

Navigating Trends.

TRANSFORMING LANDSCAPES.

Integrated Annual Report 2023



INSIDE THIS REPORT

COVER RATIONAL



NAVIGATING TRENDS. **TRANSFORMING LANDSCAPES.**

Approaching three decades of dynamic evolution, Mah Sing demonstrates its continuous commitment to innovation, adaptability, and sustainable growth.

The cover of this year's Integrated Annual Report outlines Mah Sing's forward-looking vision, emphasizing our strengths and a firm commitment to navigating trends and transforming the property development landscapes. Within these pages, we illustrate our journey, highlighting milestones, strengths, and strategies that define our relentless pursuit of excellence in an evolving world. We extend our heartfelt gratitude for your ongoing support as we collectively shape the future, navigate trends, and transform landscapes.

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32nd ANNUAL GENERAL MEETING

Live Streaming:

Penthouse Suite 1,
Wisma Mah Sing,
No. 163, Jalan Sungai Besi,
57100 Kuala Lumpur.

Thursday, 27 June 2024, 10:00am



Scan here to view our
Integrated Annual Report online



Summit Park at Southville City in Bangi.



Artist's impression of M Nova, Kepong.



Mah Sing's Staff Volunteering at Zoo Negara.

ABOUT THIS REPORT

Mah Sing Group Berhad (“Mah Sing” or “the Group”) hereby presents its Integrated Annual Report 2023 (“IAR2023”) for Financial Year Ended December 31, 2023 (“FY2023”).

IAR2023 has been developed in accordance to the Principles Based Framework of Integrated Reporting and is intended to ultimately enable the Group to progressively implement the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Disclosure (“S1”) and IFRS Climate Related Disclosures (“S2”).

BASIS OF PREPARATION

In addition to the Integrated Reporting Framework, IAR2023 has been developed in accordance with the disclosure requirements of the following:

- Main Market Listing Requirements (“MMLR”) of Bursa Securities Malaysia Berhad (“Bursa Malaysia”)
- Bursa Malaysia Sustainability Reporting Guide, 3rd Edition
- FTSE4Good Index Disclosures (FTSE Russell’s **ESG Data Model**)
- Malaysian Code on Corporate Governance (“MCCG”)
- Companies Act 2016 (“Act”)
- Malaysian Financial Reporting Standards (“MFRS”)
- International Financial Reporting Standards (“IFRS”)

Disclosures in IAR2023 (where relevant) also draw from the following:

- Global Reporting Initiative (“GRI”)
- ISO 31000 Risk Management Standard implemented in 2013
- United Nations Sustainability Development Goals (“UN SDGs”)
- Taskforce on Climate Related Financial Disclosures (“TCFD”)

However, beyond compliance considerations, content for IAR2023 has been developed towards addressing the needs of investors and other providers of capital. These include providing to the best of Mah Sing’s ability, comprehensive and concise disclosures on financial materiality; that is disclosure on topics deemed material to business, operational and financial performance of the Group.

In essence, while the standalone Mah Sing Sustainability Report 2023 (“SR2023”) primarily delves into disclosures driven by impact materiality perspectives, IAR2023 aims (to the best of Mah Sing’s ability) to provide risks and opportunities disclosures on how environmental, social and governance topics would/ could influence business and operational performance and consequently, the creation and erosion of values over the short, medium and long term horizons. This approach is in line with IFRS S1 and S2, which Mah Sing aims to increasingly adopt going forward.

Sustainability information tailored to audience needs



In providing disclosures on financial materiality, IAR2023 continues to leverage on the following building blocks of Integrated Reporting:



Both IAR2023 and SR2023 were prepared with the professional support and assistance of an IFRS Certified Integrated Reporting Training Partner. Mah Sing aims to strengthen its financial materiality disclosures going forward as it develops its data gathering capabilities and oversight on risks and disclosures.

ABOUT THIS REPORT

REPORT SCOPE AND BOUNDARY

Data and information presented in IAR2023 are scoped to Group operations; operations that Mah Sing retains management control of. This includes the Holding company, Mah Sing Group Berhad, and all subsidiaries in which Mah Sing has management control.

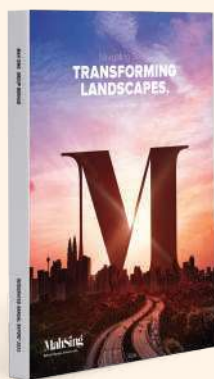
Kindly refer to The Corporate Structure Section for a list of the Group's operating entities including subsidiary companies as at 31 December 2023.

Excluded is information on associate companies' operations and operations that Mah Sing does not hold a majority equity stake, and does not have management control.

FY2023 FULL REPORTING SUITE

In addition to IAR2023, Mah Sing has developed the following standalone reports:

These reports enable more comprehensive disclosure on a wide range of material matters and through linkages of information, promotes more concise and connected disclosures within IAR2023.



**Integrated Annual Report
2023**



**Sustainability Report
2023**

**Climate Change Risks and Opportunities
and Scenario Planning Report**



Scan the QR code or visit
<https://www.mahsing.com.my/reports>
to view our 2023 Integrated Annual Report
online.

ICONS

Business Operations



Group



Property Development



Plastics Manufacturing



Glove Manufacturing

6 Capitals



Financial



Manufactured



Intellectual



Human



Social



Natural

FORWARD-LOOKING STATEMENTS

Consistent with the Strategic Focus and Future Orientation principle of Integrated Reporting, IAR2023 provides information pertaining to Mah Sing's outlook and prospects, the Group's intended strategies to sustain and enhance competitive ability and other forward-looking information.

Such information has been provided for the benefit of readers, especially capital providers and is based on known data and information as at end FY2023. This includes prevailing trends, developments and conditions of the external operating environment at the given time.

However, such trends, developments and conditions may change rapidly and are beyond the control of the Group. Hence, any changes in the aforementioned may necessitate Mah Sing to also adopt a new or modified strategic positioning to ensure it remains on track with business goals and objectives. Alternatively, business goals and objectives may also need to change as part of the Group's measured response to its operating environment.

Hence, all forward-looking statements do not serve as guarantees of future operational or financial results or any other kind of outcome. Actual plans and results may differ from those expressed in this report.

Readers are advised to exercise discretion and to undertake their own diligence prior to arriving at any conclusions or making any investment or strategic decisions based on any information presented in IAR2023. The Group is not responsible for any financial or non-financial losses incurred as a result of changes in business or operational performance due to factors beyond its control.

ONLINE VERSION AND FEEDBACK



This report can be downloaded from:
<https://www.mahsing.com.my/reports/>.



We welcome feedback / comments towards improving our <IR> disclosure going forward. Feedback / comments can be sent to: ir@mahsing.com.my.

OUR BUSINESS

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Artist's impression of M Oscar, Sri Petaling.

CORPORATE INFORMATION

Board of Directors

ADMIRAL (R) TAN SRI DATO' SERI ABU BAKAR BIN ABDUL JAMAL

Chairman/Independent Non-Executive Director

TAN SRI DATO' SRI LEONG HOY KUM

Founder and Group Managing Director

DATO' VOON TIN YOW

Group Chief Executive Officer and Executive Director

LIONEL LEONG JIHN HAUR

Deputy Group Chief Executive Officer and Executive Director

DATO' STEVEN NG POH SENG

Executive Director

DATUK SERI LEONG YUET MEI

Executive Director

ABD MALIK BIN A RAHMAN

Independent Non-Executive Director

HO KIM POI

Independent Non-Executive Director

Audit Committee

ABD MALIK BIN A RAHMAN

(Chairman)

ADMIRAL (R) TAN SRI DATO' SERI ABU BAKAR BIN ABDUL JAMAL

HO KIM POI

Nomination Committee

ADMIRAL (R) TAN SRI DATO' SERI ABU BAKAR BIN ABDUL JAMAL

(Chairman)

ABD MALIK BIN A RAHMAN

Remuneration Committee

ADMIRAL (R) TAN SRI DATO' SERI ABU BAKAR BIN ABDUL JAMAL

(Chairman)

TAN SRI DATO' SRI LEONG HOY KUM

ABD MALIK BIN A RAHMAN

Board Risk and Sustainability Committee

(established on 18 April 2023)

ABD MALIK BIN A RAHMAN

(Chairman)

DATO' VOON TIN YOW

Secretaries

Yang Bao Ling

(SSM PC No. 202008002683)

(MAICSA 7041240)

Tham Wai Ying

(SSM PC No. 202008001181)

(MAICSA 7016123)

Registrar

Tricor Investor & Issuing House Services
Sdn Bhd

(Registration No. 197101000970 (11324-H))

Unit 32-01, Level 32, Tower A

Vertical Business Suite, Avenue 3

Bangsar South

No. 8, Jalan Kerinchi

59200 Kuala Lumpur

T 603-2783 9299

F 603-2783 9222

E is.enquiry@my.tricorglobal.com

Registered Office

Penthouse Suite 1, Wisma Mah Sing

No. 163, Jalan Sungai Besi,

57100 Kuala Lumpur

T 603-9221 8888

F 603-9222 2833

E ir@mahsing.com.my

Auditors

Deloitte PLT (LLP0010145-LCA)

Chartered Accountants (AF0080)

Level 16, Menara LGB

1, Jalan Wan Kadir

Taman Tun Dr. Ismail

60000 Kuala Lumpur

T 603-7610 8888

F 603-7726 8986

Bankers

Al-Rajhi Banking & Investment Corporation
(Malaysia) Berhad

Bank Islam Malaysia Berhad

CIMB Bank Berhad

HSBC Amanah Malaysia Berhad

HSBC Bank Malaysia Berhad

Industrial and Commercial Bank of China
(Malaysia) Berhad

Malayan Banking Berhad

Maybank Islamic Berhad

OCBC Bank (Malaysia) Berhad

Public Bank Berhad

RHB Bank Berhad

PT Bank Multiarta Sentosa

PT Bank Permata Tbk

Stock Exchange Listing

Main Market of Bursa Malaysia Securities
Berhad

Stock Short Name

MAHSING (8583)

Index

Bursa Malaysia Property Index

Website

www.mahsing.com.my

Investor Relations

T 603-9221 8888

E ir@mahsing.com.my

Our Vision

Inventing sustainable future living that enhances quality of life



CORPORATE MILESTONES



1992

- Listed on the Kuala Lumpur Stock Exchange ("KLSE") 2nd Board under industrial sector.

