



FOR IMMEDIATE RELEASE

30 NOVEMBER 2022

MAH SING'S 9M2022 REVENUE RISES 35% TO RM1.65 BILLION; 9-MONTH NEW PROPERTY SALES INCREASES 32% TO RM1.69 BILLION – ACHIEVES 84.5% OF RM2 BILLION 2022 FULL YEAR SALES TARGET

~ Mah Sing clinches Property & REIT Gold Awards at The Edge Malaysia Inaugural ESG Awards 2022 in collaboration with Bursa Malaysia and FTSE Russell~

Kuala Lumpur, 2022 – Mah Sing Group Berhad (Mah Sing) registered a 35% increase in revenue of RM1.65 billion, resulting in profit before tax (PBT) of RM196.2 million for the nine-month period ended 30 September 2022, as compared to revenue of RM1.22 billion and PBT of RM166.4 million in the corresponding period a year ago.

The Group recorded higher new property sales of RM1.69 billion for the nine-month period ended 30 September 2022, a surge of 32% compared to RM1.28 billion in the same period last year.

Mah Sing's Founder and Group Managing Director, Tan Sri Dato' Sri Leong Hoy Kum said, "The good sales performance in new property sales is mainly due to new launches and ongoing projects under our M Series affordable developments. The strategic focus on M Series affordable developments in the recent years has positioned the Group well to capture resilient first home buyers' market. We will maintain discipline on execution for continued momentum in revenue and earnings delivery as well as free cash flow generation."

"We plan to launch M Astra in Setapak (high-rise residential priced from RM399,000) by 4Q2022. Other upcoming developments to be launched are M Nova in Kepong (high-rise residential priced from RM318,000), Phase 3 of M Senyum in Salak Tinggi, Phase 1B of M Panorama in Rawang, and Meridin East (Jasmine and Erica West) in Johor Bahru. We believe that now is still a good time for first-time homebuyers to purchase as buying property is the best hedge against inflation and our products are mainly for customers who are buying for own stay," continued Tan Sri Dato' Sri Leong Hoy Kum.

Healthy Balance Sheet Driving Land Banking Strategy for Future Growth

The Group's focus on execution has ensured strong revenue stream, steady liquidity and cash flow. In the third quarter ended 30 September 2022 (3Q2022), Tower 1 and 2 of M Vertica in Cheras and Tower A of Sensory in Southville, Bangi were completed and delivered to buyers ahead of schedule. The Group targets to handover Acacia

link homes in Meridin East, Johor Bahru and Carya link homes in M Aruna, Rawang in 4Q2022.

The strong cash generation supports further land banking for growth, healthy balance sheet and continued returns to shareholders. Encouraged by the resilient performance of the M Series affordable developments, the Group acquired the M Minori land in Taman Seri Austin, Johor Bahru in June 2022 and is on the lookout for similar lands with fast turnaround efficiency to develop affordable homes.

On the strength of prompt project execution and vacant possessions, balance sheet improved further with net gearing at a new low of 0.27x as at 30 September 2022, providing financial flexibility for further growth. In 3Q2022, the Group rewarded and paid RM64.3 million to shareholders in the form of dividends, representing the 16th year of uninterrupted dividend payout record at minimum 40% of annual profit.

Including all new lands acquired to-date, the Group has a remaining landbank of 1,916.73 acres with a remaining GDV of RM21.12 billion.

Results for 9-Month Ended 30 September 2022

For the nine-month period ended 30 September 2022, the Group recorded PBT of RM196.2 million on the back of revenue of RM1.65 billion as compared to RM166.4 million PBT and RM1.22 billion revenue a year ago.

As at 30 September 2022, the property development segment recorded operating profit of RM247.5 million on the back of revenue of RM1.3 billion, which were 30.8% and 41.3% respectively higher than the operating profit and revenue recorded a year ago. The higher revenue and operating profit were mainly driven by higher property sales and revenue recognition of property projects under construction.

The development projects that were the key earnings contributors include M Vertica in Cheras, M Arisa in Setapak, M Luna in Kepong, M Aruna in Rawang, Meridin East in Johor, M Oscar in Sri Petaling, M Adora in Wangsa Melawati and Southville City in KL South. Other projects which also contributed include D'sara Sentral in Sungai Buloh, Southbay City and Ferringhi Residence in Penang, Sierra Perdana, Meridin @ Medini and Mah Sing i-Parc in Johor.

The manufacturing segment recorded revenue of RM326 million in the nine-month period ended 30 September 2022 as compared to revenue of RM268.1 million in the previous year corresponding period. Revenue increased mainly contributed by the continuous strong demand for plastic pallets and automotive parts.

