



# **MAH SING GROUP BERHAD**

Company No.: 230149-P

**(Incorporated in Malaysia)**

**Interim Financial Report**

**30 September 2010**

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(Incorporated in Malaysia)

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

	<b>Page No.</b>
<b>Condensed Consolidated Statement Of Financial Position</b>	<b>1</b>
<b>Condensed Consolidated Income Statement</b>	<b>2</b>
<b>Condensed Consolidated Statement of Comprehensive Income</b>	<b>3</b>
<b>Condensed Consolidated Statement Of Changes In Equity</b>	<b>4</b>
<b>Condensed Consolidated Statement of Cash Flow</b>	<b>5</b>
<b>Notes To The Interim Financial Report</b>	<b>6 - 13</b>

**MAH SING GROUP BERHAD**

(Company No.: 230149-P)

(Incorporated in Malaysia)

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

(The figures have not been audited)

	(UNAUDITED) AS AT 30/09/2010 RM'000	(AUDITED) AS AT 31/12/2009 RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	58,531	60,982
Prepaid lease payments	3,230	3,701
Investment properties	7,012	-
Land held for property development	49,103	47,099
Intangible assets	-	4
	<u>117,876</u>	<u>111,786</u>
<b>Current Assets</b>		
Property development costs	1,001,834	821,447
Inventories	32,277	29,947
Trade and other receivables	378,553	180,843
Current tax assets	9,630	5,899
Deposits with licensed banks	24,886	268,781
Cash and bank balances	207,030	127,845
	<u>1,654,210</u>	<u>1,434,762</u>
<b>TOTAL ASSETS</b>	<u><u>1,772,086</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	130,767	200,369
Other reserves	(4,764)	4,784
Retained earnings	342,048	294,054
	<u>883,835</u>	<u>845,694</u>
<b>Minority Interests</b>	<u>16,760</u>	<u>7,774</u>
<b>Total Equity</b>	<u><u>900,595</u></u>	<u><u>853,468</u></u>
<b>Non-current Liabilities</b>		
Long term borrowings	379,616	141,466
Long term and deferred payables	1,684	19,227
Deferred tax liabilities	1,807	1,807
	<u>383,107</u>	<u>162,500</u>
<b>Current Liabilities</b>		
Trade and other payables	398,396	438,549
Term loans	48,590	66,358
Short term borrowings	730	7,350
Bank overdrafts	-	705
Current tax liabilities	40,668	17,618
	<u>488,384</u>	<u>530,580</u>
<b>Total Liabilities</b>	<u>871,491</u>	<u>693,080</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>1,772,086</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>1.06</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 September 2010

(The figures have not been audited)

	3 months ended		Period ended	
	30/09/2010	30/09/2009	30/09/2010	30/09/2009
	RM'000	RM'000	RM'000	RM'000
Revenue	<b>283,462</b>	135,143	<b>810,824</b>	452,691
Cost of sales	<b>(200,394)</b>	(87,622)	<b>(578,425)</b>	(308,881)
Gross profit	<b>83,068</b>	47,521	<b>232,399</b>	143,810
Other income	<b>428</b>	3,313	<b>1,414</b>	4,544
Selling and marketing expenses	<b>(8,084)</b>	(5,725)	<b>(23,451)</b>	(15,744)
Administrative expenses	<b>(17,398)</b>	(12,337)	<b>(44,758)</b>	(34,906)
Other operating expenses	<b>(8,568)</b>	-	<b>(25,692)</b>	-
Interest income	<b>300</b>	200	<b>530</b>	126
Finance costs	<b>(771)</b>	(607)	<b>(1,789)</b>	(2,056)
Profit before taxation	<b>48,975</b>	32,365	<b>138,653</b>	95,774
Income tax expense	<b>(17,098)</b>	(8,611)	<b>(42,560)</b>	(26,322)
Profit For The Period	<b>31,877</b>	23,754	<b>96,093</b>	69,452
Profit attributable to:				
Equity holders of the Company	<b>29,678</b>	23,523	<b>86,721</b>	69,192
Minority interests	<b>2,199</b>	231	<b>9,372</b>	260
	<b>31,877</b>	23,754	<b>96,093</b>	69,452
Earnings per share attributable to equity holders of the Company:				
- Basic (sen)      Note B13	<b>3.57</b>	3.73	<b>11.08</b>	11.01
- Diluted (sen)    Note B13	<b>3.57</b>	3.73	<b>11.08</b>	10.99