1994

- Ventured into property development with four projects. The first project, comprising link homes was developed in Ulu Yam.
- Birth of i-Parc series (Mah Sing's industrial integrated park).



2000

- Launched maiden township development in Sri Pulai Perdana in Skudai, Johor and introduced the concept of gated and guarded living for link homes in Johor, an unheard of concept 24 years ago in Iskandar Malaysia.
- Reclassified from industrial sector to property sector on KLSE 2nd board.



2017

- Unveiled Mah Sing's new corporate logo.
- Continued expansion in Klang Valley with affordably priced developments such as M Vertica, Cheras and M Centura, Setapak.



2016

- The Group launched its largest township by acreage, Meridin East in Iskandar Malaysia, Johor, spanning 1,313 acres.



2018

- Launched 'MY Mah Sing' app which enhances the customers' homeownership experience.
- Launched Aster, Mah Sing's first project of M Aruna, Rawang that adopts the Industrialised Building System (IBS).

2019

- The Group celebrated its 25th anniversary since its venture into the property development industry.
- Acquired 3 new lands in Klang Valley which are M Oscar, Sri Petaling; M Luna, Kepong and M Adora, Wangsa Melawati.
- Grand opening of Ramada by Wyndham Meridin, Johor Bahru.



2023

- Recognised as one of Malaysia's Best Managed Companies by Deloitte.
- M Vertica's 4.54-acre landscape and facilities podium was certified by Malaysia Book of Records as the Biggest Residents' Facility Deck in Malaysia.
- Acquired 5 plots of land: M Terra and M Hana, Puchong; M Legasi, Semenyih; M Zenya, Kepong and M Azura, Setapak and M Tiara, Johor Bahru.



CORPORATE MILESTONES



2004

- Acquired land for its 1st township in Klang Valley, Aman Perdana.
- Shifted its focus from medium-upper to high-end markets in Klang Valley with the launch of Damansara Lagenda.
- Transferred from 2nd board to Main Board of Bursa Malaysia.



2007

- Ventured into Penang and launched Southbay City.
- Expanded into commercial properties with The Icon, Jalan Tun Razak.



2013

- Further strengthened its foothold in Klang Valley with developments such as Lakeville Residence in Jalan Kuching and D'sara Sentral in Sungai Buloh.



2012

- Launched Southville City, Bangi.
- Expanded into Kota Kinabalu, Sabah with Sutera Avenue.



2009

- Continued i-Parc series industrial developments with i-Parc 1, 2 and 3 in Klang Valley.
- Expanded presence to Southern Klang Valley with Garden Residence, Cyberjaya and Kinrara Residence, Puchong.

2020

- Announced its diversification into healthcare by venturing into glove manufacturing business.
- Launched M Luna, Kepong and M Adora, Wangsa Melawati which concluded the official unveiling of all three newly acquired lands in 2019.



2022

- Continued expansion of the M Series of affordable homes at M Senyum, Bandar Baru Salak Tinggi.
- Further strengthen its foothold in Johor by acquiring new land named M Minori (Mah Sing's inaugural M Series development in the southern region).



2021

- Mah Sing Healthcare's glove manufacturing factory commenced operation in Kapar, Klang.
- Acquired 3 new lands in Klang Valley which are M Senyum, Bandar Baru Salak Tinggi; M Astra, Setapak; and M Nova, Kepong.

CORPORATE PROFILE



Artist's impression of M Astra, Setapak.

Mah Sing Group Berhad (Mah Sing) debuted on Bursa Malaysia through its plastic business in 1992. Subsequently, Mah Sing diversified into property development in 1994, leading to its reclassification from industrial to property sector in 2000. Mah Sing further expanded its portfolio by entering the hospitality sector in 2019, followed by expansion into the manufacturing division (gloves business) in 2020.

Over the course of three decades, Mah Sing has proven its versatility and successfully build up a strong and diverse portfolio consisting high-rise residential projects, master planned townships, integrated developments, Grade A office buildings, retail projects, hospitality, SoHo and industrial developments.

As one of Malaysia's top property developers and nation's fully integrated developers, Mah Sing has more than 50 projects under its belt, including residential, commercial, hospitality and industrial projects that spread across Greater Kuala Lumpur, the Klang Valley, Johor, Penang and Sabah.

Mah Sing's unrelenting effort in creating and delivering iconic developments and quality homes has garnered the Group more than 300 domestic and international accolades. The Group has been recognised for its company performance, corporate governance, product design, concept, innovation and quality.

Adding to its numerous accolades, in 2023, the Group was honoured as Malaysia's Best Managed Companies, an initiative of Deloitte Private. The recognition enables the Group to continue pushing boundaries and setting new benchmarks in the industry. Mah Sing retained the Top 10 Top Property Developers Award at The Edge Malaysia Property Excellence Awards 2023 for the 13th consecutive year and secured the Top-of-the-Chart Property Developers at the Star-FIABCI Malaysia Developer Awards for the 2nd consecutive year.

Embarking on sustainability in 2011, Mah Sing has continuously strengthened its Environment, Social, and Governance ("ESG") commitments. Since joining the FTSE4Good Bursa Malaysia Index in June 2021, the Group has consistently improved its ESG performance and is now the sole property company with a 4-star rating in FBM EMAS that have been assessed by FTSE Russell. In recognition of its efforts, Mah Sing was awarded Silver in the Property sector at The Edge Malaysia ESG Awards 2023, Malaysia Sustainability Excellence Award, Special Recognition in ESG at the PropertyGuru Asia Awards with iProperty, among others.

In addition, the Group received recognition for its Corporate Social Responsibility (CSR) initiatives at the Sustainability and CSR Malaysia Awards 2023, winning the Company of the Year for Distinguished Community Engagement Award in the Property Development category.

Remaining true to its brand promise, Mah Sing embraces a fast turn-around business model and a customer-centric strategy to offer its customers and the surrounding community a valuable and sustainable lifestyle beyond home ownership. The Group's popular and successful M Series in the affordable range carries the DNA of being strategically located with excellent connectivity, amenities and ready infrastructures complemented by a modern touch without compromising on quality. The Group continues to push the boundaries to deliver exceptional value to stakeholders and strengthen its commitment to the growth and development of the nation.

CORPORATE STRUCTURE

(ACTIVE OPERATING SUBSIDIARIES)

MahSing



PROPERTY DIVISION

- 100% Dsara Sentral Sdn Bhd
- 100% Elite Park Development Sdn Bhd
- 100% Grand Prestige Development Sdn Bhd
- 100% Icon City Development Sdn Bhd
- 100% Legend Grand Development Sdn Bhd
- 100% Mah Sing Properties Sdn Bhd
 - 100% Mestika Bistari Sdn Bhd
- 100% MS Lakecity Sdn Bhd
- 100% Mediterranean View Development Sdn Bhd
- 100% Meridin East Sdn Bhd
- 100% Maxim Heights Sdn Bhd
- 100% Myvilla Development Sdn Bhd
- 100% Nature Legend Development Sdn Bhd
 - 100% M Vertica Sdn Bhd
- 100% Nova Century Development Sdn Bhd
- 100% Oasis Garden Development Sdn Bhd
- 100% Semai Meranti Sdn Bhd
- 100% Southville City Sdn Bhd
- 100% Star Residence Sdn Bhd
- 100% Supreme Springs Sdn Bhd
- 100% Tropika Istimewa Development Sdn Bhd
- 100% Uptrend Housing Development Sdn Bhd
- 100% Venice View Development Sdn Bhd
- 100% Vienna View Development Sdn Bhd
- 100% Vienna Home Sdn Bhd
- 100% Nova Legend Development Sdn Bhd
 - 78% Cosmoworld Housing Development Sdn Bhd
 - 50% Mah Sing South Sea Industrial Development Sdn Bhd
- 100% Jastamax Sdn Bhd
 - 20% Mah Sing South Sea Industrial Development Sdn Bhd

PROPERTY MANAGEMENT

- 100% Prima Peninsular Development Sdn Bhd
- 100% Quantum Noble Development Sdn Bhd



MANUFACTURING DIVISION

PLASTICS

- 100% Mah Sing Plastics Industries Sdn Bhd
- 100% Vital Routes Sdn Bhd
 - 65% P.T. Mah Sing Indonesia

HEALTHCARE

- 100% Mah Sing Healthcare Sdn Bhd



OTHERS

- 100% Mah Sing Trading Sdn Bhd
- 100% Mah Sing Utilities Sdn Bhd
- 100% Meridin Hospitality Sdn Bhd
- 100% Enrich Property Development Sdn Bhd

Note: Please refer to Note 18 of the Financial Statements for the full list of subsidiaries of the Group.

