



# **MAH SING GROUP BERHAD**

Company No.: 230149-P

**(Incorporated in Malaysia)**

**Interim Financial Report**

**30 June 2010**

# **MAH SING GROUP BERHAD**

Company No.: 230149-P  
(Incorporated in Malaysia)

## **Interim Financial Report - 30 June 2010**

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**MAH SING GROUP BERHAD**

(Company No.: 230149-P)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****As at 30 June 2010**

(The figures have not been audited)

	(UNAUDITED) AS AT 30/06/2010 (RM'000)	(AUDITED) AS AT 31/12/2009 (RM'000)
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	57,842	60,982
Prepaid lease payments	10,451	3,701
Land held for property development	47,099	47,099
Intangible assets	-	4
	<u>115,392</u>	<u>111,786</u>
<b>Current Assets</b>		
Property development costs	837,539	821,447
Inventories	30,855	29,947
Trade and other receivables	345,989	180,843
Current tax assets	6,682	5,899
Deposits with licensed banks	155,792	268,781
Cash and bank balances	137,787	127,845
	<u>1,514,644</u>	<u>1,434,762</u>
<b>TOTAL ASSETS</b>	<u><u>1,630,036</u></u>	<u><u>1,546,548</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Equity Holders of the Company</b>		
Share capital	415,784	346,487
Share premium	130,816	200,369
Other reserves	(938)	4,784
Retained earnings	312,370	294,054
	<u>858,032</u>	<u>845,694</u>
<b>Minority Interests</b>	<u>14,896</u>	<u>7,774</u>
<b>Total Equity</b>	<u><u>872,928</u></u>	<u><u>853,468</u></u>
<b>Non-current Liabilities</b>		
Long term borrowings	309,620	141,466
Long term and deferred payables	3,725	19,227
Deferred tax liabilities	1,807	1,807
	<u>315,152</u>	<u>162,500</u>
<b>Current Liabilities</b>		
Trade and other payables	345,021	438,549
Term loans	24,970	66,358
Short term borrowings	760	7,350
Bank overdrafts	-	705
Dividend payable	40,539	-
Current tax liabilities	30,666	17,618
	<u>441,956</u>	<u>530,580</u>
<b>Total Liabilities</b>	<u>757,108</u>	<u>693,080</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>1,630,036</u></u>	<u><u>1,546,548</u></u>
<b>Net assets per share attributable to equity holders of the Company(RM)</b>	<u><u>1.03</u></u>	<u><u>1.22</u></u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial report.

# Mah Sing Group Berhad

(Company No.: 230149-P)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED INCOME STATEMENT

For the financial period ended 30 June 2010

(The figures have not been audited)

	3 months ended		Period ended	
	30/06/2010 (RM'000)	30/06/2009 (RM'000)	30/06/2010 (RM'000)	30/06/2009 (RM'000)
Revenue	<b>289,050</b>	167,233	<b>527,362</b>	317,548
Cost of sales	<b>(210,262)</b>	(118,337)	<b>(378,031)</b>	(221,259)
Gross profit	<b>78,788</b>	48,896	<b>149,331</b>	96,289
Other income	<b>627</b>	1,026	<b>986</b>	1,231
Selling and marketing expenses	<b>(8,877)</b>	(5,529)	<b>(15,367)</b>	(10,019)
Administrative expenses	<b>(13,612)</b>	(11,403)	<b>(27,360)</b>	(22,569)
Other operating expenses	<b>(8,562)</b>	-	<b>(17,124)</b>	-
Interest income	<b>105</b>	11	<b>230</b>	(74)
Finance costs	<b>(504)</b>	(711)	<b>(1,018)</b>	(1,449)
Profit before taxation	<b>47,965</b>	32,290	<b>89,678</b>	63,409
Income tax expense	<b>(15,378)</b>	(8,765)	<b>(25,462)</b>	(17,711)
Profit For The Period	<b>32,587</b>	23,525	<b>64,216</b>	45,698
Profit attributable to:				
Equity holders of the Company	<b>29,159</b>	23,038	<b>57,043</b>	45,669
Minority interests	<b>3,428</b>	487	<b>7,173</b>	29
	<b>32,587</b>	23,525	<b>64,216</b>	45,698
Earnings per share attributable to equity holders of the Company:				
- Basic (sen)      Note B13	<b>3.55</b>	3.67	<b>7.52</b>	7.27
- Diluted (sen)    Note B13	<b>3.55</b>	3.66	<b>7.52</b>	7.26