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 September 2010**

*(The figures have not been audited)*

	<b>3 months ended</b>		<b>Period ended</b>	
	<b>30/09/2010</b>	30/09/2009	<b>30/09/2010</b>	30/09/2009
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Profit For The Period	<b>31,877</b>	23,754	<b>96,093</b>	69,452
Other comprehensive income, net of tax				
Foreign currency translation difference for foreign operations	<b>(4,161)</b>	(396)	<b>(10,233)</b>	211
Total comprehensive income for the period	<b>27,716</b>	23,358	<b>85,860</b>	69,663
Total comprehensive income attributable to:				
Equity holders of the Company	<b>25,852</b>	23,237	<b>77,173</b>	69,410
Minority interests	<b>1,864</b>	121	<b>8,687</b>	253
	<b>27,716</b>	23,358	<b>85,860</b>	69,663

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 September 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	Retained earnings			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>9 months ended 30 September 2010</b>								
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	-	-	-	(9,548)	-	(9,548)	(685)	(10,233)
Profit for the financial period	-	-	-	-	86,721	86,721	9,372	96,093
Total comprehensive income for the period	-	-	-	(9,548)	86,721	77,173	8,687	85,860
Issuance of ordinary shares pursuant to:								
- Bonus issue	69,297	(69,297)	-	-	-	-	-	-
Expenses set off against share premium	-	(305)	-	-	-	(305)	-	(305)
Dividends for the financial year ended 31 December 2009	-	-	-	-	(40,539)	(40,539)	-	(40,539)
<b>Balance at 30/09/2010</b>	<b>415,784</b>	<b>130,767</b>	<b>22</b>	<b>(4,786)</b>	<b>342,048</b>	<b>883,835</b>	<b>16,760</b>	<b>900,595</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	Retained earnings			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>9 months ended 30 September 2009</b>								
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	-	-	-	218	-	218	(7)	211
Profit for the financial period	-	-	-	-	69,192	69,192	260	69,452
Total comprehensive income for the period	-	-	-	218	69,192	69,410	253	69,663
Issuance of ordinary shares pursuant to:								
- Warrants exercised	1,463	-	-	-	-	1,463	-	1,463
- ESOS exercised	103	56	-	-	-	159	-	159
Reclassification of reserves arising from ESOS exercised	-	-	(48)	-	48	-	-	-
Dividends for the financial year ended 31 December 2008	-	-	-	-	(37,799)	(37,799)	-	(37,799)
<b>Balance at 30/09/2009</b>	<b>314,989</b>	<b>134,223</b>	<b>22</b>	<b>5,310</b>	<b>268,964</b>	<b>723,508</b>	<b>6,588</b>	<b>730,096</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 STATEMENT OF CASH FLOW**

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

*(The figures have not been audited)*

	<b>9 months ended 30/09/2010 RM'000</b>	9 months ended 30/09/2009 RM'000
Net cash used in operating activities	<b>(299,414)</b>	(37,233)
Net cash used in investing activities	<b>(23,640)</b>	(5,880)
Net cash from/(used in) financing activities	<b>177,997</b>	(1,961)
Net decrease in cash and cash equivalents	<b>(145,057)</b>	(45,074)
Effects of exchange rate changes	<b>(9,848)</b>	-
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>201,659</b>	115,278

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

	<b>As at 30/09/2010 RM'000</b>	As at 30/09/2009 RM'000
Deposits with licensed banks	<b>24,886</b>	79,829
Cash and bank balances	<b>207,030</b>	40,562
Bank overdrafts	<b>-</b>	(28)
	<b>231,916</b>	120,363
Less: Deposits pledged as collateral	<b>-</b>	(688)
Less: Deposits deposited in Escrow Account	<b>(30,257)</b>	(4,397)
	<b>201,659</b>	115,278

The Condensed Consolidated Statement of Cash Flow 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.