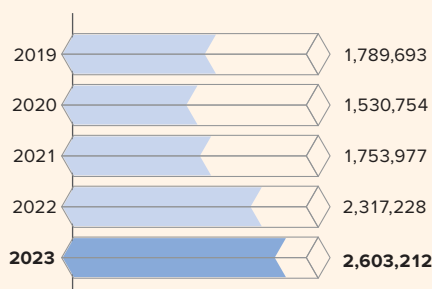
GROUP FIVE-YEAR FINANCIAL HIGHLIGHTS

Financial Year Ended 31 December

REVENUE (in RM)

**2.60
billion**

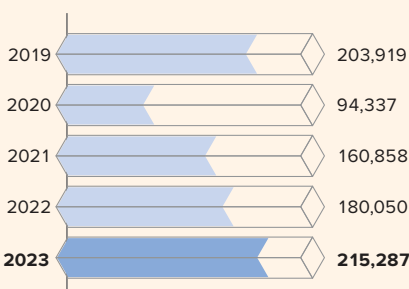
2022: RM2.32 billion
(RM'000)



PROFIT ATTRIBUTABLE TO EQUITY HOLDERS (in RM)

**215.29
million**

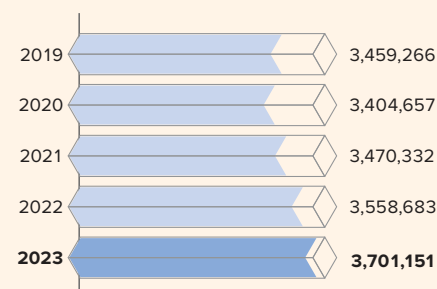
2022: RM180.05 million
(RM'000)



EQUITY ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS (in RM)

**3.70
billion**

2022: RM3.56 billion
(RM'000)



RM'000	2019	2020	2021	2022	2023
Revenue	1,789,693	1,530,754	1,753,977	2,317,228	2,603,212
Profit before tax	275,909 [#]	146,861 [#]	219,240	264,124	327,387
Profit after tax	206,254 [#]	97,545 [#]	172,264	186,798	222,179
Profit attributable to equity holders	203,919 [#]	94,337 [#]	160,858	180,050	215,287
Total assets	6,645,357 [#]	6,829,013 [#]	7,042,020	6,389,689	6,416,779
Total borrowings	570,401	1,218,784	1,506,930	1,352,381	1,281,142
Equity attributable to ordinary equity holders	3,459,266 [#]	3,404,657 [#]	3,470,332	3,558,683	3,701,151
Total equity	4,795,898 [#]	4,204,391 [#]	4,137,375	3,587,165	3,736,857
Return on equity	3%	1%	3%	4%	5.8%
Return on total assets	3%	1%	2%	3%	3%
Net gearing ratio	N/A	0.01	0.12	0.22	0.08
Basic earnings per share (sen)	4.64	0.87	4.39	6.50	8.87
Fully diluted earnings per share (sen)	4.64	0.87	4.37	6.50	8.87
Net assets per share (RM)	1.42	1.40	1.43	1.47	1.52
Dividend per share (sen)	3.35	1.66	2.65	3.00	4.00
Dividend payout ratio	40%	43%	40%	40%	45%[@]
Price earning ratio	15.2	99.8	15.7	8.7	9.4
Share price as at the financial year end (RM)	0.71	0.87	0.69	0.57	0.83

[#] The comparative figures have been restated due to the effect of adoption of IFRS Interpretations Committee ("IFRIC") Agenda Decision on IAS 23 (MFRS 123) Borrowing Costs in the financial year 2021.

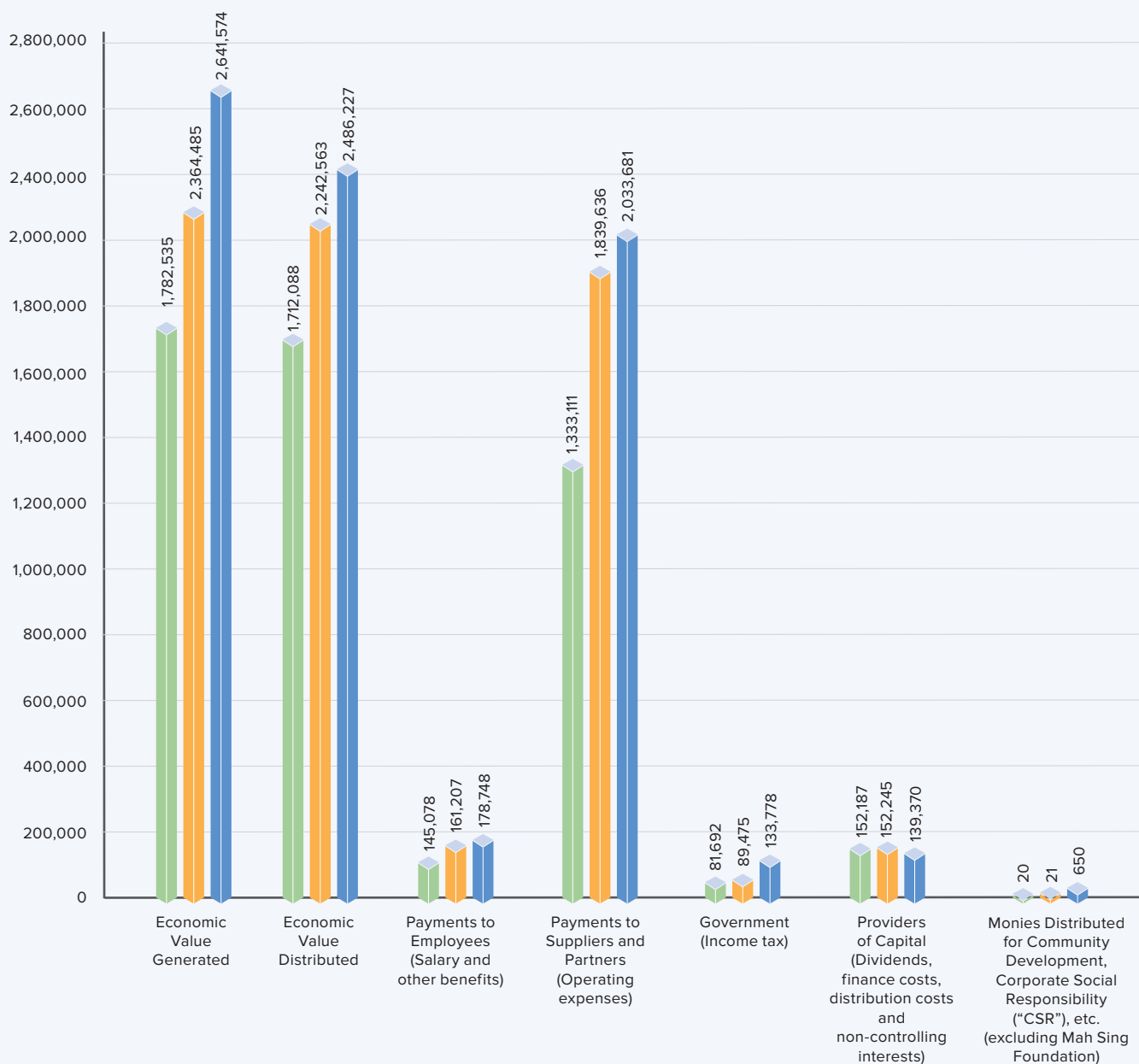
[@] The dividend payout for 2023 is estimated based on number of shares as at 31 December 2023.

STATEMENT OF VALUE-ADDED DISTRIBUTION & SIMPLIFIED FINANCIAL STATEMENT

IAR2023 provides a simplified financial values created and distributed statement. This statement provides a concise view of how Mah Sing's business model has continued to deliver financial values as measured in terms of cash flows, assets and liabilities and financial values distributed to stakeholders.

