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**MAH SING 1Q2021 PROFIT BEFORE TAX SOARS 35.1%  
TO RM56.2MILLION; GLOVE UNIT RECEIVES BUSINESS AND EXPORT  
LICENSES, COMMENCES OPERATION**

*~ Mah Sing Records Approximately RM650.5 Million In Property Sales for first 5 Months as at May2021; On Track To Achieve 2021 Sales Target of RM1.6Billion ~*

*~ Mah Sing Secures 2 New Lands In 2021, Maintain Healthy Balance Sheet To Continue Selective Land Banking ~*

**Kuala Lumpur, 2021** – Mah Sing Group Berhad (Mah Sing) witnessed its profit before tax surged 35.1% to RM56.2million on the back of its revenue of RM413.3million for the first quarter ended 31 March 2021, as compared to a profit before tax of RM41.6million and revenue of RM371.1million in the same period last year.

The Group also achieved property sales of approximately RM650.5million for the first 5 months of 2021 as at end May 2021, while locking in RM400million for the first quarter ended 31 March 2021. This is driven by the strong demand for affordable product offerings in strategic locations. Coupled with the continuous effort of the Group in adopting digital marketing, Mah Sing is well-positioned to meet its 2021 sales target of RM1.6billion.

In addition, Mah Sing also continues to maintain its healthy balance sheet with cash and bank balances and investment in short-term funds of approximately RM901.2million as at 31 March 2021. With disciplined financial management and a healthy balance sheet, the Group will continue with its selective land banking strategy for continuous growth, with Greater Kuala Lumpur and Klang Valley being the focus areas.

Mah Sing has already acquired two new lands in the first half of 2021, gearing up to ride on the gradual recovery of the property market and to meet the home buyers' need for affordably priced homes. The Group's first land deal of the year for M Senyum's 100 acres land in Bandar Baru Salak Tinggi, Sepang was completed on 18 March 2021. The development with an estimated gross development value (GDV) of approximately RM656million will comprise mainly double storey terrace houses with indicative price starting from RM440,000. Registration of interest and launching of M Senyum are targeted to be in the fourth quarter of 2021.

Mah Sing also recently announced the acquisition of M Astra in Setapak, Kuala Lumpur in May 2021, marking the Group's second land acquisition in 2021. M Astra which has an estimated GDV of approximately RM618million, is planned for a mixed development comprising 2 blocks of services suites with retail units. The services suites will be

affordably priced with an indicative starting price from RM399,000. The registration of interest of M Astra is also targeted to be in the third quarter of 2021.

Including both the new lands acquired to-date, the Group has remaining landbank of 2,050 acres with remaining gross development value and unbilled sales totalling approximately RM24.95billion which can provide earnings visibility for at least 8 years.

Mah Sing's Founder and Group Managing Director Tan Sri Dato' Sri Leong Hoy Kum said, "With our quick turnaround and nimble business model, we are able to quickly adapt to the changing market conditions, whilst aligning our business strategies with the latest trends in the market. We are confident that both the new land acquisitions will receive favourable response during its upcoming launch as it meets the current needs of home buyers and aligns well with the Group's current strategy of focusing on affordable high-rises in the central business district areas and affordable landed homes in the outskirts/suburban areas."

"Meanwhile, with the Government imposing MCO 2.0, MCO 3.0 this year including the latest round of a full 2-week lockdown beginning 1 June 2021 to curb the spread of COVID-19, this is anticipated to impact the recovery progress of the local economy including for the property sector. While the three-phase nationwide lockdown is expected to be difficult for many businesses, we will be well-prepared in shifting from the traditional way of doing things and ramping up our digitalisation efforts to remote working and work from home (WFH). We also hope that the Government would continue to step up the mass vaccination process nationwide towards achieving the herd immunity soonest possible and urged Malaysians to support in getting themselves vaccinated." Tan Sri Dato' Sri Leong Hoy Kum noted.

### **Q1 2021 results**

On the property development front, revenue was RM311million as compared to RM281.3million a year ago while operating profit was RM61million as compared to RM39.2million a year ago. Both revenue and operating profit for the current quarter were higher mainly driven by progressive revenue recognition from ongoing construction progress for the Group's existing projects coupled with the recognition of cost savings from the finalisation of certain construction contracts.

