

PRESS RELEASE

For Immediate Release

OSK Group Continues Momentum with Strong Performance for 1Q2024

Revenue and Profit Growth Recorded Across All Key Segments

Key highlights:

- OSK Holdings Berhad's pre-tax profit rises 12% to **RM140.9 million**, backed by a 10% increase in revenue to **RM367.9 million** for 1Q2024, compared to the 2023 corresponding quarter.
- The Property, Financial Services, Industries and Investment Holding Segments were the top contributors to pre-tax profits, with the Industries and Financial Services Segments recording growth of 59% and 42% respectively compared to the same period last year.

Kuala Lumpur, 30 May 2024 – OSK Holdings Berhad (“OSK Group” or “the Group”) is pleased to announce an improved financial performance for the first quarter ended 31 March 2024 (“1Q2024”), fuelled by higher contributions across its core business segments.

The Group reported a total revenue of RM367.9 million for 1Q2024, showing a 10% increase from RM333.2 million in 1Q2023. The pre-tax profit for the quarter stood at RM140.9 million, up 12% from RM126.0 million in the same period last year.

"Our first-quarter results reflects the outcome of our continued commitment to execute growth strategies for our core businesses with a long-term focus in mind. The healthy growth in our Property and Financial Services Segments, along with stable performance across other segments, underscores our resilience and commitment to delivering continuous value to our stakeholders," said OSK Group Executive Chairman Tan Sri Ong Leong Huat.

Steady Performance in the Property Segment

The Property Segment demonstrated positive growth, with revenue reaching RM204.7 million, marking a 6% increase compared to the RM192.4 million recorded in 1Q2023. The segment's pre-tax profit rose by 27% to RM36.9 million from RM29.0 million in 1Q2023, attributed to the recognition of progress billings from ongoing projects such as Bandar Puteri Jaya in Sungai Petani and Iringan Bayu in Seremban, Lea in Melawati, Rubica in Butterworth and Shorea Park in Puchong which have achieved high take-up rates. This growth was achieved despite a share of loss of RM2.0 million from associates in 1Q2024 due to sales and marketing costs of Phase 2 of BLVD in Melbourne Square since its launch in April 2023, compared to a share of profit of RM3.3 million in 1Q2023.

As of 31 March 2024, the Group's unbilled sales stood at RM1.1 billion. The Group has a total land bank of 1,898 acres with an estimated effective Gross Development Value of RM16.2 billion.

Meanwhile, the Property Investment Division continued to generate stable revenue from the rental of office and retail assets and income from its palm oil estates.

Strong Growth in Financial Services and Investment Holding, and Industries Segments

The Financial Services Segment delivered a strong result, with a 50% increase in revenue to RM53.2 million compared to RM35.6 million and a 42% rise in pre-tax profit to RM26.1 million compared to RM18.4 million in 1Q2023. This improvement was driven by growth in the Group's loan portfolio from RM1.3 billion in the previous year to RM1.7 billion as at the end of Q1 2024.

The Investment Holding Segment contributed a pre-tax profit of RM68.5 million in 1Q2024, compared to RM72.6 million in 1Q2023. This is due to lower contributions from the investment in RHB Group.

The Industries Segment's pre-tax profit notably climbed by 59% to RM10.1 million (1Q2023: RM6.4 million) underpinned by a 6% increase in revenue to RM85.8 million (1Q2023: RM81.1 million). This was the result of raw material prices stabilising and steady sales for the Group's Cables and Industrialised Building System (IBS) Divisions.

The Hospitality Segment reported stable revenue of RM24.0 million, consistent with the previous corresponding quarter. The segment recorded a slight increase in pre-tax loss to RM0.7 million (1Q2023: RM0.4 million) due to higher depreciation following the refurbishment of Swiss-Garden Beach Resort Kuantan.

The Group continues to remain optimistic in delivering satisfactory results for the remainder of 2024, bolstered by healthy unbilled sales in the Property Development Division, steady growth in the capital financing business.

"As we move forward, we remain dedicated to seizing opportunities and overcoming challenges to sustain our growth trajectory," Tan Sri Ong added.

The Group kicked off FY2024 in a healthy financial position, with a net gearing ratio of 0.39x and cash and bank balances totalling RM848.2 million as of 31 March 2024, indicating financial stability and liquidity.

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About OSK Group

OSK Holdings Berhad is a conglomerate with diversified business interests in Property, Financial Services, Industries, Hospitality and Investment Holding. Founded on principles of innovation, sustainability, and excellence, the Group has grown from its humble beginnings to become a significant player in both the local and international markets including being the market leader in several industries.

Over the years, the Group has expanded its horizons beyond Malaysian borders and established operations in Australia with offerings in financial services and property development.

For more information about OSK Group, visit www.oskgroup.com and follow us on LinkedIn: <https://www.linkedin.com/company/osk-group/> to stay updated on our latest projects and initiatives.

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