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

**For the financial period ended 30 June 2010**

*(The figures have not been audited)*

	<b>3 months ended</b>		<b>Period ended</b>	
	<b>30/06/2010</b>	30/06/2009	<b>30/06/2010</b>	30/06/2009
	<b>(RM'000)</b>	(RM'000)	<b>(RM'000)</b>	(RM'000)
Profit For The Period	<b>32,587</b>	23,525	<b>64,216</b>	45,698
Other comprehensive income, net of tax				
Foreign currency translation difference for foreign operations	<b>(202)</b>	(694)	<b>(6,072)</b>	607
Total comprehensive income for the period	<u><b>32,385</b></u>	<u>22,831</u>	<u><b>58,144</b></u>	<u>46,305</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<b>28,997</b>	22,535	<b>51,321</b>	46,173
Minority interests	<b>3,388</b>	296	<b>6,823</b>	132
	<u><b>32,385</b></u>	<u>22,831</u>	<u><b>58,144</b></u>	<u>46,305</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial report.

**Mah Sing Group Berhad**
*(Company No.: 230149-P)*
*(Incorporated in Malaysia)*
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**For the financial period ended 30 June 2010**
*(The figures have not been audited)*

	Attributable to equity holders of the Company						Minority Interests	Total Equity	
	Non-Distributable			Distributable					
	Share capital	Share premium	Equity-settled Employees Benefit Reserve	Exchange fluctuation reserve	Capital reserve	Retained earnings			Total
(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)		
6 months ended 30 June 2010									
Balance at 1/1/2010	346,487	200,369	22	4,762	-	294,054	845,694	7,774	853,468
Effect of first adoption of FRS 139 - net impact arising from initial measurement of Other Financial Liability and Loans & Receivables at fair value less transaction costs.	-	-	-	-	-	1,812	1,812	299	2,111
Balance at 1/1/2010 (restated)	346,487	200,369	22	4,762	-	295,866	847,506	8,073	855,579
Amount recognised directly in equity:									
Foreign exchange fluctuation	-	-	-	(5,722)	-	-	(5,722)	(350)	(6,072)
Profit for the financial period	-	-	-	-	-	57,043	57,043	7,173	64,216
Total income for the period	-	-	-	(5,722)	-	57,043	51,321	6,823	58,144
Issuance of ordinary shares pursuant to:									
- Bonus issue	69,297	(69,297)	-	-	-	-	-	-	-
Expenses set off against share premium	-	(256)	-	-	-	-	(256)	-	(256)
Dividends for the financial year ended 31 December 2009	-	-	-	-	-	(40,539)	(40,539)	-	(40,539)
<b>Balance at 30/06/2010</b>	<b>415,784</b>	<b>130,816</b>	<b>22</b>	<b>(960)</b>	<b>-</b>	<b>312,370</b>	<b>858,032</b>	<b>14,896</b>	<b>872,928</b>

	Attributable to equity holders of the Company						Minority Interests	Total Equity	
	Non-Distributable			Distributable					
	Share capital	Share premium	Equity-settled Employees Benefit Reserve	Exchange fluctuation reserve	Capital reserve	Retained earnings			Total
(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)		
6 months ended 30 June 2009									
Balance at 1/1/2009	313,423	134,167	70	5,092	-	237,523	690,275	6,335	696,610
Amount recognised directly in equity:									
Foreign exchange fluctuation	-	-	-	504	-	-	504	103	607
Profit for the financial period	-	-	-	-	-	45,669	45,669	29	45,698
Total comprehensive income for the period	-	-	-	504	-	45,669	46,173	132	46,305
Issuance of ordinary shares pursuant to:									
- Warrants exercised	1,463	-	-	-	-	-	1,463	-	1,463
- ESOS exercised	92	50	-	-	-	-	142	-	142
Reclassification of reserves arising from ESOS exercised	-	-	(44)	-	-	44	-	-	-
Dividends for the financial year ended 31 December 2008	-	-	-	-	-	(37,797)	(37,797)	-	(37,797)
<b>Balance at 30/06/2009</b>	<b>314,978</b>	<b>134,217</b>	<b>26</b>	<b>5,596</b>	<b>-</b>	<b>245,439</b>	<b>700,256</b>	<b>6,467</b>	<b>706,723</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial report.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

