

# Susta

A background photograph of four children playing tug-of-war on a grassy field. The children are smiling and pulling on a thick rope. The image is slightly blurred, giving a sense of motion and joy.

## In line with our Mission Statement,

Mah Sing is committed to delivering sustainable growth in our business and creating value for our stakeholders. We are fully committed to product quality, customer satisfaction, positive work culture, community development and corporate governance.

# inability

## Report





## COMMUNITY



To play a major role in community development, providing support to the underprivileged and those in need of medical, educational and living assistance.

## RM8 million in contributions

The Group has to-date made contributions in various forms of assistance amounting to approximately RM8 million towards the social and cultural development of the community, both locally and abroad.

## >150 contributions

More than 150 contributions for medical, educational and societal needs for the poor and underprivileged.



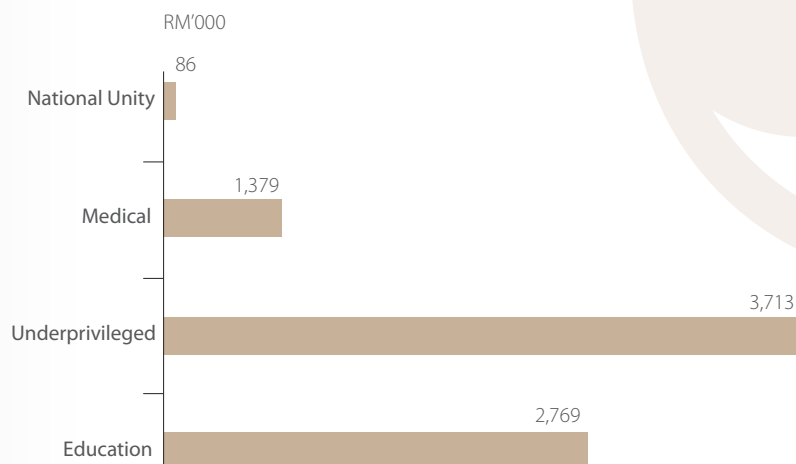
Children at Trinity Community Home showing their appreciation.

Mah Sing believes that it is important to share its success with the community. In addition to improving the quality of life amongst the community by delivering more lifestyle and quality homes, Mah Sing endeavours to contribute to the communities through various Corporate Social Responsibility ("CSR") programmes and other community outreach initiatives.

### CSR VIA MAH SING FOUNDATION

Mah Sing Foundation, through which CSR activities of the Group are conducted, is the brainchild of the Group Managing Director cum Group Chief Executive, Tan Sri Dato' Sri Leong Hoy Kum. Tan Sri Dato' Sri Leong believes that a holistic and integrated effort in CSR will be more effective and impactful in benefiting the needy, and his commitment towards CSR is deeply embedded in the Group's corporate philosophy.

Since its inception in 2005, Mah Sing Foundation has continuously committed itself to being a responsible and active participant of the local communities. To date, the Group has made meaningful contributions in various categories of assistance amounting to approximately RM8 million to the social and cultural development of the community, both locally and abroad.



**Figure 1: A total of RM7,947,000 contributions in various categories of assistance**

Mah Sing Foundation has maintained its commitment towards supporting medical, educational and societal needs for the poor and underprivileged during the year.

**Medical assistance via financial support to those suffering from critical illnesses or disabilities; or support through schemes by organisations that look after public health and welfare.**



Donation of a fully-equipped ambulance to St. John Ambulance of Malaysia (Kawasan Pantai Selangor), for its rescue missions. The ambulance service operates 24-hours to complement local GH in emergency cases such as landslide, road accident, air crash, floods, etc.



Mah Sing Foundation supported the Kechara Soup Kitchen Society's mobile clinic facility with the aim of helping the homeless and urban poor on the streets of Johor Bahru. The contribution covered the 1-year rental cost of a private ambulance with qualified personnel and the provision of on-site medical aid to the needy and homeless who are wounded and sick.



## Financial assistance and relief schemes for the poor and distressed



In light of the recent floods which affected many communities, Mah Sing Foundation supported the Crisis Relief Management Squad of MCA's "Rebuilding Lives & Homes, Helping Children to Return to School on Time" initiative. Further to sending volunteers to go on ground to help the locals in flood-affected areas in cleaning their homes, the Crisis Relief Management Squad of MCA also distributed mattresses and blankets to the affected communities whose furniture and daily necessities were damaged by the floods.



Mah Sing Foundation contributed to the Malaysian Red Crescent Society in support of the association's disaster relief efforts. The funds collected were utilised for the on-going provision of immediate relief and recovery support to the affected people in Johor and the East Coast.



Contribution to the Pudu Rotary Charity Foundation's "Stop Hunger Now" project in support of a "Meal Packing Event" to eradicate poverty and hunger among children in the lower income groups and economically deprived citizens in Malaysia. The event involved participation of volunteers comprising sponsors, employees and shoppers.



Mah Sing Foundation contributed towards Tesco Malaysia's Flood Relief Convoy Mission to Kelantan, Terengganu and Pahang that was flagged off on 5 January 2015. The contribution was utilised to provide school uniforms for school children affected by the floods.



Mah Sing Foundation contributed to Tzu Chi Malaysia in support of the organisation's "Great Love to Flood Victims" initiative to provide care and aid distribution to areas affected by the floods. The organisation also organised mass clean-up initiatives to transport debris away from the flood affected areas.