**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 except for the bonus issue of 138,594,806 new ordinary shares on the basis of one (1) bonus share for every five (5) existing ordinary shares which was completed on 8 April 2010.

**A6 Dividends paid**

On 17 September 2010, the Company paid a first and final dividend of 13% per share, less income tax, amounting to RM40,538,990 in respect of the financial year ended 31 December 2009.



**A7 Segment reporting**

Period ended 30 September 2010

	Properties	Plastics	Investment Holding & Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>					
External revenue	675,925	133,134	1,765	-	810,824
Inter-segment	-	-	9	(9)	-
<b>Total revenue</b>	<b>675,925</b>	<b>133,134</b>	<b>1,774</b>	<b>(9)</b>	<b>810,824</b>
<b>RESULTS</b>					
Operating profit	141,343	12,829	(20,621)	6,361	139,912
Interest income					530
Finance costs					(1,789)
Income tax					(42,560)
<b>Profit for the period</b>					<b>96,093</b>
<b>OTHER INFORMATION</b>					
Capital expenditure	1,702	5,678	39	-	7,419
Depreciation and amortisation	2,419	4,890	70	-	7,379

Period ended 30 September 2009

	Properties	Plastics	Investment Holding & Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>					
External revenue	351,163	99,417	2,111	-	452,691
Inter-segment	-	-	4,518	(4,518)	-
<b>Total revenue</b>	<b>351,163</b>	<b>99,417</b>	<b>6,629</b>	<b>(4,518)</b>	<b>452,691</b>
<b>RESULTS</b>					
Operating profit	95,200	7,048	95	(4,639)	97,704
Interest income					126
Finance costs					(2,056)
Income tax					(26,322)
<b>Profit for the period</b>					<b>69,452</b>
<b>OTHER INFORMATION</b>					
Capital expenditure	2,894	2,597	49	-	5,540
Depreciation and amortisation	1,351	6,037	54	-	7,442

**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 24 November 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 quarter and financial period to-date except for the following:-

On 23 March 2010, the Company acquired the entire issued and paid-up share capital of Grand Prestige Development Sdn Bhd, a private limited company incorporated in Malaysia, with an authorised share capital of RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares of RM1.00 each have been issued and fully paid-up, for a cash consideration of RM2.00.

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

Changes in contingent liabilities of the Group since the last annual balance sheet is in the form of additional bank guarantees amounting to RM497,000.

**A12 Capital Commitments**

	<b>30-Sep-2010</b> <b>RM'000</b>
Contractual commitment for development lands	249,117
Contractual commitment for acquisition of property, plant and equipment	7,976
	257,093

**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:-

	<b>Completed Building</b>	<b>Building Under Construction</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Gross	61,801	29,721	91,522
Less: rental receivable	(12,611)	-	(12,611)
Net	49,190	29,721	78,911
Not later than 1 year	24,556	3,715	28,271
Later than 1 year and not later than 3 years	24,634	26,006	50,640
	49,190	29,721	78,911

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, Jalan Tun Razak** has commenced. The latest leaseback commencement date for **Southgate Commercial Centre** 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 expected income from subletting of the said commercial buildings.

The Group is in active negotiation with several prospective tenants and will continue to sign up quality tenants given the commercial buildings' strategic locations and award winning concepts. As at 24 November 2010, **The Icon, Jalan Tun Razak** (completed building) is about 16% leased, 40% committed to prospective tenants and 38% pre-committed. **Southgate Commercial Centre** (under construction) is currently about 15% pre-leased and 12% pre-committed. **Southgate Commercial Centre** lease commitment is expected to commence in July 2011.

