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**MAH SING'S PROFIT BEFORE TAX JUMPS 20.5% TO RM264.1 MILLION IN 2022**

**~Steady construction progress drove revenue, earnings & cash flow momentum~**

**~Sets minimum RM2.2 billion sales target for 2023 ~**

**~ Continue to scout for new lands with healthy balance sheet~**

**~ Dividend pay-out of 40% for 17<sup>th</sup> consecutive year~**

**Kuala Lumpur, 2023** – Mah Sing Group Berhad (Mah Sing) achieved property sales of RM2.12 billion (including land sales of RM115.3 million) for the financial year 2022 (FY22), a 32.2% increase compared to RM1.6 billion in 2021 and the highest property sales recorded since 2016. It targets to better this achievement in 2023, with a sales target of minimum RM2.2 billion.

Healthy improvements were made across multiple financial metrics including profit before tax (PBT) of RM264.1 million in FY22, a 20.5% increase compared to RM219.2 million in FY21, and revenue of RM2.32 billion in FY22, a 32.1% increase compared to RM1.75 billion in FY21. The property development division saw marked improvement with operating profit of RM338.7 million on the back of revenue of RM1.84 billion, which were 30.4% and 37.1% 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. Balance sheet improved further with net gearing at a new low of 0.22x as at 31 December 2022, providing financial flexibility for further growth. In addition, unbilled sales of approximately RM2.18 billion will further support liquidity and provide future revenue visibility.

Mah Sing's Founder and Group Managing Director, Tan Sri Dato' Sri Leong Hoy Kum said, "We are rightly positioned with strategic focus on our M-Series which we have billed as "Luxury You Can Afford". Some of the hallmarks of this series are attractive price points, practical layouts and strategic locations in established neighbourhoods with easy accessibilities, connectivity, and amenities. The strong brand recognition and highly differentiated product offerings resulted in repeated success at project launches, such as the recent launch of the first tower of M Astra in Setapak. The project with starting price from RM399,000 per unit was 95% sold over one weekend. This gives us the confidence that new launches will continue to be well received. In January, we acquired land in Puchong for new projects M Terra and M Hana, and we will continue to scout and acquire more suitable lands to further strengthen our M series portfolio and introduce more rewarding sales campaign for our customers."

Other than the final tower of M Astra in Setapak that is now open for sale with a starting price of RM399,000, upcoming launches in 2023 include M Nova in Kepong with a starting price of RM328,000, Phase 3 of M Senyum in Sepang with a starting price of RM530,000, M Sinar @Southville City with a starting price of RM270,000, Phase 2 of M Panorama in Rawang with a starting price of RM659,700, M Minori in Taman Seri Austin in Johor Bahru with a starting price of RM260,000, and other double storey link homes in Meridin East, Johor Bahru with a starting price of RM424,000.

In the recently announced Budget 2023, the government continued with the **exemption of stamp duty** for first home ownership with **full exemption on properties worth below RM500,000**, and **75% of stamp duty on the sales and purchase agreements of properties priced between RM500,001 to RM1 million**. This will pique the interest of middle-to-upper income first time home buyers as well as those who are looking to upgrade their property and bodes well for our new launches.

Environment, social and governance initiatives remain a priority in 2023, and earlier this year, Mah Sing completed a fresh materiality assessment exercise with close to 1,000 respondents given the new stipulation by Bursa Malaysia for approach to materiality. The company has integrated sustainability into business operations and continues to be included in the FTSE4Good Bursa Malaysia Index and FTSE4Good Bursa Malaysia Shariah Index in the latest FTSE Russell ESG Rating. Mah Sing is one of only two from the property sector awarded a 4-star rating, and was also the Gold winner in The Edge Malaysia's first ESG Awards 2022 under the Property & REIT category. Moving forward, as part of improving ESG management for long-term growth and profitability, Mah Sing is committed to building on current goals and embarking on a more robust goal such as the development of the Task Force on Climate-Related Financial Disclosures (TCFD) reporting framework to manage risk and tackle business challenges.

***Balance sheet remains healthy, and continue to scout for more land to expand portfolio***

Balance sheet remains healthy as the Group's focused and disciplined execution of projects with steady construction progress helped drive revenue, earnings, and cash flow momentum. Free cash flows from timely completions and vacant possession of properties reduced net gearing to record low of 0.22x as at end of 2022. The strong financial profile and liquidity enables acceleration of growth with continued landbanking, and supports consistent shareholder returns.

Continuing the momentum, Mah Sing recently acquired an 8-acre transit environment district (TED) project in Puchong to develop M Terra, a residential development and M Hana, a mixed-use development with a total estimated gross development value (GDV) of approximately RM726 million. Based on preliminary plans, M Terra is planned to be a residential development with 2-bedroom and 3-bedroom units, with indicative built-up ranging from 552sqft, 769sqft and 1,005sqft. The project is indicatively priced from RM250,000. M Hana will be a mixed-use development with some retail lots and registration of interest is targeted for the second half of 2023.

### ***Strong Q42022 and FY2022 results***

For the fourth quarter ended 31 December 2022, the Group recorded PBT of RM68 million on the back of revenue of RM670.9 million as compared to RM52.9 million PBT and RM537.4 million revenue recorded in the preceding corresponding quarter. For the year ended 31 December 2022, the Group recorded PBT of RM264.1 million on the back of revenue of RM2.32 billion as compared to RM219.2 million PBT and RM1.75 billion revenue a year ago.

The development projects that were the key contributors to earnings 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 M Senyum in Salak Tinggi, 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 RM441.3 million, an increase of 19.17% compared to revenue of RM370.3 million in the previous year. The revenue increase was mainly contributed by continuous strong demand for plastic pallets and automotive parts.

### ***Dividend Payout of Minimum of 40% For 17<sup>th</sup> Consecutive Year***

Mah Sing is continuing its track record of rewarding shareholders by proposing a first and final dividend of 3 sen per ordinary share for the financial year ended 31 December 2022, subject to approval by shareholders at the upcoming Annual General Meeting. Mah Sing has been consistent in paying dividend rates of at least 40% of net profit over the last 17 years, upholding its commitment to reward shareholders while balancing growth.

### ***Good year starts with “Mah Sing Secured” Campaign and new launches***

The Group recently also launched its first quarter 2023 sales campaign, “Mah Sing Secured”, which offers homebuyers fixed interest rate, step-up payments scheme, attractive packages and incentives, additional rewards to kick start their homeownership journey.

Aside from the launch of “Mah Sing Secured” sales campaign, Mah Sing has maintained its strong start for 2023. In January 2023, the Group received a good market response with 88% take-up of its new phase M Senyum Rosalia double-storey terrace homes, which comprises 139 units in total. The upcoming M Senyum Rosalia 2 which consists of 160 units is also expected to be launched in Q2FY2023. In addition, Mah Sing's largest township in Klang Valley – Southville City, which consists of both landed (Avens Residence), and high-rise properties (Savanna, Cerrado and Sensory), has achieved a 96% overwhelming take-up rate for its Phase 1 of Sensory Residence. The upcoming new launch of M Sinar at Southville City with starting price from RM270,000 is also open for registration.

***Better performance expected for FY2023***

Supported by a strong pipeline of projects and encouraged by the resilient sales momentum across all projects, the Group has set an even higher sales target for 2023 at minimum RM2.2 billion. The nimble and execution-focused culture should continue to ensure operational reliability. In view of the significant volume of construction progress and property completions for 2023, the Group expects further growth and stronger delivery of performance for FY 2023.

For more information on Mah Sing and its financial results, kindly visit: <https://www.mahsing.com.my/reports/>.