- Contribution to Selangor and Federal Territory Association for the Mentally Handicapped ("SAMH") by sponsoring a 1-year rental for 2 of the buildings in Jinjang North and Cheras. The association currently operates 5 buildings in the Klang Valley to cater to the needs of children and adults with varying mental disabilities.
- Contribution to the Malaysia Metabolic Society in support of their fundraising dinner towards the iCare4u Foundation for the benefit of the afflicted 23 Lysosomal Storage Diseases ("LSD") patients.
- Support to the Buddhist Tzu-Chi Merits Society Malaysia's charity concert to raise funds for Tzu-Chi dialysis centre and Tzu-Chi education centre.
- Donation towards National Stroke Association of Malaysia ("NASAM") in support of their 17th Annual Fun Fair to defray the organising cost of the fun fair event. NASAM plays a role in offering rehabilitation services for stroke survivors and support to their families.
- Donation to the Alzheimer's Disease Foundation Malaysia's charity concert by raising funds to build a Dementia Homecare Centre for the needs of people with dementia and their caretakers.
- Medical assistance to a long service employee of the plastics division in aid of medical expenses incurred for his son.
- Contribution to the Sabah Thalassaemia Society in support of the organisation's efforts to reduce the incidence of Thalassaemia patients in Sabah and providing the best treatment. This covered awareness campaigns through radio talk, schools and public forums.
- Support to the "Big Hearts to Little Hearts Charity Dinner" that raised funds to provide financial support to 6 kids with heart disease for immediate corrective surgery.
- Contribution to Kelab Putera 1Malaysia towards the Gaza Humanitarian Fund to aid the victims in Gaza.
- Contribution to New Southern Records in conjunction with its charity dinner concert held to raise funds for the benefit of selected school, homes and deserving non-governmental organisations.



## Educational assistance through subsidies and donations to needy and deserving students



Mah Sing Foundation Scholarship Programme offered scholarships to 4 students from Tunku Abdul Rahman University College ("TAR-UC"), covering their entire degree programme in addition to certain fixed living allowances, with industrial placement in relevant Mah Sing Group departments and a job offer for those who excel.

- Contribution to Yayasan CI Guang Malaysia's building fund in support of children reading classes. The main objective is to promote Chinese traditional culture and benefit the community at all branches nationwide.
- Contributions towards The Star Publications' Newspaper-in-Education ("NIE") school sponsorship programme to improve the proficiency of the English language amongst students in Chinese primary schools.
- Contribution to SJKC Kheng Chee Puchong's building fund.
- Contribution to Jawatan Kuasa Pengelola Pembinaan SJKC Wangsa Maju's school building fund.
- Contribution to the Malaysian Fo Guang Buddhist Association (Cawangan Bandar Baru Klang) in support of their Charity Walk to encourage a healthy lifestyle.



Donation towards the St Nicholas Home for the Blind Penang, under a tie-up with the "Walk with Us" event, a charity segment of Penang Starwalk 2014. The objective of the event was to encourage corporations to choose a participating team as their preferred charity home whereby donations from the event will be channeled directly to the selected homes. Mah Sing took part in the 1km charity walk and selected St. Nicholas Home as the beneficiary.



Mah Sing utilised its expertise in property development to enhance school infrastructure in 2014. Mah Sing Foundation contributed to 8 schools in Johor Bahru to build and upgrade facilities such as computer rooms, toilets and libraries for pupils.



## Encouragement of social and sporting activities that enrich the community and serve to promote national unity



Mah Sing team supported The Edge-Bursa Malaysia Kuala Lumpur Rat Race 2014, a run jointly organised by The Edge-Bursa Malaysia to raise funds for charity. The Rat Race has been a fixture on Mah Sing Group's annual CSR calendar. This is in line with the Group's CSR programme, and certainly a fun way to make a difference for the underprivileged and less fortunate.

## OTHER COMMUNITY OUTREACH INITIATIVES



PT Mah Sing Indonesia breaking fast with Yayasan Yatim Piatu HASANAH Warung 1, Cikarang, Indonesia during the Ramadhan month. Donations and souvenirs were given to the orphanage as well.



A Christmas Party for 60 orphans from Cornerstone Home and Our Family Home was held at Southville City@KL South Sales Gallery. It was a fun-filled day with games, Gingerbread DIY workshop, face-painting, magical clown, a Santa Claus appearance, performances and Christmas caroling. Mah Sing staff also contributed gifts to the kids according to their wish list.





PT Mah Sing Indonesia continued its annual tradition of organising a blood donation campaign as part of the several activities lined up for its 2014 corporate social responsibility efforts.



In conjunction with World Health Day, a blood donation drive was organised at the Clubhouse of Taman Sri Pulai Perdana 2, Johor.



SMK Taman Rinting 2 is the reigning rugby champion in Pasir Gudang, Johor. Mah Sing Foundation sponsored the building of a rugby post and a new set of rugby jerseys for their players to improve player performance and morale. The school neighbours to Mah Sing's development, Sierra Perdana in Johor.



Mah Sing Foundation's Chairman, Group Managing Director/Group Chief Executive with corporate and business partners who had taken part and supported the fundraising event – Donors received specially painted horses from an orphanage under the tutelage of Da Vinci Creative Kids.

Since 2012, Mah Sing Foundation has continuously raised funds via its annual fundraising events for the benefit of charitable organisations. In 2014, the fundraising activities organised included:-

- **“Building Lives Together” Fundraising Charity Dinner**

The fundraising charity dinner themed “Building Lives Together” successfully raised RM3.28 million for charity, the highest achievement since the inception of the Foundation in year 2005. The event also saw the disbursement of funds amounting to RM760,000 to 23 beneficiaries on the night of event. The dinner was graced by the Minister of Urban Wellbeing, Housing and Local Government, with other notable attendees and attended by over 500 guests.



Charitable organisations that benefited from the “Building Lives Together” fundraising event included homes for children, the disabled, deprived groups or senior citizens: Trinity Community Children Home; Yayasan Sunbeams Home; Rumah Aman (Shah Alam); Pusat Kanak-Kanak Terencat Akal

Bahagia; Pusat Jagaan Kanak-Kanak Kurang Upaya KIRTARSH; Vinashini Home; Stepping Stones Living Centre; Bethany Home; Independent Living and Training Centre; Shuang Fu (Dual Blessing Berhad); Persatuan Kebajikan Rumah Grace Klang; Rumah Orang-Orang Tua Seri Setia; Persatuan



Kebajikan Warga Tua Wilayah Persekutuan; Persatuan Kebajikan Orang Terabai dan Warga Emas Rumah Kasih KL.