**For the financial period ended 30 June 2010**

*(The figures have not been audited)*

	<b>6 months ended 30/06/2010 (RM'000)</b>	6 months ended 30/06/2009 (RM'000)
Net cash from/(used in) operating activities	<b>19,120</b>	(43,350)
Net cash used in investing activities	<b>(241,456)</b>	(5,133)
Net cash from financing activities	<b>158,300</b>	45,291
Net decrease in cash and cash equivalents	<b>(64,036)</b>	(3,192)
Effects of exchange rate changes	-	31
Cash and cash equivalents at beginning of financial period	<b>356,564</b>	160,352
Cash and cash equivalents at end of financial period	<b>292,528</b>	157,191

Cash and cash equivalents at the end of the financial period comprise the following:

	<b>As at 30/06/2010 (RM'000)</b>	As at 30/06/2009 (RM'000)
Deposits with licensed banks	<b>155,792</b>	120,752
Cash and bank balances	<b>137,787</b>	38,359
Bank overdrafts	-	(582)
	<b>293,579</b>	158,529
Less: Deposits pledged as collateral	-	(688)
Less: Deposits deposited in Escrow Account	<b>(1,051)</b>	(650)
	<b>292,528</b>	157,191

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial report.

## **MAH SING GROUP BERHAD**

(Company No.: 230149-P)

(Incorporated in Malaysia)

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### **A Explanatory Notes**

#### **A1 Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") No. 134 : Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2009. The explanatory notes attached to the interim financial report provides an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2009.

The significant accounting policies and methods of computation adopted for the interim financial report is consistent with those adopted for the audited financial statements for the financial year ended 31 December 2009 save for the adoption of Financial Reporting Standards (FRSs) and other interpretations that are effective for financial statements commencing 1 January 2010. The FRSs , which are effective commencing 1 January 2010 and have impact on the financial statements and applied by the Group are :

##### **a) FRS 101 : Presentation of Financial Statements (Revised)**

FRS 101 introduces terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements. In addition, the revised Standard requires the presentation of third statement of financial position in the event that the entity has applied new accounting policies retrospectively. The adoption of this revised standard does not have any impact on the financial position and results of the Group.

##### **b) FRS 139 : Financial Instruments : Recognition and Measurement**

FRS 139 requires the recognition, measurement and disclosure of financial assets and financial liabilities. The new accounting standard moves measurement from a cost base to fair value base for certain categories of financial assets and financial liabilities. The change in accounting policy is to be accounted for prospectively in accordance with the transitional provision of FRS 139. The adoption of this standard does not have significant impact on the financial position and results of the Group.

#### **A2 Seasonal or cyclical factors**

The operations of the Group were not significantly affected by any seasonal or cyclical factors during the financial period under review.

#### **A3 Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the financial period under review.

#### **A4 Changes in estimates**

There were no material changes in estimates for the financial period under review.

#### **A5 Debt and equity securities**

For the financial period under review, there were no issuance and repayment of debt and equity securities, share buybacks, share cancellations, share held as treasury shares and resale of treasury shares .

#### **A6 Dividends paid**

There were no dividend paid during the financial period under review.



**MAH SING GROUP BERHAD**

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**A7 Segment reporting**

Period ended 30 June 2010

	Properties RM'000	Plastics RM'000	Investment Holding & Others RM'000	Elimination RM'000	Consolidated RM'000
<b>REVENUE</b>					
External revenue	437,785	88,495	1,082	-	527,362
Inter-segment	-	-	7	(7)	-
<b>Total revenue</b>	<b>437,785</b>	<b>88,495</b>	<b>1,089</b>	<b>(7)</b>	<b>527,362</b>

**RESULTS**

Operating profit	87,725	8,512	(11,158)	5,387	90,466
Interest income					230
Finance costs					(1,018)
Income tax					(25,462)
<b>Profit for the period</b>					<b>64,216</b>

**OTHER INFORMATION**

Capital expenditure	536	2,997	27	-	3,560
Depreciation and amortisation	1,641	4,642	46	-	6,329

Period ended 30 June 2009

	Properties RM'000	Plastics RM'000	Investment Holding & Others RM'000	Elimination RM'000	Consolidated RM'000
<b>REVENUE</b>					
External revenue	252,199	63,841	1,508	-	317,548
Inter-segment	-	-	14	(14)	-
<b>Total revenue</b>	<b>252,199</b>	<b>63,841</b>	<b>1,522</b>	<b>(14)</b>	<b>317,548</b>

**RESULTS**

Operating profit	63,599	4,001	(2,532)	(136)	64,932
Interest income					(74)
Finance costs					(1,449)
Income tax					(17,711)
<b>Profit for the period</b>					<b>45,698</b>

**OTHER INFORMATION**

Capital expenditure	1,313	1,188	34	-	2,535
Depreciation and amortisation	884	4,024	37	-	4,945

**A8 Valuation of property, plant and equipment**

The valuation of property, plant and equipment have been brought forward without any amendment from annual financial statements for the financial year ended 31 December 2009.