The development projects which mainly contributed to the Group's results include M Vertica in Cheras, M Centura in Sentul and Meridin East in Johor. Other projects which also contributed include M Oscar in Off Kuchai Lama, M Aruna in Rawang, M Arisa in Sentul, M Luna in Kepong, M Adora in Wangsa Melawati, Southville City in Bangi, Ferringhi Residence and Southbay City in Penang, Sierra Perdana, Meridin @ Medini and Mah Sing i-Parc in Johor.

Concurrently, the plastics segment contributed positively to the Group's performance and recorded revenue of RM91.3million and operating profit of RM5.1million in the current quarter compared to revenue of RM76.1million and operating profit of RM3.3million a year ago. Lower revenue and operating profit recorded in the preceding year corresponding quarter were mainly due to the imposition of MCO in March 2020.

### **Mah Sing On Track To Meet 2021 Sales Target of RM1.6billion**

Mah Sing has set a sales target of RM1.6billion for 2021 with 91% of products priced below RM700,000, and 51% below RM500,000. The Group extended its sales momentum and have achieved new property sales of approximately RM650.5million sales in the first five months, after locking in property sales of approximately RM400million for the first quarter ended 31 March 2021. The Group is cautiously optimistic that its property projects will continue to attract buyer interest mainly due to their strategic locations, affordable price points coupled with attractive packages, innovative design and layout.

As part of Mah Sing's efforts to drive sales, the Group launched the "Home with Mah Sing" campaign in January 2021, which then followed by the "Come Home 2 Mah Sing" campaign in April 2021 - whereby both campaigns offered easy payment schemes and various incentives to ease home ownership. For example, the "Come Home 2 Mah Sing" campaign offers buyers the benefit of owning a property covering the Group's completed residential and commercial projects as well as general under-construction projects - with payment-free up to 4 years.

Looking ahead, Mah Sing's other planned new launches for 2021 include Tower E of M Vertica, Cheras, remaining phases of M Arisa, Sentul, Phase 2 of Cerrado Suites and Tower B Sensory Residences at Southville City in Bangi, Phase 3 of M Aruna and M Panora in Rawang, service apartments in Southbay City, Penang and double storey link homes in Meridin East, Johor Bahru.

### **Mah Sing Glove Business Commences Operation**

As for the new glove manufacturing business, the Group's subsidiary Mah Sing Healthcare Sdn Bhd (Mah Sing Healthcare) has received its business license and other relevant licenses/permits, and commenced operation recently at its first glove manufacturing factory in Kapar Klang, with the first shipment of gloves to be delivered in May/June 2021. This new milestone places Mah Sing amongst the first few new glove entrants in Malaysia to commence glove production to meet immediate market demand.

Currently, execution of the glove venture is on schedule as there will be six production lines on track to be operational in 2Q2021, followed by another six production lines in 3Q2021. By then, the highly automated Kapar factory will have a maximum production capacity of up to 3.68 billion pieces of gloves per annum. These 12 units of new, high speed glove dipping machines – producing at a speed of 38,000 pieces of gloves per production line per hour are under Phase 1 of Mah Sing's glove manufacturing business.

In addition, Mah Sing Healthcare has also received the export license from the Malaysian Rubber Board, which would facilitate the export business for the Group's glove manufacturing operation. Mah Sing Healthcare has obtained 2 FDA Establishment Licenses for Polymer Nitrile Patient Examination Glove and Latex Patient Examination Glove from the US Food & Drug Administration (FDA), which all glove manufacturers are required to register in order to sell gloves in the US. It is also

progressing well in obtaining FDA 510(k) Premarket Notification and the Conformité Européenne (CE) Marking for export to the US and European markets respectively.

Looking ahead, the glove manufacturing business is expected to contribute positively to the Group's earnings for the financial year ending 2021 due to the strong global demand for gloves. Mah Sing expects structural increase in glove usage as a result of new norms, fears of re-infection, higher health awareness and hygiene compliance requirements for healthcare and non-healthcare sectors, will continue to support strong demand for the gloves post-pandemic.

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**Issued by Mah Sing Group Berhad**

**Lyanna Tew** – Senior General Manager, Strategic Communications, Sustainability & Corporate Responsibility

Tel: 03-92218888 ext. 208 | H/P: 012-6980 569

Email: [lyannatew@mahsing.com.my](mailto:lyannatew@mahsing.com.my)

**Shazni Ong** – Executive, Strategic Communications

Tel: 03-9221 8888 ext 241 H/P: 019-384 9891

Email: [shazni.ong@mahsing.com.my](mailto:shazni.ong@mahsing.com.my)