Value Created and Distributed (RM'000)

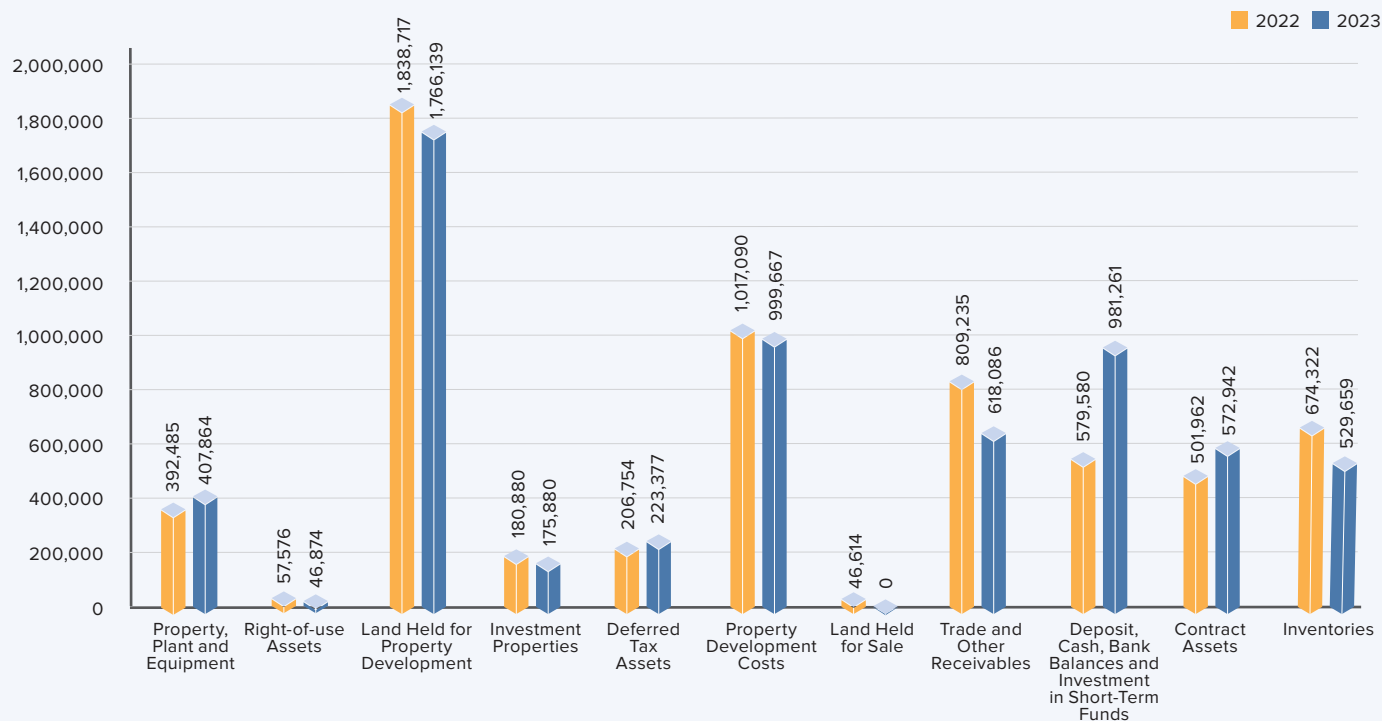
2021 2022 2023



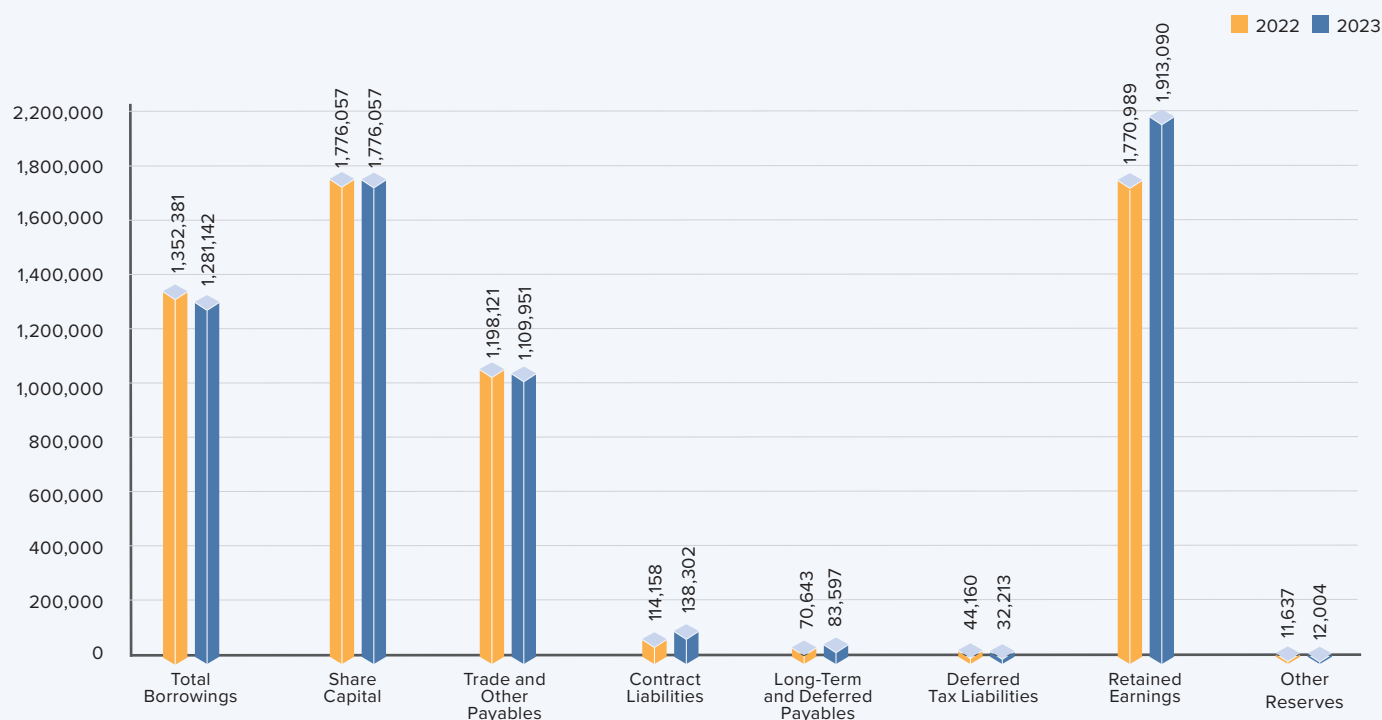
The Group's balance sheet remains robust, underpinned by a growing asset position and ample liquidity. Net gearing remains at a record-low of 0.08x which provides sufficient headroom for debt expansion if required to fund land acquisitions, capital expenditures and investments to drive business growth. Further explanation on the Group's performance for FY2023 is provided in the Management Discussion and Analysis.

STATEMENT OF VALUE-ADDED DISTRIBUTION & SIMPLIFIED FINANCIAL STATEMENT (CONT'D)

Simplified Statement of Assets (RM'000)



Simplified Statement of Liabilities & Shareholders' Equity (RM'000)



INVESTOR RELATIONS

Stakeholder engagement, particularly in the realm of investor relations, continues to be a pivotal aspect of the Group's commitment to sustainability and value creation. Throughout the fiscal year 2023, Mah Sing has remained steadfast in its efforts to actively involve its investment community, consisting of shareholders, investors, analysts, and fund managers. The primary goal of these engagements is to consistently update stakeholders on the Group's performance and significant developments, while also seeking feedback that informs future strategic decisions.

Mah Sing's approach to investor engagement extends beyond mere compliance with regulatory disclosure requirements. It reflects the Group's unwavering dedication to presenting an accurate and timely representation of its operations. Communication channels employed include corporate announcements, conferences, meetings, calls, emails, site visits, property projects tours, and personalized sessions with research houses, analysts, and fund managers. By fostering effective two-way communication, the Group aims to enhance stakeholder understanding of its business and operational performance, facilitating informed investment decisions.

The Group diligently maintains and updates its dedicated investor relations webpage with the latest announcements, quarterly results, presentation decks, and relevant information. Stakeholders are encouraged to pose inquiries through the provided contact details, with timely responses assured.

Mah Sing continues to uphold its obligation to hold an annual general meeting (AGM), as mandated for all publicly listed companies. The most recent AGM, pertaining to FY2022, took place on 22 June 2023, and was conducted virtually via an electronic platform to facilitate remote participation. This virtual setting provided shareholders with a platform to pose questions and seek additional information, with queries promptly addressed during the meeting.

In anticipation of the AGM, the Group ensured that comprehensive information regarding its business and operational performance, proposed resolutions, and other pertinent details were disseminated to shareholders at least 28 days before the AGM, aligning with the best practices outlined in the MCG Code. The Chairman actively encouraged shareholder participation, offering opportunities for questions and clarification on all resolutions and matters discussed during the AGM.

Beyond the AGM, the Investor Relations team engaged in over 100 interactions with analysts, fund managers, and other members of the investment community throughout 2023, utilising a mix of meetings, emails, calls, conferences, and site visits to foster ongoing communication and collaboration. During the year, a total of 22 site visits were conducted for the analysts and fund managers that involved physical visits to property projects or sales galleries including M Centura, M Vertica, M Nova, M Luna, M Zenya, M Adora, Southville City in Klang Valley, Meridin East, M Minori in Johor Bahru, and Southbay City in Penang.



INVESTOR RELATIONS



Investors' Briefing at M Minori Sales Gallery in Johor Bahru.