**A9 Material subsequent events**

Save as disclosed in B8, there were no material events subsequent to the balance sheet date until 23 August 2010, being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report.

**A10 Changes in the composition of the Group**

There were no changes in the composition of the Group for the current financial period under review, including business combination, acquisition or disposal of subsidiary and long term investment, restructuring and discontinuing operation.

**A11 Changes in contingent liabilities or contingent assets**

There were no changes in contingent liabilities or contingent assets of the Group since the last annual balance sheet date.

**MAH SING GROUP BERHAD**

(Company No.: 230149-P)

(Incorporated in Malaysia)

**A12 Capital Commitments**

	30/06/2010
	RM'000
Contractual commitment for development lands	114,581
Contractual commitment for acquisition of property, plant and equipment	5,278
	<u>119,859</u>

**A13 Operating Lease Commitments****As Lessee - for the lease of commercial buildings**

The future operating lease commitments for rental of commercial buildings contracted for as at balance sheet date but not recognised as liabilities are as follows:-

	Completed Building RM'000	Building Under Construction RM'000	Total RM'000
Not later than 1 year	28,030	-	28,030
Later than 1 year and not later than 3 years	39,408	29,722	69,130
	<u>67,438</u>	<u>29,722</u>	<u>97,160</u>

The operating lease commitments are in respect of leaseback of commercial buildings ie *The Icon, Jalan Tun Razak* (completed building) and *Southgate Commercial Centre* (building under construction) from the purchasers at 7% and 8% per annum of the respective buildings' sale considerations. The lease is for a period of 3 and 2 years from the commencement date as set out in the respective leaseback agreements. Leaseback for *The Icon* has commenced. The latest leaseback commencement date for *Southgate* is on the first day of the twenty eighth (28th) month from the date of the leaseback agreement. The lease commitments will gradually be offset with income from subletting of the said commercial buildings, hence future cash outflows will be mitigated by expected future cash inflows from sub-lease agreements.

*The Icon* was completed in October 2009 and has commenced generating rental income during the financial period. Total floor area rented out to-date is approximately 46,780 square feet. Pre-lease activity for *Southgate* has commenced.

**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad****B1 Review of Group performance**

The Group recorded strong revenue and profit after tax and minority interest (PATMI) of RM527 million and RM57 million respectively for the first half of 2010. This represents 66% improvement for revenue and 25% improvement for PATMI over the corresponding period in the previous year. The current quarter revenue and PATMI of RM289 million and RM29 million represents 73% and 27% improvement respectively over same quarter last year.

Projects that contribute to solid revenue and profit for the current financial period include *Southgate Commercial Centre, StarParc Point, i-Parc@Bukit Jelutong, Perdana Residence 2, Aman Perdana, Hijauan Residence and Kemuning Residence* in Klang Valley; *Residence@Southbay* in Penang and *Sierra Perdana, Sri Pulai Perdana 2, and Austin Perdana* in Johor Bahru. The Plastics division also recorded improved revenue and profit over the corresponding period in the previous year.

The remarkable property sales recorded in the first half continue to provide steady cash flows and liquidity. The Group's balance sheets remain healthy with low net gearing ratio at 0.05 as at 30 June 2010.

## MAH SING GROUP BERHAD

(Company No.: 230149-P)

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### B2 Material change in quarterly results compared with the immediate preceding quarter

The Group recorded profit before tax of RM48.0 million for the current quarter, representing 15% improvement from that recorded in the immediate preceding quarter. The better performance is attributed to more projects contributing in the current quarter.

### B3 Prospects for the current financial year

The Group is confident that barring unforeseen circumstances, it will be able to achieve satisfactory results for the current financial year.

This is in view of the strong sales already locked in from the Group's balanced and diversified property portfolio in residential, commercial, retail and industrial property sectors. Further adding to confidence is the continued good response to the project previews conducted recently. Going forward the Group will monitor market development and time new launches accordingly.

