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**MAH SING Q12022 RECORDS PROFIT BEFORE TAX OF
APPROXIMATELY RM56MILLION AND REVENUE OF
APPROXIMATELY RM433.2MILLION**

***~Mah Sing Achieves Approximately RM450Million New Property Sales
for Q12022; More New Launches From Q2 Onwards, On Track to
Achieve 2022 Sales Target of RM2Billion ~***

***~Mah Sing Plans to Deliver Vacant Possessions of More Than 4,000
Completed Units in 2022~***

Kuala Lumpur, 2022 – Mah Sing Group Berhad (“Mah Sing”) recorded profit before tax (PBT) of approximately RM56million and revenue of approximately RM433.2million for the first quarter ended 31 March 2022 (Q12022), compared to approximately RM56.2million and approximately RM413.3million in the same period last year.

The Group locked in approximately RM450million new property sales in Q12022. This is driven by the strong take-up rate for affordable product offerings in strategic locations with a large captive market, and well-designed features that are in line with current market demand. The Group’s projects continued to record a rebound in sales momentum as the reopening of Malaysia’s borders and transition to the endemic phase spurred a recover in economic activities. Mah Sing has planned more launches from quarter 2 onwards, and coupled with the right marketing campaign and digital marketing efforts by the Group, Mah Sing is well-positioned to meet its sales target of RM2billion.

The good take-up rates of Mah Sing’s affordable M Series developments cover both landed properties in the sub-urban areas and high-rise properties in KL city centre. Following the recent success of Delphy link homes in M Aruna, Rawang (from RM583,000 per unit), which has since recorded a 95% take-up rate, the Group launched M Senyum double-storey link homes (from RM450,000 per unit) in Salak Tinggi, Sepang, in May 2022. The response was overwhelming, with a 100% take-up rate for

the first phase comprising 262 units. Due to the strong demand, M Senyum Phase 2 ie Camellia 2 is now opened for registration.

Apart from that, Mah Sing witnessed encouraging take-ups for their affordably priced M Series in Greater Kuala Lumpur. These include M Centura (from RM328,000, 100% take-up) and M Arisa (from RM299,000, 87% take-up) in Sentul, M Vertica (from RM450,000, 81% take-up for the first 4 blocks) in Cheras, M Luna (from RM385,000, 95% take-up) in Kepong, M Adora (from RM468,000, 93% take-up) in Wangsa Melawati and M Oscar (from RM428,000, 88% take-up) in Off Kuchai Lama.

The Group looks forward to the upcoming launch of M Astra (from RM399,000) in Setapak, and M Nova (from RM318,000) in Kepong to capture potential spillover demand from M Adora and M Luna. With an emphasis on attractive price points and practical design, complemented by engaging and impactful marketing campaigns, the Group will continue to strengthen its product leadership position in affordable homes targeting first-time homebuyers.

“The good take-up rates boost our confidence in continuing to offer similar residential properties to the market. Hence, we are constantly on the lookout for attractively priced lands which can replicate the success of our affordably priced M Series residential developments. We are also open to locations like Klang Valley, Penang, Johor, Seremban, Malacca, and Perak if we can find good lands which fits our business model,” stated Mah Sing’s Founder and Group Managing Director, Tan Sri Dato’ Sri Leong Hoy Kum.

Strong balance sheet with cash and bank balances and investment in short-term fund of approximately RM1.01billion

Mah Sing has planned vacant possession (VP) of more than 4,000 completed units this year, starting with M Vista in Penang in quarter one. Upcoming VP include M Vertica and Sensory Residence Phase 1 in Southville City. This will provide more strong cash buffer to support landbanking activities.

Apart from VP, which will generate significant cash flow, Mah Sing maintains a strong balance sheet, with cash and bank balances as well as short-term fund investments of approximately RM1.01 billion. Unbilled sales of approximately RM2.03 billion as of 31 March 2022 provides near-term revenue visibility, and gearing of approximately 0.33 times.

Q12022 Results

The Group's property development segment recorded an operating profit of approximately RM74.5million and revenue of approximately RM319.3million for the first quarter ended 31 March 2022, which were 22% and 3% higher respectively as compared to last year. The higher revenue and operating profit were mainly driven by higher property sales and revenue recognition of property projects under construction, coupled with the finalisation of construction costs for certain construction contracts.

The key contributing developments include M Vertica in Cheras, M Arisa in Sentul, M Luna in Kepong, M Aruna in Rawang, M Oscar in Off Kuchai Lama, M Adora in Wangsa Melawati, Southville City in KL South and Meridin East in Johor. Other projects which also contributed include Southbay City and Ferringhi Residence in Penang, Sierra Perdana, Meridin @ Medini and Mah Sing i-Parc in Johor.

Concurrently, the manufacturing segment recorded revenue of approximately RM107.6million and operating loss of approximately RM7.8million in the current period compared to revenue of approximately RM91.3million and operating profit of approximately RM3.0million in the previous year corresponding period. Revenue increased mainly contributed by the continuous strong demand for plastic pallets and automotive parts, while glove sales also contributed to the increase in revenue.

Economy on Recovery Path

According to Bank Negara Malaysia (BNM) when announcing the "Economic and Financial Developments in Malaysia in the 4th Quarter of 2021" report in February 2022, the Malaysian economy is expected to remain on its recovery path. As properties are an effective hedge against inflation and encouraged by the reopening of the borders as well as the country's young demographic, the Group is confident that the demand for affordably priced properties will continue to grow in the medium and longer term.

In 2022, 94% of Mah Sing's product offerings are priced at RM700,000 and below, while 60% are products priced at RM500,000 and below. Mah Sing's upcoming launches include M Astra in Setapak, M Nova in Kepong, M Panora in Rawang, remaining phases for Ferringhi Residences in Penang

and double storey link homes in Meridin East, Johor Bahru. The Group anticipates stable and gradual growth in recent years, due to its quick turnaround and nimble business model, supported by the right marketing strategy and product offerings.

Mah Sing Explores New Construction Technologies And Focus On ESG

Despite the challenges faced by the industry due to labour shortage and supply chain disruption resulting the price hike of building materials cost, the Group is exploring new construction technologies, enabling the Group to be more efficient in terms of construction costs. Moving forward, Mah Sing's strategic focus will remain on Environmental, Social and Governance (ESG) and continue to adopt good practices to improve ESG compliance.

Note: Chinese Translation

Mah Sing's Founder and Group Managing Director, Tan Sri Dato' Sri Leong Hoy Kum

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