Educational organisations or schools that benefited from the fundraising event were: Dignity for Children Foundation, SJKC Sungai Chua, Kajang; SJKC Wen Khai, Penang; Sekolah Menengah Chong Hwa Kuantan, Pahang; SJKC Confucian, Kuala Lumpur; Seri Mengasih Centre Sabah (a special developmental centre for the intellectually disabled); Nanyang Siang Pau's Newspaper Cutting Contest.

Medical-related beneficiaries which received aid were: Sau Seng Lum Haemodialysis Centre (dialysis machine); National Kidney Foundation of Malaysia (Dialyzer Reprocessors and maintenance).



Children at Trinity Community Home.



Mah Sing Foundation continued its support to a batch of school children who are currently pursuing their secondary education. The educational support was initiated since the students were in primary school, and is in support of the Dignity for Children Foundation's ("Dignity") Secondary Education Programme which covers the rental of classrooms, bus transportation, syllabus fees, lunch subsidies, and graduation ceremony expenditures.

#### • Mah Sing Ice Bucket Challenge

Mah Sing Foundation hosted Mah Sing's own Ice Bucket Challenge at the Icon City Sales Gallery, Petaling Jaya on the day before the Mah Sing Foundation Charity Dinner. Mah Sing staff, their friends and family members as well as Group Managing Director cum Group Chief Executive Tan Sri Dato' Sri Leong Hoy Kum participated in the event.

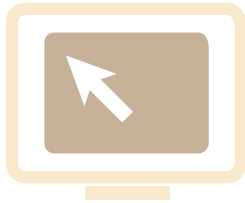


The Foundation topped up RM100 for every RM20 contribution per person. The fund raising event successfully collected RM33,320 for the benefit of the Cerebral Palsy Children's Association of Penang. The Association is a non-profit organisation providing therapy and special educational services to children with cerebral palsy. Water used for the challenge was not wasted and was recycled for watering of plants at Icon City, Petaling Jaya.





## WORKPLACE



Fully committed to developing our people through effective human resource strategies, open communication & transparency, harmony amongst all employees and respect for individuals.

>12,000  
training hours

Total training hours of employees during the year.

5  
HR Awards

Mah Sing received 5 HR Awards for its relentless effort in advancing the HR sphere, including developing talent, advocating best HR practices and trailblazing new HR initiatives.





*In conjunction with the FIFA World Cup 2014, Mah Sing Management and staff got into the World Cup fever and dressed up for the occasion.*



Mah Sing believes that an effective workforce is essential to the success of an organisation. Effective human resource strategies have been initiated to promote open communication & transparency, harmony amongst all employees and respect for individuals.



## EMPLOYEE COMMUNICATION

Among the HR initiatives to gain insight into what employees value and their perceptions of the organisation's work environment was Mah Sing's participation in the Aon-Hewitt Best Employers Survey (Years 2012 and 2014) and the appointment of branding agency "The Listening Tree" to conduct an Employee Perception Audit (One to One Interview Sessions) on the Mah Sing brand name.

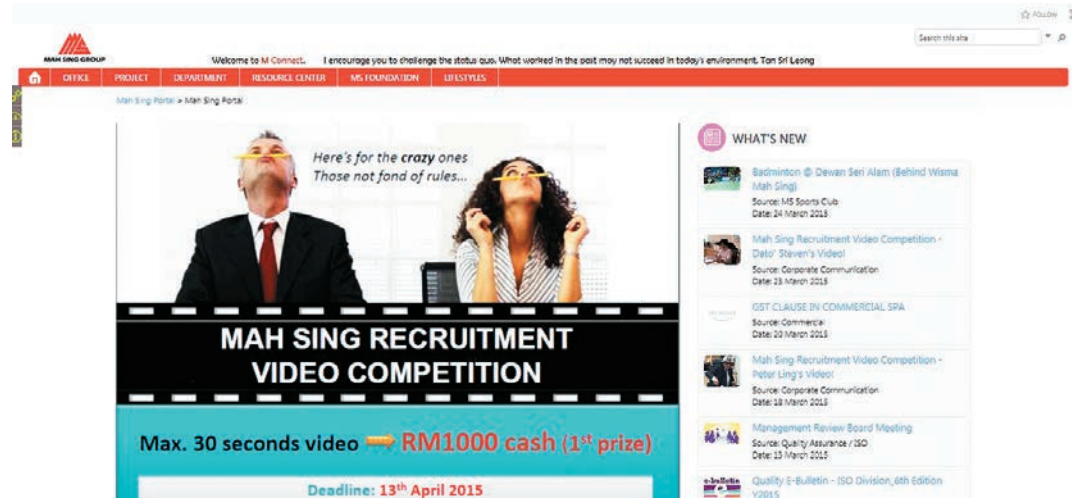
In addition, the Company's intranet portal – "M Connect" – was launched in 2014 to create a platform for employees to share their views and thoughts on Company activities. M Connect is also the main channel for knowledge sharing and a mode of communication for the Group.

## LEARNING & DEVELOPMENT

Committed to developing its people and building talent, Mah Sing invests heavily in learning & development initiatives.

A leadership training programme entitled Mah Sing LEAD Project ("Leadership Excellence, Advancement and Development") was rolled out by the HR Department for successful candidates who have attended talent recruitment road shows and passed the assessment. It is Mah Sing's mission to recruit, train and retain the best graduates who have the right personalities, competencies and shares Mah Sing's vision to be a premier lifestyle developer that consistently performs to world-class standards.

