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**MAH SING'S Q12023 PROFIT BEFORE TAX JUMPS 35.2% TO RM75.8 MILLION,  
LOCKS IN RM600.6 MILLION NEW PROPERTY SALES IN 3 MONTHS**

*~Well on track to achieve 2023's minimum RM2.2 billion sales target~*

*~Healthy balance sheet, continues scouting for strategic new lands in  
Klang Valley, Penang and Johor~*

**Kuala Lumpur, 2023** – Mah Sing Group Berhad (“Mah Sing”) recorded strong revenue of RM643.5 million and profit before tax (PBT) of RM75.8 million for the first quarter ended 31 March 2023 (Q12023), compared to RM433.2 million and RM56 million in the same quarter preceding year, representing 48.5% and 35.2% improvement respectively.

The Group achieved RM600.6 million new property sales in Q12023, which marks a 33.5% increase compared to RM450 million in Q12022. Mah Sing is well on track to meet its full-year sales target of minimum RM2.2 billion, supported by strong sales momentum and strategic focus on M Series affordable products.

“In the first quarter, the Group was able to generate significant interest for its recently launched properties, with take-up rates ranging from 85% - 95%. The Group’s active land banking replenishment is ongoing supported by healthy balance sheet and its unwavering confidence in the fast turnaround delivery of its projects. We remain on an active lookout for strategic lands in Klang Valley, Penang and Johor for the development of residential and industrial properties. This strategy is underpinned by our healthy balance sheet and strong cash flow. In addition, our net gearing has improved further to 0.20x as of end March 2023,” said Mah Sing’s Founder and Group Managing Director, Tan Sri Dato’ Sri Leong Hoy Kum.

In 2023, the Group offers 96% residential properties priced below RM700,000 and 65% residential properties priced below RM500,000 which are highly sought after in the current market. During the first quarter, Mah Sing’s launches include the Tower B of M Astra in Setapak, Phase 2A of M Senyum in Salak Tinggi, and Erica West 1 & 2 of Meridin East in Johor Bahru. The upcoming launches include M Nova in Kepong with an indicative starting price of RM328,000; M Minori in Taman Seri Austin in Johor Bahru with an indicative starting price of RM260,000; future phases of M Senyum in Salak Tinggi with a starting price of RM530,000; double storey link homes in Meridin East in Johor Bahru with a starting price from RM446,000; and M Panora in Rawang with a starting price from RM659,700 and M Sinar in Southville City, Bangi with an indicative starting price from RM270,000.

In January 2023, Mah Sing acquired an 8-acre Transit Environment District (TED) land in Puchong. The proposed development consists of 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. The registration of interest is targeted for the second half of 2023.

***Balance sheet remains healthy supported by strong cash flow***

Mah Sing's balance sheet remain healthy, supported by the Group's focused and disciplined execution of projects with steady construction progress, which helped drive revenue, earnings, and cash flow momentum. The Group's balance sheet remains healthy with cash and bank balances and investment in short-term funds of approximately RM706.9 million, and net gearing has further improved to 0.20x as of end March 2023.

The Group's strong financial profile and liquidity allow it to accelerate growth by continuing to acquire new strategic lands in Klang Valley, Penang and Johor for the development of residential and industrial properties.

The Group's unbilled sales of approximately RM2.26 billion provides future revenue visibility. The Group continues to be nimble and focus on sales and project execution to ensure strong revenue and earnings momentum, steady liquidity and healthy cash flows. In April 2023, the remaining Tower C, D and E for M Vertica in Cheras were completed and delivered to buyers ahead of schedule. The other projects expected to be completed by the end of this financial year include M Oscar in Sri Petaling, Erica link homes in Meridin East, Johor Bahru, Delphy link homes in M Aruna, Rawang and Tower B of Sensory Residence in Southville City.

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. The Group is optimistic of the long-term prospects of its property development business and will continue deliver value to its stakeholders.

**Q12023 Financial Results**

The Group's property development segment recorded an operating profit of RM89.7 million on the back of revenue of RM514.8 million for the first quarter ended 31 March 2023, which were 20.4% and 61.2% higher respectively as compared to last year. The higher revenue and operating profit were mainly driven by higher property sales and progressive revenue recognition from ongoing construction progress.

The key contributing developments include M Vertica in Cheras, M Arisa in Setapak, M Luna in Kepong, 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, M Astra in Setapak, M Aruna and M Panora in Rawang, Southbay City and Ferringhi Residence in Penang, Sierra Perdana, Meridin @ Medini and Mah Sing i-Parc in Johor.

Meanwhile, the manufacturing segment's revenue grew by 6.5% to RM114.7 million in the first quarter ended 2023 compared with RM107.6 million in the preceding year's corresponding quarter due to the increased sales from plastic pallets, automotive parts, and gloves. Operating loss narrowed by 52.6% to RM3.7 million compared with RM7.8 million in the preceding year's corresponding quarter due to the Group's ongoing effort to improve glove plant utilisation and cost management for better productivity and performance efficiency.

The revenue and PBT for the current quarter were higher due to higher property sales and work progress percentage completion, excluding land sales of RM66.3 million and PBT of RM1.8 million in the previous quarter. Revenue and PBT increased by 6.4% and 14.5% respectively, compared to the previous quarter.

### **Higher property loan approvals and transactions statistics signal strong recovery for property purchase**

According to Bank Negara Malaysia's (BNM) statistics, both total loan applications and approvals for purchase of residential property show two consecutive months of growth in February and March 2023 by 24.4% and 36.2% respectively. Residential property transaction value in 2022 was at all-time high based on National Property Information Centre's (NAPIC) data at RM94.3 billion.

These robust statistics signal resiliency of property buying interest despite four rounds of Overnight Policy Rate (OPR) hikes in 2022. We are confident of our property projects prospects given the affordable price points and the further benefits of 75% stamp duty exemption on properties priced between RM500,000 and RM1 million, and 100% stamp duty exemptions for properties priced RM500,000 and below.

### **Building ESG ecosystem**

On the Environmental, Social, and Governance (ESG) front, Mah Sing is the first property developer to sign up as an early adopter of the Centralised Sustainability Intelligence (CSI) platform developed by Bursa Malaysia Berhad in collaboration with the London Stock Exchange Group. The Group will also work with Alliance Bank Malaysia Berhad to offer the Group's suppliers, contractors, and consultants several green financing incentives, to build a more sustainable and resilient business ecosystem.

### **Note: Chinese Translation**

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