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28 AUGUST 2023

**MAH SING HIT RM1.2 BILLION SALES IN 1HFY23
Q2FY23 PROFIT BEFORE TAX INCREASED 25.5% TO RM75 MILLION,
REVENUE INCREASED 18.9% TO RM644.2 MILLION, LOW 0.12x NET
GEARING RATIO**

~ On track to reach a minimum of RM2.2 billion sales target for 2023 ~

~ Actively seeking to replenish landbank in Klang Valley, Penang and Johor ~

Kuala Lumpur, 2023 – Mah Sing Group Berhad (“Mah Sing”) recorded strong property sales for the first half of 2023 at RM1.2 billion, a 20% increase compared to RM1.0 billion in 2022. In the second quarter ended 30 June 2023, the Group achieved robust earnings, with profit before tax (PBT) of RM75 million and revenue of RM644.2 million. This reflects a 25.5% and 18.9% improvement in PBT and revenue respectively, compared to the preceding year’s corresponding quarter. For the first half ended 30 June 2023, the Group attained revenue and PBT of RM1.29 billion and RM150.8 million respectively as compared to RM975.2 million and RM115.8 million a year ago.

Mah Sing’s Founder and Group Managing Director Tan Sri Dato’ Sri Leong Hoy Kum said, “The Group’s impressive sales momentum was mainly driven by the strong take-up rates for our M Series developments as reflected in our 1HFY23 result. Our unique position in the affordable segment combined with our distinct product offering known as ‘Luxury You Can Afford’ have resonated with our target market, boosting our unbilled sales to RM2.34 billion, providing visible future revenue for the Group. With more new launches planned for the second half of 2023, the Group is confident of meeting the full year sales target of minimum RM2.2 billion.”

Balance sheet remains robust, underpinned by strong cash flow

Disciplined execution of projects with steady construction progress helped drive revenue, earnings, and cashflow momentum. The Group maintains a robust balance sheet with approximately RM929.7 million in cash and bank balances and investment in short-term funds. Free cash flows from timely completions and vacant possession of properties reduced net gearing to a

low of 0.12x as of end June 2023. The strong financial profile and liquidity enable acceleration of growth with continued landbanking.

Supported by strong balance sheets and encouraged by the healthy take-ups of M Series projects, the Group will continue to pursue more acquisitions to develop affordable residential homes and expand its industrial development portfolio.

“In the first half of 2023, the Group procured four plots of land, specifically M Terra and M Hana in Puchong, M Tiara in Johor Bahru, Glengowrie Estate in Semenyih and M Zenya in Kepong. These acquisitions collectively add up to an approximate Gross Development Value (GDV) of RM5 billion. Supported by a healthy balance sheet and confidence in our quick turnaround business model, we are actively seeking to replenish our landbanks in Klang Valley, Penang and Johor to develop residential and industrial properties,” continued Tan Sri Dato’ Sri Leong.

Mah Sing’s affordable M Series carries the DNA of being strategically located with mature catchment, excellent accessibility and connectivity, and surrounded by established amenities.

Strong sales momentum and new launches, on track to achieve 2023 sales target of minimum RM2.2 billion

“Last week, M Nova, our third development in Kepong besides Lakeville Residence and M Luna, achieved strong take-up rate of 90% for its Tower A over one weekend. This showcases that Mah Sing is on right path by focusing on offering products that meet market demand at attractive prices, practical layouts, well-designed features and strategically located,” affirms Tan Sri Dato’ Sri Leong.

“Recently, we celebrated the early completion of M Adora in Wangsa Melawati and aims for Vacant Possession (VP) by Q32023. M Adora also obtained QLASSIC score of 85%, the highest among Mah Sing’s M Series developments. We take great pride in delivering our brand promise of ensuring the delivery of homes in a timely manner, of quality, affordability, excellence in service and sustainability in operations. We are committed to upholding our brand promise and replicating the success in all our projects,” said Tan Sri Dato’ Sri Leong.

Mah Sing's property launches in the second quarter of 2023 include Phase 2B of M Senyum in Salak Tinggi, Jasmine of Meridin East in Johor Bahru and Phase 2 of M Panorama in Rawang. Upcoming new launches in the pipeline include M Minori in Johor Bahru, future phases of M Senyum in Salak Tinggi, Meridin East in Johor Bahru, M Panorama in Rawang and M Sinar, Southville City in Bangi. With its strong product leadership position in affordable homes and these launches, the Group is on track to achieve its full-year sales target of a minimum of RM2.2 billion.

1HFY23 Financial Results

During the six-month period ending on 30 June 2023, the Group's property development division achieved an operating profit of RM177.9 million, supported by revenue of RM1.04 billion. This marked a 20.1% increase in operating profit and a 39.6% rise in revenue compared to the corresponding year. This growth can be attributed mainly to increased property sales and the gradual recognition of revenue from ongoing construction progress.

The development projects which contributed to the Group's results include M Vertica in Cheras, M Arisa in Sentul, M Luna in Kepong, Meridin East in Johor Bahru, M Oscar in Sri Petaling, M Adora in Wangsa Melawati, M Senyum in Salak Tinggi and Southville City in Bangi. Other projects which also contributed include M Astra in Setapak, M Aruna and M Panorama in Rawang, Southbay City and Ferringhi Residence in Penang, Sierra Perdana, Meridin @ Medini and Mah Sing i-Parc in Johor.

The manufacturing division experienced a 2.1% growth in revenue with RM218.7 million compared to RM214.0 million during the same period last year.

Malaysia's GDP grew by 2.9% in 2Q2023 driven by domestic consumption

According to Bank Negara Malaysia's 18 August 2023 report on economic and financial developments in Malaysia in the second quarter of 2023, the economy grew by 2.9% in the second quarter of 2023 driven mainly by private sector expenditure. Household spending was supported by further growth in employment and wages.

Growth in 2023 is expected to remain between 4% and 5% and domestic demand will remain the key driver of growth amid the challenging global

environment. Key growth drivers include continued recovery in labour market, implementation of new and existing investment projects and higher tourism activity.

For households, outstanding loans expanded by 5.1%, mainly driven by loans for the purchase of residential properties and cars. The Overnight Policy Rate (OPR) was maintained at 3% in July as the Monetary Policy Committee (MPC) deemed the monetary policy stance to be slightly accommodative and supportive of the economy, and the MPC continued to see limited risks of future financial imbalances.

Prioritising ESG goals

Mah Sing was awarded the Malaysia Sustainability Excellence Award for the second year in a row. The Group takes pride in its ongoing proactive efforts to elevate sustainable development throughout its business operations and strategic endeavours. The Group has adopted Task Force on Climate-Related Financial Disclosures (TCFD) reporting framework to strengthen its approach to analyzing, monitoring, and measuring ESG matters and risks.

As an early adopter of Bursa Malaysia Berhad's Centralised Sustainability Intelligence (CSI) platform, Mah Sing is taking a proactive role in encouraging its suppliers to also embrace ESG practices and climate disclosures. The Group is currently in the midst of holding briefings for its suppliers to help them kick off their ESG journey by sharing the importance of ESG and climate disclosures.

Note: Chinese Translation

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