Excluding the 5 projects already completed, the Group currently has 25 projects in its property portfolio. 15 of these are on-going active projects and 10 are new projects in the planning stage. With proven execution capability, well established brand name, and balanced portfolio of projects at different stages of project life cycles, the Group has the flexibility and is well positioned to weather any uncertainties in the event of slowdown in global market recovery.

In the medium and longer term, the Group is able to leverage on its healthy balance sheets to take advantage of opportunities arising for quality lands acquisition/joint development, both in the domestic and regional markets. The Group's aggressive yet selective landbank reserve accumulation will provide it with a pillar of growth that ensures earnings visibility for the longer term.

### B4 Profit forecast

Not applicable as the Group has not issued profit forecast or profit guarantee in a public document.

### B5 Income tax expense

	3 months ended		Period ended	
	30/06/2010 (RM'000)	30/06/2009 (RM'000)	30/06/2010 (RM'000)	30/06/2009 (RM'000)
Current tax:				
Malaysian income tax	18,204	8,563	28,074	17,474
Foreign tax	907	2	1,121	2
	<u>19,111</u>	<u>8,565</u>	<u>29,195</u>	<u>17,476</u>
Under/(over) provision of Malaysian income tax in prior year	<u>(3,733)</u>	<u>-</u>	<u>(3,733)</u>	<u>35</u>
	<u>15,378</u>	<u>8,565</u>	<u>25,462</u>	<u>17,511</u>
Deferred taxation				
Malaysian deferred tax	-	200	-	200
	<u>15,378</u>	<u>8,765</u>	<u>25,462</u>	<u>17,711</u>

The Group's effective tax rate for the current quarter and the financial period-to-date is higher than the statutory tax rate of 25% mainly due to non-tax deductible expenses and non-recognition of deferred tax assets for certain temporary differences.

### B6 Profits/(losses) on sale of unquoted investments and/or properties

There were no profits/losses on sales of unquoted investments and/or properties which are not in the ordinary course of the Group's business for the current quarter and financial period-to-date under review.

### B7 Quoted securities

The Group does not hold any quoted securities as at 30 June 2010.

**B8 Status of corporate proposals**

The following corporate proposals announced by the Company have not been completed as at 23 August 2010 (being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report):

- 1) On 2 December 2009, the Company's wholly owned subsidiary, Mah Sing International (HK) Limited ("Mah Sing International"), jointly with Danlong Realty (Beijing) limited entered into a letter of intent with the Wujin District People's Government, Changzhou City ("Wujin Government") to develop a mixed property development project on all that piece of land measuring approximately 87.31 acres located in Wujin, Changzhou City, Jiangsu Province, the People Republic of China.

As announced on 24 December 2009, Mah Sing Property Consulting (Changzhou) Pte. Ltd with initial registered capital of USD29.8 million was set up as a wholly owned subsidiary of Mah Sing International in China as requested by Wujin Government for the purpose of acquisition of land use rights in Wujin to develop the mixed property development project.

Since the above announcements, the relevant parties are still in negotiation with the Wujin Government to obtain the land use rights.

- 2) On 5 July 2010, the Company's wholly owned subsidiary, Grand Prestige Development Sdn Bhd entered into a joint venture agreement (JVA) with Medan Damai Sdn Bhd, the landowner, for the joint development of a piece of residential land in Kinrara with total gross area measuring approximately 13.2 acres in Mukim of Petaling, Daerah Petaling, Negeri Selangor Darul Ehsan ("JV Land"). Under the terms of the JVA, the landowner will grant Grand Prestige Development Sdn Bhd the exclusive rights to continue with sales and development of the JV land in return for an entitlement sum of RM35,403,863 which will be paid progressively over a period of 12 months.
- 3) On 9 July 2010, the Company's wholly owned subsidiary, Mestika Bistari Sdn Bhd, entered into a sale and purchase agreement with Azeera Properties (M) Sdn Bhd for a proposed acquisition of a piece of prime freehold land in Bukit Jelutong, Shah Alam, measuring approximately 44,313 square metres (10.95 acres) in Mukim of Damansara, District of Petaling, State of Selangor Darul Ehsan for a cash consideration of RM31,864,010.

The agreement has yet to become unconditional pending fulfillment of condition precedent.