*Mah Sing Property visited the Mah Sing Plastics factory to share knowledge on 5S, safety and quality practices whilst promoting interaction amongst staff from different divisions.*



*MConnect, the Group's intranet portal, is the key platform for communication and knowledge sharing*

*"Senior Management Workshop: EVOLVE – LEAD" in high gear as the teams worked together to solve challenges.*



Various internal and external trainings were also conducted for all employees, from Non-Executives to Senior Management to instill a culture of continuous self-improvement.

Whilst trainings on soft skills are conducted internally, trainings related to technical skills are sourced by individual departments. Where necessary, the HR Learning & Development team will work with the relevant departments to organise in-house technical trainings.



*"Internal Customer Supplier Chain Workshop" in session to enhance understanding of core business processes and information flow in order to achieve optimum efficiency.*



*PT Mah Sing Indonesia's employees performed a team work game "Balancing block" during in-house training "The Secret of Teamwork", to inculcate good team work amongst employees.*



*"Quality Improvement Through Failure Root Cause Analysis Training" in session to enhance knowledge on identifying failure root cause of product quality defects in the process line.*



### STAFF RECOGNITION & WELFARE

Ongoing reviews are undertaken by the Group Human Resources & Administration to align the Group's HR policies to industry best practices.

The Group utilises a "Valuing Performance (VP)" performance management system to further align employees' goals to the organisation's goals, and also links rewards to performance.

### WORK-LIFE BALANCE

The MS Sports Club organised activities that promote interaction amongst staff to improve group dynamics and team spirit, work-life balance and a healthier lifestyle.

In conjunction with the FIFA World Cup 2014, MS Sports Club planned a string of internal activities and got into the World Cup fever. Management and staff were encouraged to dress up for the occasion by wearing football jerseys, T-shirts or anything casual with the World Cup theme in mind. Other activities included decorating departments according to the World Cup theme and a match scores prediction competition. Due to the overwhelming response, the football fever also spread to Mah Sing's Facebook fans where staff, friends and family members won passes to Mah Sing's World Cup public screening event "Clash of the Football Titans".

Other activities organised by the MS Sports Club included clay target shooting, football matches, bowling competition, paintball challenge, escape adventure, staff new year party, weekly classes on Yoga, Zumba Dance, Line Dancing and badminton sessions.

MS Sports Club also offers privileges to employees, such as corporate promotion for stage performances/ concerts, discount vouchers for products, and free tickets for sports events from time to time.



MS Sports Club sponsored participating teams for the 5km Team Category at the Frost & Sullivan's "Frost The Trail Corporate Challenge 2014" at Puteri Harbour, Iskandar, Johor and FRIM, KL. Through this meaningful event, Frost & Sullivan hopes to join hands with supportive partners and clients to raise funds and make a difference to the less fortunate in the community.



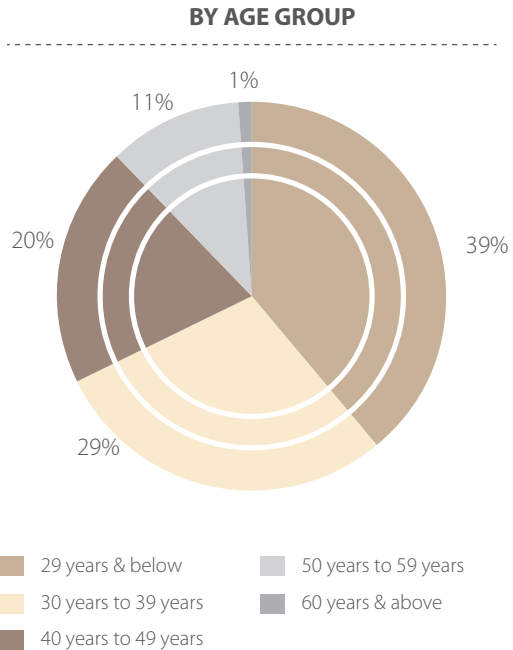
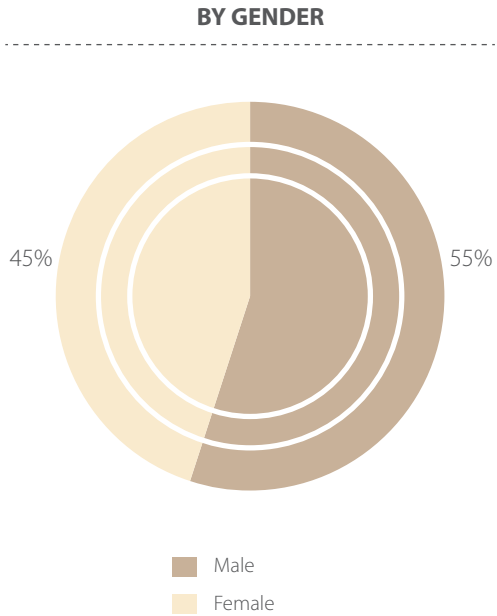
An Inter – Department Escape Room Competition was held where staff were required to use logic, intuition and adopt an overall collaboration with their teammates in an attempt to escape from a locked room.



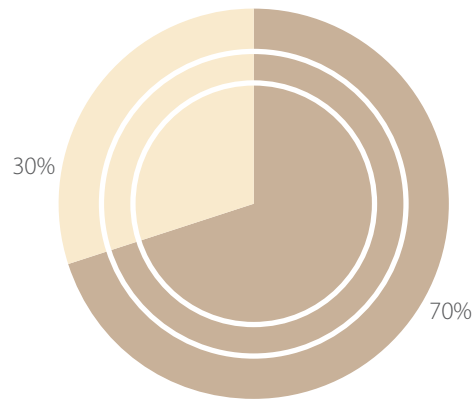
**WORKPLACE DIVERSITY**

The Group supports a diverse and inclusive workforce that comprises a mix of community from different genders, age groups and ethnicity.