Company Presentation at Investor Conference.

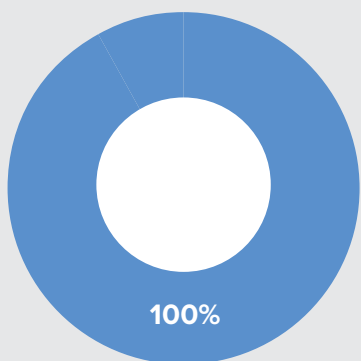


Investors' Visit to M Nova Sales Gallery in Kepong.

RESEARCH COVERAGE

The Group currently has research coverage by 13 research houses with 13 providing Buy calls.

ANALYST RECOMMENDATIONS (13 OUT OF 13)



● Buy/Outperform/Add

TARGET PRICE AS AT 20 MARCH 2024

Research Houses	
UOB Kay Hian Securities (M) Sdn Bhd	1.38
UBS Securities Malaysia Sdn Bhd	1.35
AmlInvestment Bank Berhad	1.25
TA Securities Holdings Berhad	1.24
MIDF Amanah Investment Bank Berhad	1.23
Hong Leong Investment Bank Berhad	1.20
KAF Equities Sdn Bhd	1.16
CLSA Securities Malaysia Sdn Bhd	1.16
CGS-CIMB Securities Sdn Bhd	1.16
RHB Investment Bank Berhad	1.15
Rakuten Trade Sdn Bhd	1.11
Kenanga Investment Bank Berhad	1.11
BIMB Securities Sdn Bhd	1.11

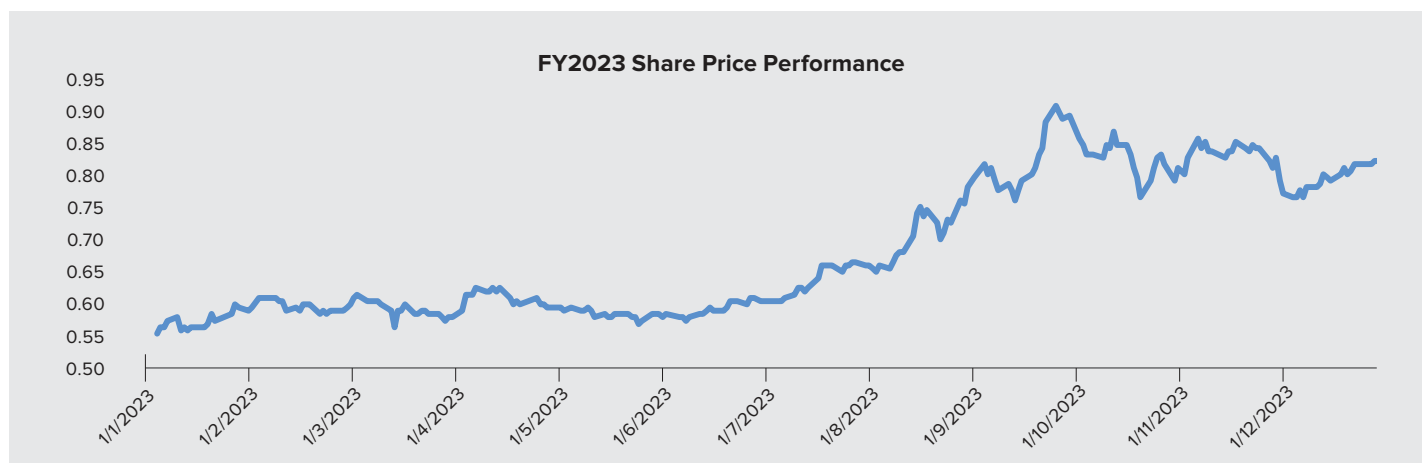
Average Target Price: RM1.20

INVESTOR RELATIONS

SHARE PRICE PERFORMANCE

Following are the key share performance highlights for FY2023:

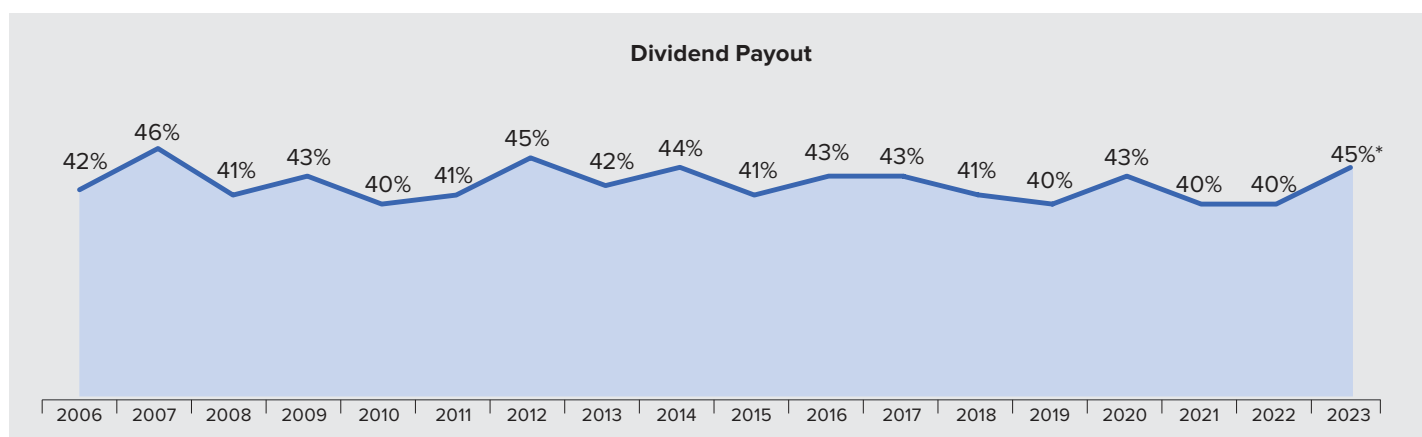
Share Price Performance for the period of 1 January 2023 to 31 December 2023:	High (25 September 2023): RM0.915	Low (3 January 2023): RM 0.565	Market Capitalisation (as at 31 December 2023): RM2.01 billion	No. of shareholders (as at 31 December 2023): 33,142
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Source: Yahoo Finance

DIVIDEND PERFORMANCE

- Dividend per share: 4 sen per ordinary share
- Dividend payout ratio for FY 2023: 45% (minimum 40% uninterrupted for past 18 years).



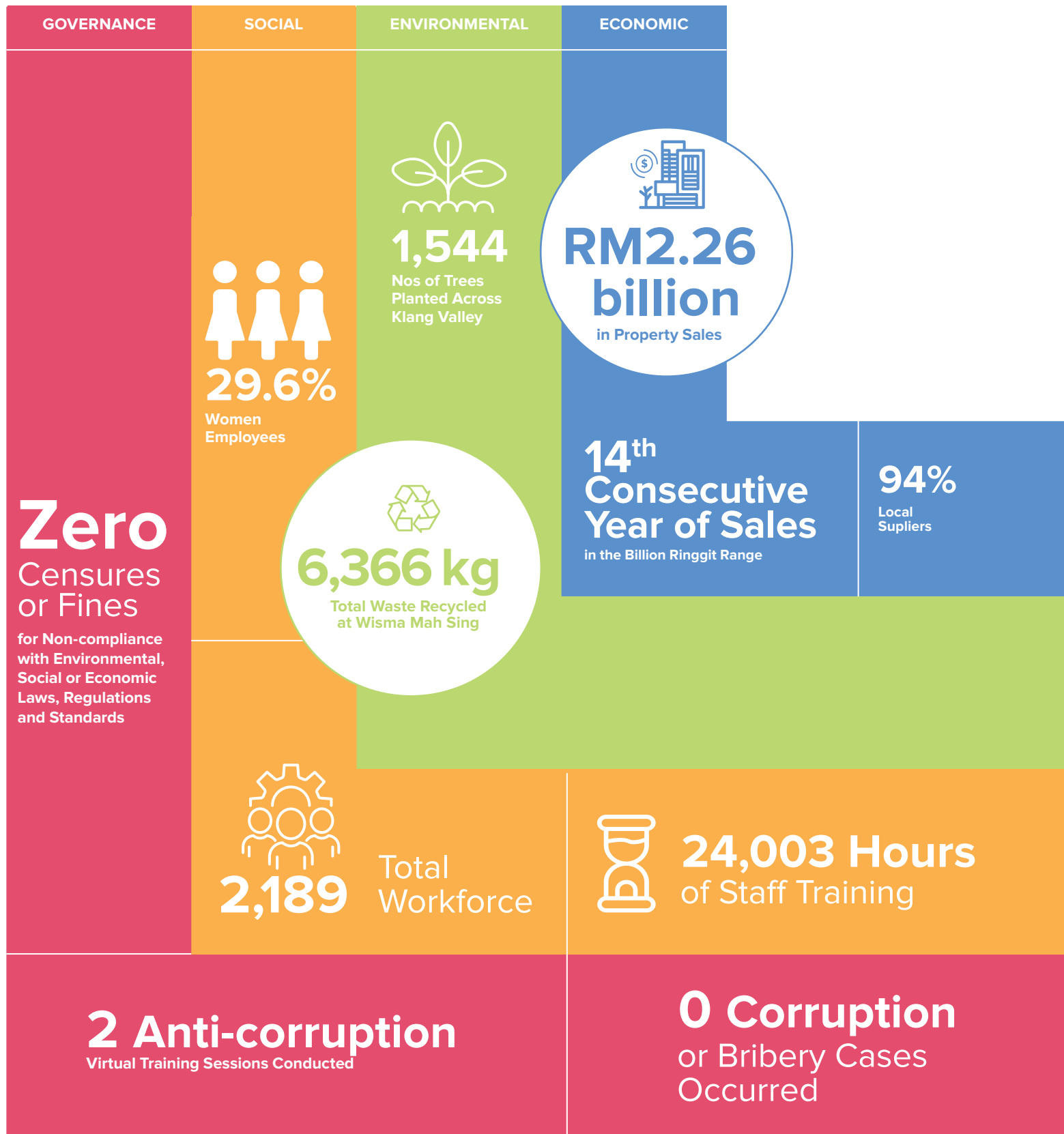
* Estimated based on number of shares as at 31 December 2023.