Mah Sing Achieves RM1.69 billion New Property Sales, 84.5% Of RM2 billion 2022 Sales Target in 9 Months, Extending its Mah Sing H.O.M.E Campaign until 31 December 2022

The Group's property sales for the nine-month period ended 30 September 2022 increased 32% to RM1.69 billion as compared with RM1.28 billion in the same period last year.

The Group achieved RM640 million new sales in 3Q2022, the highest quarterly sales recorded since 2017. Unbilled sales position has grown to RM2.29 billion, providing more than one year of future property revenue visibility.

New launches during 3Q2022 have garnered overwhelming response, with 96% take-up rate for M Senyum Phase 2 in Salak Tinggi and 100% take-up rate for M Panorama Phase 1A in Rawang during the weekend launches in August and September, respectively. Registration of interests have also been very strong for upcoming projects, M Astra in Setapak, M Nova in Kepong, and the upcoming new phases of M Senyum (Phase 3), M Panorama (Phase 1B) as well as Meridin East (Jasmine and Erica West) in Johor Bahru.

In order to keep the momentum going, the Group extended the H.O.M.E sales campaign until 31 December 2022, aiming to address homebuyers' main concerns of saving up for a down-payment, qualifying for a loan, and paying monthly housing instalment. This campaign includes 14 landed and high-rise projects in the central, northern, and southern regions.

Higher productivity and cost efficiency through automation and optimization

Looking ahead, the Group will also further enhance on productivity and cost efficiency through automation, digitalization and process optimization. With the new quality inspection system and other internal digitalization initiatives, the efforts will continue to elevate the customer experience via service delivery efficiency to enhance brand preference and loyalty.

Mah Sing won top award in Property & REIT Category at The Edge Malaysia's Inaugural ESG Awards 2022, embarks on Task Force on Climate-Related Financial Disclosures (TCFD)

Mah Sing won the top award in Property & REIT Category – Gold at The Edge Malaysia's Inaugural ESG Awards 2022 recently. Organised in collaboration with Bursa Malaysia Berhad and FTSE Russell, The Edge Malaysia ESG Awards 2022 aims to recognise public-listed companies (PLCs) and asset management firms that are environmental, social and governance (ESG) leaders in Malaysia.

Mah Sing's Founder & Group Managing Director, Tan Sri Dato' Sri Leong Hoy Kum said, "Sustainability is a topic that is frequently discussed and is unquestionably a fundamental driver of operational sustainability that eventually affects a business' larger value chain. What distinguishes us from others is that we refer to ESG as a transformational journey. Communicating the vision and long-term strategy with key stakeholders is a key driver of sustainability for Mah Sing. Furthermore, integrating ESG concerns into business strategies has allowed us to capture trends in this area while also keeping an eye out for ESG risks (tackling on climate change, biodiversity and human rights) in both operations and value chains."

The Group is looking into the Task Force on Climate-Related Financial Disclosures (TCFD) reporting framework as useful perspectives for the company to manage risks

and tackle business challenges. TCFD recommendations are about quantification of risk and opportunity of climate change through scenario analysis.

2023 Property Outlook

Bank Negara Malaysia (BNM) has forecasted that the gross domestic product (GDP) will expand between 4%-5% for 2023. The Group should continue to benefit from the 5 years stamp duty waiver for residential properties priced below RM500,000 for first time homebuyers and a 75% stamp duty exemption for properties priced at RM500,000 to RM1 million as announced in Budget 2023.

The Group's M Series of affordable developments in multiple residential hotspots have seen healthy take up from homebuyers. Hence, Mah Sing is confident that the strong home buying momentum especially from first-time homeowners will sustain and remain resilient in 2023.

Supported by the Group's confidence in the M Series of affordable homes, and back by healthy balance sheets, the Group will continue to scout for and acquire new lands. Other than Klang Valley, Greater KL, Penang and Johor for affordable high-rise in urban areas, and affordable landed homes in suburban areas, Mah Sing will also explore Seremban, Melaka and Perak for suitable lands to develop affordable landed homes. The mid to long term outlook remains positive supported by strong fundamental demand for properties due to the young demography. Demand for houses from first-time homebuyers should remain resilient.

*****ends*****

Note:

Chinese Translation

Mah Sing's Founder and Group Managing Director, Tan Sri Dato' Sri Leong Hoy Kum
马星集团创办人兼集团董事经理，丹斯里拿督斯里梁海金

Issued by Mah Sing Group Berhad

Lim Sue Hui – Senior Manager, Strategic Communications, Corporate Responsibility

Tel: 03-9221 8888 ext 676 H/P: 016-468 6324

Email: lim.sue.hui@mahsing.com.my