- 4) On 9 July 2010, the Company's wholly owned subsidiary, Mestika Bistari Sdn Bhd entered into two (2) separate sale and purchase agreements as detailed hereunder for the proposed acquisition of prime lands in Section U5, Shah Alam with gross area measuring in total approximately 17.82 acres for a total cash consideration of RM65,910,620:
  - (a) A sale and purchase agreement with Midas Menang Sdn Bhd for the proposed acquisition of prime land with total net area approximately 17,682 square meters (4.37 acres) in Pekan Baru Subang, Daerah Petaling, Negeri Selangor for a total cash consideration of RM34,303,500; and
  - (b) Another sale and purchase agreement with Zikay Development Sdn Bhd for the proposed acquisition of prime land with total net area approximately 17,562.68 square meters (4.34 acres) in Pekan Baru Subang, Daerah Petaling, Negeri Selangor for a total cash consideration of RM31,607,120.

The agreements have yet to become unconditional pending fulfillment of conditions precedent.

- 5) On 9 July 2010, the Company's wholly owned subsidiary, Legend Grand Development Sdn Bhd, entered into a sale and purchase agreement with Medan Damai Sdn Bhd for a proposed acquisition of 907 parcels of residential land in Kinrara with total gross area measuring approximately 125.8 acres in Mukim of Petaling, Daerah Petaling, Negeri Selangor Darul Ehsan for a cash consideration of RM178,396,136.15.

The agreement has yet to become unconditional pending fulfillment of conditions precedent.

**MAH SING GROUP BERHAD***(Company No.: 230149-P)***(Incorporated in Malaysia)****B9 Group borrowings and debt securities**

Total group borrowings as at 30 June 2010 are as follows:

	Secured (RM'000)	Secured (RM'000)	Secured (RM'000)	Total (RM'000)
<i>(Denominated in)</i>	<i>(RM)</i>	<i>(Indonesian Rupiah)</i>	<i>(USD)</i>	
Term loans payable				
- within 12 months	23,911	1,055	4	24,970
- after 12 months	305,786	3,699	135	309,620
	329,697	4,754	139	334,590
Short term borrowings	760	-	-	760
Finance lease and hire purchase				
- within 12 months	1,446	42	-	1,488
- after 12 months	2,060	23	-	2,083
	3,506	65	-	3,571
Total	333,963	4,819	139	338,921

**B10 Financial Instrument**

The Group does not have any financial instrument as at 23 August 2010, being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report.

**B11 Material litigation**

The Group is not engaged in any material litigation as at 23 August 2010, being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report.

**B12 Dividend proposed**

No dividend has been proposed for the financial period ended 30 June 2010.

**MAH SING GROUP BERHAD***(Company No.: 230149-P)***(Incorporated in Malaysia)****B13 Earnings per share ("EPS")****(a) Basic EPS**

The basic earnings per share has been calculated by dividing the Group's net profit attributable to ordinary equity holders for the period by the weighted average number of ordinary shares in issue.

	<b>3 months ended</b>		<b>Period ended</b>	
	<b>30/06/2010</b>	30/06/2009	<b>30/06/2010</b>	30/06/2009
Net Profit for the period (RM'000)	<b>29,159</b>	23,038	<b>57,043</b>	45,669
Weighted average number of ordinary shares in issue ('000)	<b>821,024</b>	628,513	<b>758,060</b>	627,823
Basic EPS (sen)	<b>3.55</b>	3.67	<b>7.52</b>	7.27

**(b) Diluted EPS**

The diluted earnings per share has been calculated by dividing the Group's net profit attributable to ordinary equity holders for the period by the weighted average number of ordinary shares that would have been in issue upon full exercise of the remaining options under the ESOS and the Warrants, adjusted for the number of such ordinary shares that would have been issued at fair value.

	<b>3 months ended</b>		<b>Period ended</b>	
	<b>30/06/2010</b>	30/06/2009	<b>30/06/2010</b>	30/06/2009
Net Profit for the period (RM'000)	<b>29,159</b>	23,038	<b>57,043</b>	45,669
Weighted average number of ordinary shares in issue ('000)	<b>821,024</b>	628,513	<b>758,060</b>	627,823
Weighted average number of ordinary shares deemed issued at no consideration ('000):				
ESOS	<b>37</b>	73	<b>52</b>	85
Warrants	-	1,002	-	1,467
Adjusted weighted average number of ordinary shares ('000)	<b>821,061</b>	629,588	<b>758,112</b>	629,375
Diluted EPS (sen)	<b>3.55</b>	3.66	<b>7.52</b>	7.26

**B14 Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 31 December 2009 was not subject to any qualification.

BY ORDER OF THE BOARD

YANG BAO LING  
KUAN HUI FANG

Secretaries

Kuala Lumpur  
26/08/2010