**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 approximately RM811 million and RM87 million respectively for the current year to date. This represents 79% improvement for revenue and 25% improvement for PATMI over the corresponding period in the previous year. The current quarter revenue and PATMI of approximately RM283m and RM30m represents 110% and 26% improvement respectively over same quarter last year.

The improved revenue and profit for the financial period is attributable to progressive recognition of development revenue and profit contribution from its property development activities carried out in Kuala Lumpur, Klang Valley, Penang and Johor Bahru. Ongoing projects which contributed to the Group's profit and revenue include Klang Valley residential projects such as **Perdana Residence 2** in Selayang, **Garden Residence** in Cyberjaya, **Hijauan Residence** in Cheras, **Kemuning Residence** in Shah Alam, **Aman Perdana** in Meru - Shah Alam; commercial projects such as **Southgate Commercial Centre** in Sungai Besi, **StarParc Point** in Setapak and industrial projects such as **i-Parc 1** in Bukit Jelutong and **i-Parc 2** in Shah Alam. Also contributing are projects in Penang i.e. **Residence @ Southbay** and in Johor Bahru, i.e. **Sierra Perdana**, **Sri Pulai Perdana 2** and **Austin Perdana**. The Plastics division also recorded improved revenue and profit over the corresponding period in the previous year.

The Group has achieved close to RM1.2 billion sales for the 9 months ended 30 September 2010, and is confident of achieving its revised internal target of more than RM1.5 billion sales for the financial year. The Group's balance sheets remain healthy with manageable net gearing ratio at 0.22 as at 30 September 2010.

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

There were no material changes in the Group's profit before taxation for the current quarter as compared to the preceding quarter ended 30 June 2010.

**B3 Prospects for the current financial year**

The Group's projects continued to attract strong interests and demand given their strategic locations, attractive development concepts, and branding. The Group was well placed to capitalise on the healthy market conditions this year with timely launches of different portfolio of products in multiple locations that meet market needs in terms of concept and design. The Group is on track to meet its target financial performance for the current financial year.

Locally, employment conditions are favourable, financing environment remains accommodative and growth prospects will continue to be well supported by domestic economic activity (BNM Monetary Policy Statement, November 2010). The healthy economic conditions and initiatives such as Budget 2011 high impact projects that include Mass Rapid Transit, the Greater Kuala Lumpur/Klang Valley and other infrastructure projects should continue to drive the market. As such demand for properties in good locations is expected to remain strong.

In the immediate term, the Group will continue its focus on executing and delivering quality and award winning residential, commercial, retail and industrial series of products already in its development pipeline. The Group will also launch new projects according to market demands and to capitalize on the healthy economic conditions. With a total of 10 new land deals announced year to date in various strategic locations, the Group is positioning itself for further flexibility and sustainability of medium-term performance. In the longer term, focus will be strengthened to seek overseas opportunities in view of increasing home ownership aspirations in selected markets in the region.

Excluding the 5 projects completed, the Group has a total of 28 projects in various property hotspots with good balance of product portfolio in all residential, commercial, retail and industrial segments. 18 of these are on-going projects, and 10 are new projects in the planning stage.

**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	
	30/09/2010	30/09/2009	30/09/2010	30/09/2009
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	16,822	8,404	44,896	25,878
Foreign tax	276	463	1,397	465
	<b>17,098</b>	8,867	<b>46,293</b>	26,343
Over provision of Malaysian income tax in prior year	-	(706)	(3,733)	(671)
	<b>17,098</b>	8,161	<b>42,560</b>	25,672
Deferred taxation				
Malaysian deferred tax	-	450	-	650
	<b>17,098</b>	8,611	<b>42,560</b>	26,322

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 September 2010.