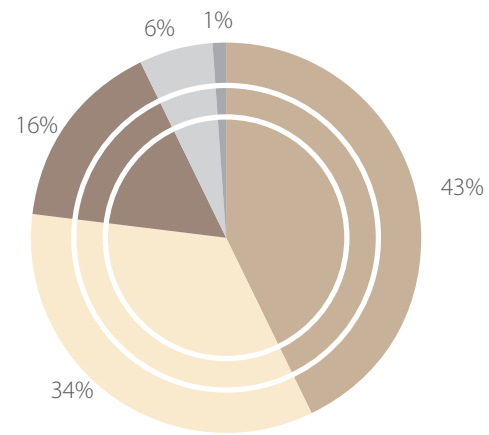
**Property & Investment Holding Division**



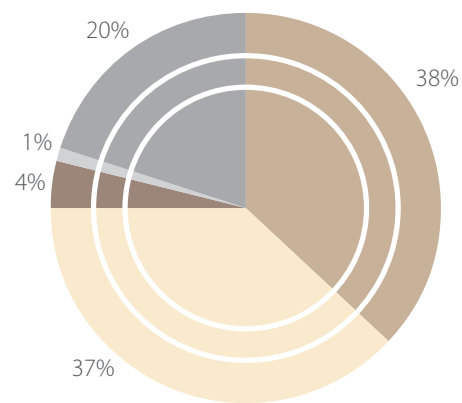


**Total Group including Plastics Division****BY GENDER**

Male  
Female

**BY AGE GROUP**

29 years & below  
30 years to 39 years  
40 years to 49 years  
50 years to 59 years  
60 years & above

**BY ETHNICITY**

Bumiputera  
Chinese  
Indian  
Non-Malaysian  
Others

## HEALTH & SAFETY AT THE WORKPLACE

The Group has in place a Safety, Health & Environment Policy and places high emphasis on health and safety at workplace.

The Group continued its initiatives to inculcate a sense of awareness amongst employees to accept responsibilities in occupational safety, health and environmental matters and to maintain a clean, safe and orderly working environment. Activities included a *gotong-royong* to clean drainage at the Mah Sing Plastics factory compound; trainings on fire extinguisher usage, emergency spillage action, first aid, fire drill and a health test.

Safety measures included 24-hour security guards stationed within office buildings, surveillance equipment at relevant work locations and proper lightings installed at areas such as car park and staircase. Car park security escort service is also available for female employees during late hours.

In 2014, Mah Sing received globally recognised HR awards, namely the Malaysian Institute of Human Resource Management's ("MIHRM") 14th Malaysia HR Awards 2014 "Silver – Good rating achievement" in the HR Best Practices category"; the Asia HRD Awards; Malaysia Best Employer Brand Award 2015 and the Asia Responsible Entrepreneurship Awards ("AREA") 2014 "Investment in People". The Awards serve to recognise and acknowledge Mah Sing's relentless effort in advancing the HR sphere, including developing talent, advocating best HR practices and trailblazing new HR initiatives.



Effective First Aid & CPR Techniques Training in session at Mah Sing Plastics.





## ENVIRONMENT



Fully committed to incorporating environmental-friendly features in the creation of lifestyle development.

### 12 green registrations

Mah Sing has registered 7 projects for various green certifications. Amongst the green certification bodies are Malaysia's Green Building Index, REHDA's GreenRE; Singapore's Green Mark; USA's LEED.

### 15.8% savings

Plastics Division (Malaysia operations) achieved a 15.8% energy cost savings, up from 12.8% in year 2013.

The Group reaches out to the environment via its support towards various earth-friendly efforts.

The Group continues to work on ever-improving designs, layouts and where possible, to incorporate environmental-friendly green features and innovations in its property development products.

During the project design & planning stage, the Group registered many of its development projects for green certification.





The following green projects are benchmarked against green compliance standards recognised by the World Green Building Council which include Malaysia's Green Building Index ("GBI"), Singapore's Green Mark; United States' Leadership in Energy and Environmental Design ("LEED") and Real Estate and Housing Developers' Association Malaysia's ("REHDA") GreenRE:-



*The Show Village and Sales Gallery at Southville City @ KL South stands on 20 acres of lush landscaping.*

- Phase 1 & Phase 2: Targeting for GBI, Green Mark or LEED certification (various components)
- Tower 1 & 5 (Phase 1): GBI (Certified) Provisional Certificate obtained
- Tower 5 (Phase 1): LEED (Gold) Provisional Certificate obtained



- GBI (Certified) Provisional Certificate obtained
- Pending issuance of Green Mark (Certified) Provisional Certificate



- Phase 2B – Green Mark (Gold) Provisional Certificate obtained
- Phase 2C – Target to register for Green Mark (Gold)



*Icon City, Petaling Jaya.*



*M-City, Jalan Ampang.*



*Ferringhi Residence, Penang Island.*





Icon Residence Mont' Kiara.



Southbay Plaza, Penang Island.



Lakeville Residence, Taman Wahyu.



Southville City @ KL South, Bangi.

- GBI (Certified) Provisional Certificate obtained
- Green Mark (Certified) Provisional Certificate obtained



- Green Mark (Gold) Provisional Certificate obtained
- GBI (Certified) Provisional Certificate obtained



- GBI (Certified) Provisional Certificate obtained



- Savanna Plaza – Targeted to register for Green Mark (Certified)

The green building rating systems provide a comprehensive framework for assessing environmental impact and performance in various categories such as energy efficiency, water efficiency, environmental protection, indoor environmental quality and green innovation credits. Environmental friendly and sustainable construction practices are adopted to reduce polluting effects. When required, an Environmental Management Plan is prepared for projects where the construction activities are assessed to be a potential source of environmental impact.

#### PLASTICS DIVISION

In compliance with the Efficient Management of Electrical Energy Regulation 2008, the electrical energy consumption pattern of the Malaysian plastics operations ("MSPI") was assessed for implementation of potential energy cost reduction measures.