INVESTOR RELATIONS CONTACT DETAILS

Mah Sing welcomes feedback on how it may enhance its investor relations engagement. Suggestions, clarifications and requests for information can be sent via:

✉ ir@mahsing.com.my ☎ +603-9221 8888

HIGHLIGHTS AND ACHIEVEMENTS



HIGHLIGHTS AND ACHIEVEMENTS

**FTSE
Score
3.7**



FTSE4Good

Top 25%

of public listed companies in terms of **ESG ratings** in **FBM EMAS** that have been assessed by **FTSE Russell**

**7
UNSDGs
Adopted**

Mah Sing has continued to prioritise sustainable development underpinned by exemplary corporate governance practices and strong environmental, social and governance (“ESG”) performance. Since our entry as a constituent of the FTSE4Good Bursa Malaysia Index in June 2021, we have continued to improve our ESG performance year on year, achieving a score of 3.7 out of 5.0 in the December 2023 ratings released by FTSE Russell, placing us amongst the top 25% of companies on the on the FBM Emas Index.

**22 Corporate
& Property
Awards
Won
in FY2023**

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Mah Sing Group Berhad has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

**2,478
acres***
Remaining
Landbank

**RM222.18
million**
Group PAT

**RM28.4
billion***
Remaining Gross
Development Value
and Unbilled Sales

**45%
Payout#**
Exceed 18-year
dividend policy of
minimum 40%

75%
of Procurement
Spending
are for Local
Suppliers

**RM981.26
million***
Cash and Balance

**More than
10.8 million**
Manhours Without Lost
Time Incident (“LTI”)

**1,860.1
MT CO₂e**
Avoidance by Solar PV Installation

12.96% Savings
in Electricity Bills per annum from
Solar PV Installation at MSPI



**More than
RM812,000**
Total Charitable Donations by
Mah Sing Foundation impacting
more than **900** individuals

3,262.5 
Training Hours on Health and Safety
in FY2023, with a total of 1,498 employees attending

0
Whistleblowing
Cases Reported

472
Total Participants in
Anti-corruption Training



* Include newly acquired land in Sepang (Mah Sing Business Park) and Johor (M Tiara 2), respectively.

The dividend payout for 2023 is estimated based on number of shares as at 31 December 2023.

MAH SING IN THE NEWS

今年销售目标至少22亿

马星集团唱好房市

【星洲电】马星集团主席兼行政总裁陈永祥表示，马星集团2023年销售目标至少22亿，集团对今年房地产市场前景持乐观态度。

陈永祥在日前接受媒体访问时指出，马星集团在2022年表现稳健，全年销售额达20.5亿，较2021年增长15%。他预计，随着经济复苏和利率稳定，今年房地产市场将保持活跃，马星集团的销售目标至少为22亿。

此外，陈永祥还提到，马星集团在土地储备方面表现积极，目前拥有约1,500英亩的土地储备，主要集中在马六甲、柔佛和雪兰莪等热门地区。他表示，马星集团将利用其强大的资金实力和丰富的开发经验，为购房者提供高品质的房产项目。

Mah Sing targets sales of at least RM2.2b for 2023

Group optimistic about prospects this year, especially for its M-Series launches

PEWANGKOH: Mah Sing Group has set a sales target of at least RM2.2 billion for 2023, with the group optimistic about the prospects for this year, especially for its M-Series launches.

Chairman and Managing Director Tan Sri Lim Joo Kah said that the group's performance in 2022 was strong, with total sales of RM2.05 billion, a 15% increase from 2021. He expects a continued recovery in the property market this year, with the group's sales target set at a minimum of RM2.2 billion.

Lim Joo Kah also highlighted the group's land bank, which stands at approximately 1,500 acres, primarily located in popular areas like Malacca, Johor, and Selangor. He stated that Mah Sing will leverage its strong financial position and development expertise to deliver high-quality housing projects to its customers.

馬星開年首銷售運動 為購屋者提供更多獎賞

【星洲電】馬星集團主席兼行政總裁陳永祥表示，馬星集團今年首場銷售運動將為購屋者提供更多獎賞，以慶祝新禧。

陳永祥指出，馬星集團今年首場銷售運動將於1月15日開始，為期三個月。期間，凡購買馬星集團任何樓宇的客戶，均可獲贈豐富獎品，包括現金券、電器、傢俬等。此外，馬星集團還將為客戶提供專業的售後服務，確保客戶滿意。

陳永祥表示，馬星集團一直致力於為客戶提供高品質的房地產服務，今年的銷售運動只是其中一個例子。他相信，通過不斷的努力和創新，馬星集團將為客戶創造更多的價值。

Mah Sing's land acquisition a good move

Attractive price and affordable housing project lauded

PEWANGKOH: Mah Sing's acquisition of a large land parcel in the Klang Valley has been lauded for its attractive price and potential for affordable housing development.

The acquisition, which covers approximately 1,500 acres, is seen as a strategic move by Mah Sing to expand its land bank in one of the most populous regions in Malaysia. Industry experts believe that this acquisition will enable Mah Sing to develop more affordable housing projects, addressing the needs of the middle and lower-income segments of the population.

The acquisition was made at a price that is significantly lower than the market value, which has attracted positive attention from the public and the media. It is expected that Mah Sing will develop this land into a large-scale residential project, providing thousands of new homes to the community.

制定长期系统目标

马星集团唱好房市

【星洲电】马星集团主席兼行政总裁陈永祥表示，马星集团将制定长期系统目标，以应对未来房地产市场的不确定性。

陈永祥指出，随着全球经济的不断变化，房地产市场也面临着诸多挑战。为了应对这些挑战，马星集团将制定一套长期的系统目标，包括加强土地储备、提高开发效率、优化客户服务等。他相信，通过制定和执行这些目标，马星集团将能够在未来的市场竞争中保持领先地位。

此外，陈永祥还提到，马星集团将继续关注社会责任和可持续发展。他相信，通过履行社会责任和推动可持续发展，马星集团将能够为 society 做出更大的贡献。

馬星M NOVA發展項目 A座90%單位已售出

【星洲電】馬星集團主席兼行政總裁陳永祥表示，馬星M NOVA發展項目A座90%單位已售出，顯示市場對該項目的信心。

陳永祥指出，馬星M NOVA發展項目A座自推出以來，一直受到市場的高度關注。目前，A座90%的單位已經售罄，顯示出市場對該項目的信心。他相信，隨著B座的推出，馬星M NOVA發展項目的銷售情況將會更加理想。

此外，陳永祥還提到，馬星集團將繼續關注市場動向，並根據市場需求調整開發策略。他相信，馬星集團將能夠為客戶提供更高品質的房地產服務。

Mah Sing's land acquisition a good move

Attractive price and affordable housing project lauded

PEWANGKOH: Mah Sing's acquisition of a large land parcel in the Klang Valley has been lauded for its attractive price and potential for affordable housing development.

The acquisition, which covers approximately 1,500 acres, is seen as a strategic move by Mah Sing to expand its land bank in one of the most populous regions in Malaysia. Industry experts believe that this acquisition will enable Mah Sing to develop more affordable housing projects, addressing the needs of the middle and lower-income segments of the population.

The acquisition was made at a price that is significantly lower than the market value, which has attracted positive attention from the public and the media. It is expected that Mah Sing will develop this land into a large-scale residential project, providing thousands of new homes to the community.

梁海金看好房市

【星洲電】梁海金表示，他對今年房地產市場前景持樂觀態度，預計銷售額將達到22億以上。

梁海金指出，隨著經濟的復甦和利率的穩定，房地產市場將保持活躍。他相信，今年房地產市場的銷售額將達到22億以上，這將是一個非常成功的年份。他還提到，梁海金將繼續關注市場動向，並根據市場需求調整開發策略。

馬星捐8萬獻愛心 助耆族受水災影響學生

【星洲電】馬星集團主席兼行政總裁陳永祥表示，馬星集團將捐出8萬元，幫助受水災影響的學生。

陳永祥指出，馬星集團一直致力於履行社會責任，並為社會做出貢獻。這次捐出的8萬元將用於幫助受水災影響的學生，包括提供學費、生活費等。他相信，這筆捐款將能夠幫助這些學生順利完成學業，並為社會培養更多的人才。

此外，陳永祥還提到，馬星集團將繼續關注社會公益事業，並為社會做出更多的貢獻。

Mah Sing balance sheet remains strong

Land buys have little bearing on liquidity position

PEWANGKOH: Mah Sing's balance sheet remains strong despite recent land acquisitions, with the group's liquidity position unaffected.

