cables business has delivered an improved YoY performance due to an increase in average selling prices and stabilisation of raw material prices, coupled with higher demand for power cables following the full recovering of construction and building activities. Our IBS wall panels business has registered an increase in new orders secured with higher deliveries to customers, both domestically and to Singapore.

“The Board is confident to maintain satisfactory level of results in FY2023,” concluded Tan Sri Ong.

## Media Enquiries

For further queries on this media release or to reach out to our Investor Relations team, kindly email: [ir@oskgroup.com](mailto:ir@oskgroup.com), call [+603-2177 1999](tel:+603-2177-1999), or visit: <http://www.oskgroup.com/overview/>.

## About OSK Group

OSK Holdings Berhad is a conglomerate with diversified business interests in Property, Financial Services and Investment Holding, Construction, Industries and Hospitality. As of 31 December 2022, the Group's shareholders' funds stood at RM5.68 billion with total assets of RM9.68 billion and a total market capitalisation of RM2.0 billion<sup>^</sup>.

For further information about OSK Group, please visit our website at: [www.oskgroup.com](http://www.oskgroup.com).

<sup>^</sup> Based on OSKH's last quoted share price on the Main Market of Bursa Malaysia at the close of trading day on 31 December 2022.