A target was set by the Management in 2013 to lower energy consumption by 10% over a 3-year period. To that effect, the Management has constantly adopted energy efficiency practices in its procurement of new raw materials, components, packaging, chemicals, plant and equipment to help deliver energy-efficient manufacturing processes. An Energy Management Policy was communicated to all employees and other stakeholders within the value chain. Where relevant, they were trained to observe good environmental practices.

Some of energy saving initiatives implemented included:-

- Lighting change from High Bay Lamp 400W (which consumes more energy) to High Bay T5 188W at production.



As a show of support towards commitment to create greater environmental awareness, volunteers from Mah Sing participated at the 'Gotong-Royong' (Clean-Up) and 'Don't Be a Litterbug' Anti-Litter Campaign in Kuala Lumpur.

- Replacement of R22 air conditioning gas to Hydrocarbon gas R290 (which consume less energy and is more environmentally friendly) for air conditioning units in offices.
- Continuous preventive maintenance works to keep machinery & the factory building in good working condition in order to deter electricity wastages as a result of poorly maintained assets.

The measurement of electricity consumption from various aspects had shown improved energy consumption efficiency due to the implementation of energy saving initiatives.

**2014**  
**15.8%**  
**savings**

**2013**  
**12.8%**  
**savings**

Besides complying with all applicable environmental legislation and statutory regulations, the Group's plastics division achieved the ISO 14001:2004 "Environmental Management System" certification since year 2007.

As part of scheduled waste management to meet industrial standard requirement, waste bins for disposable waste has been standardised in colour and labelled for easy identification. Briefing sessions on scheduled waste management are also conducted regularly to increase awareness amongst employees.

At the workplace, employees are constantly encouraged to conserve energy consumption and to reduce, reuse & recycle paper in their daily operations. The Group's HQ also participated in the turning off of non-essential lights for one hour on the annual Earth Hour Day initiated by the World Wide Fund for Nature ("WWF").



## CUSTOMERS



To provide our customers with excellent quality products at competitive cost, with prompt delivery and flexible services through our uncompromising commitment towards total customer satisfaction.

## 76 CONQUAS registrations with average of 76% scores

Our projects have achieved an average scoring of 76% for CONQUAS, the quality assessment by BCA, Singapore.

## >26,000 MClub members

Mah Sing earns and rewards the loyalty of its customers via M Care post sales services and M Club royalty rewards program.



*Happy house owners received a welcome gift hamper during the handover of Bayu Sekamat, Cheras.*

Mah Sing provides customers with excellent quality products at competitive cost, prompt delivery and flexible services through our uncompromising commitment towards total customer satisfaction.

## CUSTOMER CARE & POST DELIVERY SERVICES

Mah Sing continues its effort to earn the loyalty of its customers by offering value-added services like M Care and M Club. M Club members are given priority invitations to property launches, events and promotions, as well as offers from M Club participating merchants. It now has more than 26,000 members. M Care offers purchasers post delivery services such as sub-sale, leasing, interior design and renovation, relocation and home maintenance services.



1000-8888-8888  
Daniel Hanafi



1000-8888-8888  
Daniel Hanafi



1000-8888-8888  
Daniel Hanafi



*Mah Sing has formed its auxiliary police force and works closely with the police force for better enforcement in crime prevention. We give our customers the assurance of a premier lifestyle with safety and security as a priority.*



*Home Improvement Road Show held at M Residence@Rawang Club House in conjunction with the handing over of the property.*

Mah Sing is committed to premier lifestyle living within its development projects. Some of the lifestyle amenities offered by various projects include facilities such as swimming and wading pools, gymnasium, dance studio, futsal and badminton courts and multi-tier security features. Lakeville Residence in Taman Wahyu, for example, offers 38 facilities within a 3.11 acres of space out of total project space of 12.38 acres.

Clubhouses which provide a platform where people come together for various celebrations and activities are also integrated in selected township developments.

In our continued effort to provide our customers with good customer service experience, our Customer Service teams were regularly trained for more effective customers feedback management. The Group has also invested in a eCRM system to improve customer complaints handling.

Group Security has embarked on improved level of security services to all development projects. Efforts were made to build better cooperation with the police force, and to have better surveillance and patrol vehicles at entry-exit checkpoints.





## PRODUCT QUALITY

As part of the Group's commitment to provide its customers with the highest standards in product delivery processes and systems towards better quality products, both the property and plastics divisions are ISO 9001:2008 "Quality Management System" certified.



### Principles of Quality Management System

#### Customer Focus

- The organisation should understand current and future customer needs.
- The organisation to meet customer requirements and strive to exceed customer expectations.

#### Involvement of People

- People at all levels are the essence of an organisation.
- Their full involvement enables their abilities to be used for the organisation's benefit.

#### System approach to management

- Identifying, understanding and managing interrelated processes as a system contributes to the organisation's effectiveness and efficiency in achieving the objectives.

### Mutually beneficial supplier relationships

- An organisation and its suppliers are interdependent.
- A mutually beneficial relationship enhances the ability of both to create value.

#### Leadership

- Leaders establish unity of purpose and direction of the organisation.
- To create a working environment where workers are involve in achieving the organisation's objectives.

### Factual Approach to decision making

- Effective decisions are based on the analysis of data and information.

#### Continual Improvement

- Continual improvement of the organisation's overall performance should be a permanent objective of the organisation.

### Process Approach



In addition to the ISO 9001:2008 accreditation, PT Mah Sing Indonesia is also accredited for ISO/TS 16949:2009 "Quality Management Systems – Particulars requirements for the application of ISO 9001:2008 for automotive production and relevant service part organisations".



Mah Sing has many of its development projects assessed by the Building and Construction Authority of Singapore's Construction Quality Assessment System ("CONQUAS"). Contractors of CONQUAS-assessed projects are required to comply with CONQUAS requirements, allowing Mah Sing to set targets on the desired standard and quality of its developments.