The group's financial statements for the first half of 2023 show a healthy balance sheet with a strong cash position. This indicates that Mah Sing's land acquisitions are being financed through its own resources, without the need for external borrowing. This is a positive sign for the group's financial stability and its ability to manage its growth.

The group's liquidity position remains strong, with sufficient funds available to meet its short-term obligations. This is a result of the group's prudent financial management and its strong operating performance.

蕉賴隆市局羽球館升級

【星洲電】馬星集團主席兼行政總裁陳永祥表示，馬星集團將升級蕉賴隆市局羽球館，為市民提供更好的服務。

陳永祥指出，馬星集團一直致力於為市民提供高品質的服務，並不斷提升其服務水平。這次升級蕉賴隆市局羽球館，將包括增加球拍數量、改善場地設施、加強場地清潔等。他相信，通過這次升級，蕉賴隆市局羽球館將能夠為市民提供更好的服務，並為市民提供更多的便利。

此外，陳永祥還提到，馬星集團將繼續關注市民的需求，並根據市民的需求提供更高品質的服務。

MahSing 連續4年受認可 獲杰出社區參與企業獎

【星洲電】馬星集團主席兼行政總裁陳永祥表示，馬星集團連續4年獲得「傑出社區參與企業獎」，顯示社會對其貢獻的肯定。

陳永祥指出，馬星集團一直致力於履行社會責任，並為社會做出貢獻。這次獲得「傑出社區參與企業獎」，是社會對馬星集團貢獻的肯定。他相信，馬星集團將繼續履行社會責任，並為社會做出更多的貢獻。

馬星新建專用坡道 為M Vertica居民舒緩交通

【星洲電】馬星集團主席兼行政總裁陳永祥表示，馬星集團將新建專用坡道，為M Vertica居民舒緩交通。

陳永祥指出，馬星集團一直致力於為居民提供高品質的服務，並不斷提升其服務水平。這次新建專用坡道，將為M Vertica居民提供更多的便利，並舒緩交通壓力。他相信，通過這次新建專用坡道，M Vertica居民將能夠更加方便地使用馬星集團的服務。

此外，陳永祥還提到，馬星集團將繼續關注居民的需求，並根據居民的需求提供更高品質的服務。

與中國電子商會攜手 馬星 助中資在馬設廠

【星洲電】馬星集團主席兼行政總裁陳永祥表示，馬星集團將與中國電子商會攜手，幫助中國企業在馬設廠。

陳永祥指出，馬星集團一直致力於促進中馬經貿往來，並為中國企業在馬設廠提供便利。這次與中國電子商會攜手，將為中國企業在馬設廠提供更多的便利，並幫助中國企業在馬市場上取得更大的成功。他相信，通過這次合作，馬星集團將能夠為中國企業在馬設廠提供更多的支持。

此外，陳永祥還提到，馬星集團將繼續關注中馬經貿往來，並為中國企業在馬設廠提供更多的支持。

22亿销售目标可期

MahSing 第三季賺5002万

【星洲電】馬星集團主席兼行政總裁陳永祥表示，馬星集團2023年銷售目標22億可期，第三季業績表現優異。

陳永祥指出，馬星集團2023年銷售目標22億可期，這將是一個非常成功的年份。他相信，通過不斷的努力和創新，馬星集團將能夠實現這一目標。此外，馬星集團第三季業績表現優異，顯示出集團的經營能力不斷提升。

此外，陳永祥還提到，馬星集團將繼續關注市場動向，並根據市場需求調整開發策略。

馬星集團連續13年 榮獲TEPEA房產卓越獎

【星洲電】馬星集團主席兼行政總裁陳永祥表示，馬星集團連續13年榮獲TEPEA房產卓越獎，顯示其在房產開發領域的卓越表現。

陳永祥指出，馬星集團一直致力於房產開發，並不斷提升其開發水平。這次連續13年榮獲TEPEA房產卓越獎，是社會對馬星集團房產開發能力的肯定。他相信，馬星集團將繼續在房產開發領域取得更大的成就。

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THE EDGE大馬ESG獎 馬星集團榮獲房產組銀獎

【星洲電】馬星集團主席兼行政總裁陳永祥表示，馬星集團榮獲THE EDGE大馬ESG獎房產組銀獎，顯示其在ESG領域的卓越表現。

陳永祥指出，馬星集團一直致力於ESG領域的發展，並不斷提升其ESG水平。這次榮獲THE EDGE大馬ESG獎房產組銀獎，是社會對馬星集團ESG表現的肯定。他相信，馬星集團將繼續在ESG領域取得更大的成就。

Sales gallery opens for JB suites

Mixed development M Minor has gross development value of about RM469mil

PEWANGKOH: The sales gallery for the M Minor mixed development project in Johor Bahru has officially opened, showcasing the project's potential.

The project, which includes a mix of residential, commercial, and recreational facilities, is expected to be a landmark development in the area. The sales gallery provides visitors with a comprehensive overview of the project, including its location, amenities, and development timeline.

The project is valued at approximately RM469 million, reflecting its scale and potential. It is expected to create thousands of jobs and contribute significantly to the local economy.

馬星集團連續13年 榮獲TEPEA房產卓越獎

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High-rise reaches pinnacle of quality

Developer achieves high Classic mark, celebrates early completion of Wangsa Maju project

PEWANGKOH: A high-rise development in Wangsa Maju has achieved the prestigious Classic mark, celebrating the early completion of the project.

The project, which is a high-rise residential development, has been recognized for its high quality and excellent service. The Classic mark is a testament to the developer's commitment to excellence and its dedication to providing high-quality housing to its residents.

The early completion of the project is a testament to the developer's efficient project management and its ability to deliver high-quality housing to its residents in a timely manner.

THE EDGE大馬ESG獎 馬星集團榮獲房產組銀獎

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The project is valued at approximately RM469 million, reflecting its scale and potential. It is expected to create thousands of jobs and contribute significantly to the local economy.

馬星集團連續13年 榮獲TEPEA房產卓越獎

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MAH SING IN THE NEWS



MAH SING'S EXPERTISE

Offer to help Chinese investors

KUALA LUMPUR: Mah Sing Group, which has partnered with China Electronics Chamber of Commerce (CECC) to assist Chinese investors in setting up their manufacturing facilities in Malaysia, and to promote Mah Sing-China strategic partnership.

Mah Sing Group and group managing director Tan Sri Leng Hui Kim said the group was participating in the CECC's annual conference in Beijing, China, to discuss the challenges and opportunities in bringing Chinese investments to Malaysia.

The group will collaborate with CECC to provide one-stop

service for Chinese investors as they can easily interface with Malaysia's main estate, climate, manufacturing industries and government investment policies, said Leng.

This followed Mah Sing's participation recently in a high-level business delegation to the Singapore-China Business Forum 2023 in Beijing led by Prime Minister Anwar Ibrahim, said Leng.

During the visit, Mah Sing was in good luck with CECC, said Leng, who said Mah Sing would support CECC

members in sourcing for land and setting up production facilities up to export of goods for global markets.

"Mah Sing has more than 40 years of entrepreneurial experience in manufacturing and property development."

"Our extensive experience makes us the ideal partner for Chinese companies seeking to invest in Malaysia," said Leng.

He said Mah Sing will continue to work closely with these companies to help expand their Chinese economic and trade relations, he added.



Mah Sing's M Tiara to gain traction

Decent margin likely due to its strategic location

PROPERTY Mah Sing's M Tiara is a prime location in a strategic location, which is likely to gain traction in the market, said Leng.

The acquisition translates to a land cost-to-SDV ratio of 15.4%, which we deem to be fair given the higher selling price of the project.

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Mah Sing on track for RM2.2b sales target

KUALA LUMPUR: Property developer Mah Sing is on track to achieve its RM2.2 billion sales target for the first quarter ended March 31, said Leng.

The group's sales performance in the first quarter was strong, with sales of RM2.2 billion, which is in line with the group's target.

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今年第四宗土地交易 馬星聯營隆5億產業

【本報訊】馬星集團（Mah Sing Group）與中國電子商務中心（CECC）合作，在馬來西亞發展房地產項目。該項目名為「隆5億產業」，預計將於今年第四季完成土地交易。

馬星集團主席兼行政總裁譚志強表示，該項目位於一個具有發展潛力的地區，預計將為當地創造就業機會。他強調，馬星集團一直致力於與中國企業建立長期合作關係，以促進馬來西亞的經濟發展。



馬星集團優先永續發展 獲頒永續發展卓越獎

【本報訊】馬星集團（Mah Sing Group）因其對永續發展的承諾和卓越表現，獲頒「永續發展卓越獎」。該獎項旨在表彰在環境、社會和治理（ESG）方面表現優異的企業。

馬星集團主席兼行政總裁譚志強表示，集團一直致力於實現可持續發展目標，並在環境保護、社會責任和治理方面取得了顯著成就。他感謝評審委員會對集團努力的認可，並表示集團將繼續努力，為實現可持續發展做出更大貢獻。



MAH SING Group has received recognition at The Edge Malaysia's ESG Awards 2023 for the second consecutive year, clinching the silver in the property sector category.