**B8 Status of corporate proposals**

The following corporate proposals announced by the Company have not been completed as at 24 November 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 ("Grand Prestige") entered into a Joint Venture Agreement ("JVA") with Medan Damai Sdn Bhd ("Medan Damai") for the joint development of a piece of residential land in Kinrara with total gross area measuring approximately 13.2 acres (net aggregate area of 7.59 acres) in Mukim Petaling, Daerah Petaling, Negeri Selangor Darul Ehsan ("JV Land"). Under the terms of the JVA, Medan Damai shall grant Grand Prestige the exclusive rights to continue with the sales and development of the JV Land in return for an entitlement sum of RM35,403,863.85.
- 3) On 9 July 2010, the Company's wholly-owned subsidiary, Mestika Bistari Sdn Bhd entered into two separate sale and purchase agreements as detailed hereunder for the proposed acquisition of prime lands in Section U5, Shah Alam with total gross area measuring approximately 72,115 square metres (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 metres (4.37 acres) in Pekan Baru Subang, Daerah Petaling, Negeri Selangor Darul Ehsan for a total cash consideration of RM34,303,500 ("First SPA"); 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 metres (4.34 acres) in Pekan Baru Subang, Daerah Petaling, Negeri Selangor Darul Ehsan for a total cash consideration of RM31,607,120 ("Second SPA").

The First SPA has on 14 September 2010 become unconditional. The Second SPA has yet to become unconditional pending fulfilment of conditions precedent.

- 4) On 9 September 2010, Hong Leong Investment Bank Berhad, on behalf of the Board of Directors, announced that the Company proposes to undertake the following:
- a) Proposed issuance of up to RM325 million nominal value of 7 year Redeemable Convertible Secured Bonds ("Bonds"), ("Proposed Bonds Issue"); and
  - b) Proposed increase in the authorised share capital of the Company from RM500,000,000 comprising 1,000,000,000 Ordinary Shares of RM0.50 each ("Mah Sing Shares") to RM1,000,000,000 comprising 2,000,000,000 Mah Sing Shares ("Proposed Increase In Authorised Share Capital")
- (The Proposed Bonds Issue and Proposed Increase In Authorised Share Capital are collectively referred to as "Proposals")

Bursa Malaysia Securities Berhad had vide its letter dated 4 November 2010, approved the listing of up to 191,176,471 new Mah Sing Shares to be issued pursuant to the conversion of the Bonds subject to, amongst others, the approval of the Securities Commission for the Proposed Bonds Issue.

The Ministry of International Trade and Industry had, vide its letter dated 9 November 2010, approved the application for the Proposed Bonds Issue.

The application to the Securities Commission for the Proposed Bonds Issue has been submitted on 18 November 2010.

The Proposals will be tabled for the approval of the shareholders of the Company at the forthcoming Extraordinary General Meeting to be held on Friday, 3 December 2010.

- 5) On 3 November 2010, the Company's wholly-owned subsidiary, Oasis Garden Development Sdn Bhd entered into a sale and purchase agreement with Ampang Leisuremall Sdn Bhd for the proposed acquisition of 4 parcels of contiguous prime freehold commercial land along Jalan Ampang measuring approximately 19,041.3 square metres (4.7 acres) in total, all in Mukim Ampang, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur for a total cash consideration of RM114,905,707.94 or approximately RM560.63 per square foot ("Proposed Acquisition"). The Proposed Acquisition comes with an option to purchase two (2) parcels of adjacent commercial land at the price of RM560.00 per square foot.

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

- 6) On 3 November 2010, the Company's wholly-owned subsidiary, Myvilla Development Sdn Bhd entered into a tripartite sale and purchase agreement with Cyberview Sdn Bhd, the proprietor and Setia Haruman Sdn Bhd, the vendor for the proposed acquisition of a parcel of prime freehold residential land in Cyberjaya measuring approximately 141,084 square metres (34.86 acres) in Mukim Dengkil, Daerah Sepang, Negeri Selangor Darul Ehsan located adjacent to the existing 115.25 acres Garden Residence in Cyberjaya, for a total cash consideration of RM51,632,878.38. The total cash consideration comprises land purchase consideration of RM48,899,373.05 or approximately RM32.20 per square foot and infrastructure consideration of RM2,733,505.33 or approximately RM1.80 per square foot.