CONQUAS Rated

Mah Sing's commitment towards quality and reliability in delivery has been recognised in the property industry for its excellence in many aspects:-

- Asia Pacific Property Awards ("APPA")
  - "Commercial High-rise Architecture – D'sara Sentral"
  - "Leisure Development – The Loft@Southbay City"
- Association of Accredited Advertising Agents Malaysia ("4As")
  - "Putra Brand Awards – Property Development"



Putra Brand Awards -  
Property Development



- BCI Asia "Top 10 Developers Awards"
- The BrandLaureate
  - "President's Award 2013-2014"
  - "Billion Dollar Brand Awards 2014-2015"
- The Edge "Top Property Developers Awards 2014"
- Euromoney
  - "Best Developer Overall in Malaysia"
  - "Best Developer – Industrial/Warehouse in Malaysia, 2014"



- IAIR Awards "Best Company for Leadership/Property Development/Malaysia"



- iProperty.com People's Choice Award 2014
  - "Developer of the Year"
  - "Best Commercial Development – Icon City"
- Malaysia Landscape Architecture Awards ("MLAA 2014") – Landscape Design Awards for Southville City

- The Malaysian Reserve Property Press Awards 2014
  - "Most Outstanding Developer of the Year"
  - "Most Iconic Residential Value Proposition (Mixed development) for Southville City"
  - "Most Iconic Residential Development for Lakeville Residence"
- Property Insight Malaysia's Prestigious Developer Awards 2015 "Top 10 Developer"



- South East Asia Property Awards (Malaysia) 2014
  - "Best Developer (Highly Commended)"
  - "Best Housing Development (Central Malaysia) – Garden Residence (Highly Commended)"
  - "Best Luxury Condo Development (North Malaysia) – Ferringhi Residence (Winner)"
  - "Best Luxury Condo Development (North Malaysia) – The Loft@Southbay (Highly Commended)"

- "Best Luxury Condo Development (South Malaysia) – Meridin Suites Residence, The Meridin@Medini (Highly Commended)"
- "Best Mid-Range Condo Development (Central Malaysia) – Garden Plaza (Highly Commended)"
- "Best Residential Development (East Malaysia) – The Residence, Sutera Avenue (Highly Commended)"
- "Best Condo Development (Malaysia) – Ferringhi Residence (Highly Commended)"

As recognition for its excellence in operation and manufacturing practices, PT Mah Sing Indonesia has garnered various awards for fulfilling the quality requirements and timely delivery performance:-

- General Motors ("GM") Supplier Quality Excellence Award during the GM Asean Supplier Quality Excellence Awards 2014 in Thailand.
- PT Nissan Motor Indonesia Supplier Award in recognition of achieving Best Quality & Time Delivery Performance 2014 in Jakarta.



## BUSINESS PARTNERS



To engage our business partners in creating innovative products & services and to promote efficient implementation throughout the whole value chain to support its "high speed to market" business model.

## 90% local content

The Company sources materials and services from local business partners to stimulate local economic activity and improve the economic well-being of the local communities.

## >200 main contractors and nominated sub-contractors

Wide network of contractors and suppliers for better value and choice.



Mah Sing continuously engages its business partners in creating innovative products & services and to promote efficient implementation throughout the whole value chain to support its "high speed to market" business model.

Mah Sing endeavours to deliver products that meet customers' requirements and contract specifications. Materials purchased or services performed are continuously assessed and monitored in terms of pricing (economies of scale), quality (reliable source), availability (choice), timely delivery (efficiency), safety & health standards and industry specific requirements.



*Mah Sing conducted a communication session on GST with its contractors, suppliers and consultants. A total of 550 pax attended the 2-sessions event.*



The Group's procurement function is carried out in-house and covers areas such as the identification and selection of suitable sources of materials and services, comparison of quotations, evaluation and selection of contractors/suppliers based on established criteria, periodical performance assessments and updates on approved contractors/suppliers lists.

New resources for materials or services are continuously sought to establish a wider network of contractors/suppliers, manufacturers, dealers and agents which will bring about better value for money and also provide valuable new market and product information to the Group. Mah Sing adopts local sourcing of materials and business partners and by doing so helps to stimulate local economic activity.

Mah Sing's materials and services were mainly sourced from local main contractors and nominated sub-contractors. Local content made up approximately 90% of total contract sum.

*Mah Sing's project teams, contractors, consultants are reminded on the importance of quality and process improvement during the briefing session on electronic Defect Tracking System ("eDTS") implementation.*



## SHAREHOLDERS



Fully committed to the continuous enhancement of our core business and maximising returns for shareholders.

### 15% average Return on Equity

Mah Sing has in the last 5 financial years achieved an average of 15% ROE, which was above comparable peers of 9%-10%.

### Minimum 40% dividend payout

The dividend payout ratio has consistently been above the policy of a minimum 40% since 2006.





Mah Sing is committed to the continuous enhancement of its core businesses and maximising returns for shareholders.