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

- 7) On 23 November 2010, the Company's wholly-owned subsidiary, Uptrend Housing Development Sdn Bhd ("Uptrend Housing") entered into the following agreements:
- a) a sale and purchase agreement ("SPA") with Utara Malaya Realty Sdn Bhd ("Vendor") for the proposed acquisition of 7 parcels of contiguous prime freehold residential land in Batu Ferringhi, Penang Island measuring approximately 246,884 square metres (61.03 acres) in total, all in Mukim 17, Daerah Timur Laut, Tempat Batu Ferringhi, Negeri Pulau Pinang ("Land") for a total cash consideration of RM157,303,872 or approximately RM59.17 per square foot;
  - b) a novation agreement ("BT Novation Agreement") with Blossom Time Sdn Bhd ("BT"), the proprietor of Parcels A to F (as defined in the SPA) of the Land and the Vendor for the purpose of novating to Uptrend Housing, the Vendor's rights and obligations contained in a sale and purchase agreement dated 19 November 2010 entered into between the Vendor and BT for the disposal of Parcels A to F, upon the terms and conditions contained in the BT Novation Agreement; and
  - c) a novation agreement ("RR Novation Agreement") with Radiant Ranch ("RR"), the proprietor of Parcel G (as defined in the SPA) of the Land and the Vendor for the purpose of novating to Uptrend Housing, the Vendor's rights and obligations (save and except the obligation of the Vendor to submit relevant CKHT 2A to the Inland Revenue Board within the stipulated time) contained in the sale and purchase agreement dated 19 November 2010, entered into between the Vendor and RR for the disposal of Parcel G upon the terms and conditions contained in the RR Novation Agreement.

The SPA has yet to become unconditional pending fulfilment of conditions precedent.

**B9 Group borrowings and debt securities**

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

	Secured RM'000	Secured RM'000	Secured RM'000	Total RM'000
(Denominated in)	(RM)	(Indonesian Rupiah)	(USD)	
Term loans payable				
- within 12 months	47,997	593	-	48,590
- after 12 months	375,962	3,478	176	379,616
	423,959	4,071	176	428,206
Short term borrowings	730	-	-	730
Finance lease and hire purchase				
- within 12 months	323	2	-	325
- after 12 months	-	22	-	22
	323	24	-	347
<b>Total</b>	<b>425,012</b>	<b>4,095</b>	<b>176</b>	<b>429,283</b>

**B10 Financial Instrument**

The Group does not have any financial instrument as at 30 September 2010.

**B11 Material litigation**

The Group is not engaged in any material litigation as at 24 November 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 September 2010.

**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.

	3 months ended		Period ended	
	30/09/2010	30/09/2009	30/09/2010	30/09/2009
Net Profit for the period (RM'000)	<b>29,678</b>	23,523	<b>86,721</b>	69,192
Weighted average number of ordinary shares in issue ('000)	<b>831,569</b>	629,975	<b>782,832</b>	628,548
Basic EPS (sen)	<b>3.57</b>	3.73	<b>11.08</b>	11.01

**(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>30/09/2010</b>	30/09/2009	<b>30/09/2010</b>	30/09/2009
Net Profit for the period (RM'000)	<b>29,678</b>	23,523	<b>86,721</b>	69,192
Weighted average number of ordinary shares in issue ('000)	<b>831,569</b>	629,975	<b>782,832</b>	628,548
Weighted average number of ordinary shares deemed issued at no consideration ('000):				
ESOS	<b>35</b>	63	<b>48</b>	80
Warrants	-	-	-	994
Adjusted weighted average number of ordinary shares ('000)	<b>831,604</b>	630,038	<b>782,880</b>	629,622
Diluted EPS (sen)	<b>3.57</b>	3.73	<b>11.08</b>	10.99

**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  
29 November 2010