CORE FACTS

MESSAGES

ACTIVITIES

GOVERNANCE

FINANCIALS

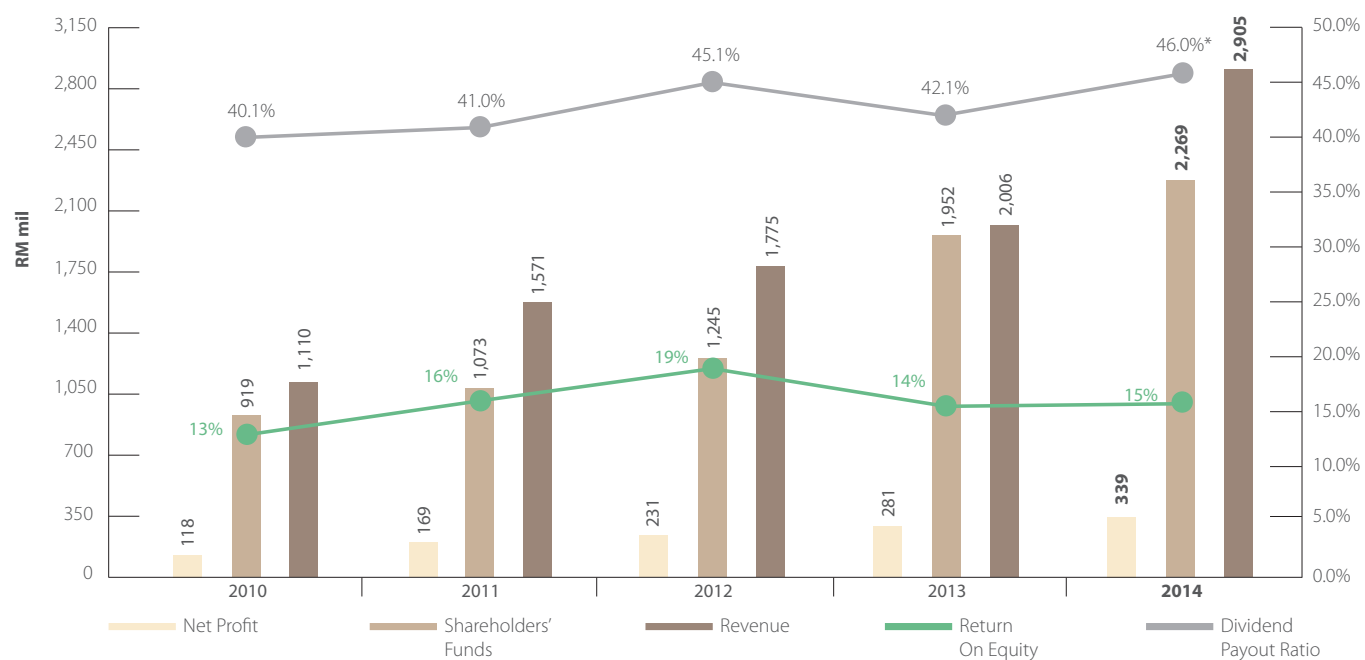
ADDITIONAL INFORMATION

NOTICES

*Mah Sing's large track presentation to investors at the recent Invest Malaysia event jointly organised by Bursa Malaysia and CIMB.*



## 5-Year Financial Highlights



“\*” A first and final single-tier dividend of 6.5 sen per ordinary share of RM0.50 each in respect of the financial year ended 31 December 2014 was proposed, and is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting. The dividend payout ratio would depend on the number of shares in issue on dividend entitlement date.

## INVESTORS

Mah Sing continues to reward its investors with stable and sustainable returns as evidenced by the Compounded Annual Growth Rate of 33% for revenue and 29% for net profit the last 5 financial years ended 31 December 2014.

Return on equity averaged 15% in the last 5 financial years and dividend payout ratio has consistently been above its policy of a minimum 40% payout since 2006.

As testament to the Group Managing Director cum Group Chief Executive's leadership and dedication in charting the Group on its consistent strong performance and track record, Tan Sri Dato' Sri Leong Hoy Kum was honoured with:-

- 5<sup>th</sup> Asian Corporate Director Recognition Awards 2014
- 5<sup>th</sup> Asian Excellence Recognition Award "Best CEO (Investor Relations)"
- The BrandLaureate
  - "Property Man of the Year Award 2013-2014"
  - "ICON Leadership Award 2014"
  - "Philanthropist of the Year 2014-2015"
- CNBC's 13<sup>th</sup> ABLA Nomination for Tan Sri Dato' Sri Leong Hoy Kum (Shortlisted)
- The National Award for Management Accounting (NAfMA) 2014 "CEO of the Year (Shortlisted)"

Last year, the Company met with 509 members of the investment community from across Malaysia, Singapore, Taiwan, Hong Kong, Australia, Europe and United States. The Management also participated in several local and overseas investor

conferences and non-deal roadshows organised by local and foreign brokerages. The Company is covered by 19 research houses where analysts are actively updated via various platforms such as the dissemination of quarterly analysts' pack, briefings and regular meetings with analysts.

The Company also facilitated 26 visits to the Group's projects for analysts and fund managers during the year. Investors visited Southville City in Bangi, Lakeville Residence in Kepong, D'sara Sentral in Sungai Buloh, Icon City in Petaling Jaya, M City in Jalan Ampang, Icon Residence in Mont Kiara, Garden Residence in Cyberjaya, M Residence in Rawang, Southbay City and Ferringhi Residence in Penang, Sutera Avenue and Kota Kinabalu Convention Centre in Sabah, as well as developments in Iskandar Johor, namely The Meridin@Medini, MS iParc at Port of Tanjung Pelepas and Meridin East in Pasir Gudang. Site visits for analysts were also organised to the new Puchong land after the announcement of the land purchase (Festival Lakecity@CBD, Puchong).

## CORPORATE GOVERNANCE

Mah Sing is committed to ensuring the highest standards of corporate governance in the areas of board effectiveness, relationship with shareholders and investors, accountability and audit.

The Group's commitment to good governance was recognised by the award received from:-

- 10<sup>th</sup> Corporate Governance Asia "Annual Recognition Awards 2014"
- 5<sup>th</sup> Asian Excellence Recognition Award "Best Investor Relations Company (Malaysia)"

Set out on pages 98 to 107 of this Annual Report is the Corporate Governance Statement detailing the Group's corporate governance practices.

## OUR ONGOING COMMITMENT

Marking its journey as a premier lifestyle developer for more than 20 years, Mah Sing is committed to even higher standards of sustainability in all areas of operations & performances.



Fund managers and analysts visited the Group's Southville City@KL South, Bangi project