"We are tremendously proud that our ESG efforts have been recognized for two years in a row," said Mah Sing founder and group managing director Tan Sri Leng Hui Kim.

"Given the commitment to achieve net-zero emissions by 2050, stakeholders are increasingly pressured to act on climate change. This pressing need for climate action creates a sense of urgency for Mah Sing as one of the leading property developers in Malaysia."

"In line with this, our Group aims to support our value chain, including our suppliers and contractors, in their efforts to embrace ESG practices and climate disclosures."

"This year, we have signed a memorandum of collaboration with Bursa Malaysia Berhad, as the early adopters of Bursa's Centralized Sustainability Intelligence Platform - marking a significant milestone for the property and manufacturing sectors to accelerate the integration of ESG practices, particularly in the Task Force on Climate-related Financial Disclosures (TCFD) pillars," said Leng.

The Edge Malaysia ESG Awards was organized in collaboration with Bursa Malaysia and FTSE Russell, with Mergers and Acquisitions partner for the ESG category and Deloitte as the audit partner of the ESG Awards was UOB Malaysia, while Astra Award was the official

MAH SING WINS AWARD FOR ESG EFFORTS

The Group wins at The Edge Malaysia's ESG Awards 2023 two years in a row



馬星M MINORI項目 一個週末實現百分百入住率

【本報訊】馬星集團（Mah Sing Group）開發的M MINORI項目，在推出後的一個週末內，實現了100%的入住率。這顯示了該項目在市場上的受歡迎程度。

馬星集團主席兼行政總裁譚志強表示，M MINORI項目位於一個交通便利、設施齊全的地區，吸引了大量買家。他強調，集團將繼續致力於開發高品質的房地產項目，以滿足市場需求。



Mah Sing's Semenyih land buy a positive

Affordable home project expected to be well-received

PROPERTY Mah Sing's acquisition of land in Semenyih is a positive move, which is expected to be well-received by the market, said Leng.

The acquisition translates to a land cost-to-SDV ratio of 15.4%, which we deem to be fair given the higher selling price of the project.

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Mah Sing optimistic about growth prospects

Developer's M Series success a confidence booster

PROPERTY Mah Sing is optimistic about its growth prospects, particularly in the M Series, which has been well-received by the market, said Leng.

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Mah Sing terima anugerah Deloitte

【本報訊】馬星集團（Mah Sing Group）因其對永續發展的承諾和卓越表現，獲頒「永續發展卓越獎」。該獎項旨在表彰在環境、社會和治理（ESG）方面表現優異的企業。

馬星集團主席兼行政總裁譚志強表示，集團一直致力於實現可持續發展目標，並在環境保護、社會責任和治理方面取得了顯著成就。他感謝評審委員會對集團努力的認可，並表示集團將繼續努力，為實現可持續發展做出更大貢獻。



AWARDS AND RECOGNITION

CORPORATE AWARDS

1. **BCI Asia Awards 2023**
 - Top 10 Developers
2. **Malaysia's Best Managed Companies 2023**
3. **Malaysia Developer Awards 2023**
 - Top-Of-The-Chart Awards (For market cap RM1 billion and above)
4. **Malaysia Sustainability Excellence Award**
5. **StarProperty Awards 2023 – Real Estate Developer**
 - All-Stars Award for Best Performing Developers of 2022 (Top 10 listed companies)
 - Readers' Choice Awards
 - Most Preferred Developer
 - Most Heart-Warming CSR Initiative
6. **Sustainability and CSR Malaysia Awards 2023**
 - Company of the Year for Distinguished Community Engagement Award (Property development)
7. **The Edge Malaysia ESG Awards 2023**
 - Silver Award (Property sector)
8. **The Edge Malaysia Property Excellence Awards 2023**
 - Top Property Developers Awards 2023
9. **PropertyGuru Asia Awards Malaysia with iProperty 2023**
 - Best Lifestyle Developer
 - People's Choice Award
 - Special Recognition in ESG
10. **Putra Aria Brand Awards 2023**
 - Bronze Award (Property category)
11. **Integrity, Governance and Anti-Corruption Awards 2023**
 - Bronze Award
12. **Sin Chew Business Excellence Awards 2023**
 - Property Excellence Awards
 - SCBEA Top 10 (PAT)



AWARDS AND RECOGNITION



PROJECT AWARDS

- StarProperty Awards 2023 – Real Estate Developer**
 - Landscape Development Award for Best Topography Composition (Excellence) – M Vertica
 - Skyline Award for Best High-Rise Residential Development (Merit) – M Astra
- The Edge Best Managed & Sustainability Awards 2023**
 - The Edge-ILAM Malaysia's Sustainable Landscape Award 2023 – Silver Award (Landscape design) – Summit Park @ Southville City
- PropertyGuru Asia Awards Malaysia with iProperty 2023**
 - Best Mass Market High-Rise Development – M Astra
- Malaysia Property Award™ 2023**
 - Summit Park in Southville City, Bangi (Environmental category)



SNAPSHOTS IN 2023

JANUARY 2023

Commenced the year by acquiring an 8 acres Transit Environment District (TED) development in Puchong, Selangor, named M Terra and M Hana.



MARCH 2023



M Vertica completed and delivered a dedicated 2-way ingress and egress ramp on Jalan Cheras, aimed at dispersing traffic and reducing travel time for residents and the surrounding community.

APRIL 2023



Donation of RM80,000 was made to Yayasan Raja Zarith Sofia Negeri Johor to assist flood victims in Batu Pahat, Johor.

MAY 2023



Signed a Memorandum of Collaboration with Bursa Malaysia Berhad, becoming an early adopter of Bursa Malaysia's Centralised Sustainability Intelligence Platform.

JUNE 2023



Mah Sing continued its land bank expansion with the purchase of M Tiara, a 75.7 acres freehold land in Mukim Pulai, Johor Bahru. Subsequently, acquired M Legasi, a 500 acres of freehold land in Semenyih, Selangor, making it the largest project in Klang Valley by acreage.



Handover of the newly completed 12-court Arena Badminton DBKL Cheras to Dewan Bandaraya Kuala Lumpur.

SNAPSHOTS IN 2023

JULY 2023



Summit Park at Southville City, Bangi, received the Silver award for Landscape Design at The Edge Best Managed and Sustainability Award 2023 for its commitment to sustainable landscape development.



Fourth land acquisition – 4.88 acres land in Kepong, Kuala Lumpur, named M Zenya.



Topping-out ceremony for M Oscar in Sri Petaling, Kuala Lumpur.

AUGUST 2023



Appreciation Night at M Adora, Wangsa Melawati to commemorate its early completion and several notable achievements, including obtaining the highest QCLASSIC score of 85% among M Series developments and achieving 2.2 million man-hours without Lost Time Injury (LTI) for the entire construction.

NOVEMBER 2023



Sales Gallery opening of M Minori, the first M Series development in Johor.

DECEMBER 2023



Concluded 2023 with fifth land acquisition – 4 acres of prime land in Mukim Setapak, Kuala Lumpur, named M Azura.



OUR INTEGRATED REPORTING JOURNEY

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Artist's Impression of Allamanda, Meridin East in Johor.

OUR APPROACH TO VALUE CREATION

In essence, through its property development model, Mah Sing creates a wide range of financial and non-financial values which benefit diverse stakeholders. Beyond direct financial values such as revenues, earnings, cashflow and asset growth, Mah Sing's business model also enables job creation and local employment, development of local supply chains and enabling transfer of technology, uplifting quality of living and also providing opportunities for wealth creation through property ownership.

There are also other impacts such as urban regeneration, land and infrastructure development, stimulating business and entrepreneurship opportunities and various other socio-economic multiplier effects. Full disclosures on values created across a multi-capital perspective is provided in the Capitals section of IAR2023 and also in the Group's value creation model.

The Group's ability to create, sustain and enhance value creation, remains primarily influenced by ongoing and future external trends and developments. Among these major trends include economic growth, stakeholder concerns and requirements especially those of government and regulatory bodies and investors and in recent times, environmental concerns such as the growing impacts of climate change, notably physical risks and impacts.

Hence, Mah Sing continues to be driven by its value creation aspirations as outlined in its Group Vision and Mission, while continuing to develop market-oriented strategies that will enable the Group to navigate the various risks and opportunities arising from its PESTLE environment.



While the business model and strategies of any business is commercial driven, Mah Sing has progressively integrated ESG considerations and strategies into its value creation. This is driven by the rationale that adopting an ESG lens in its approach would enable effective mitigation of a wide range of inherent and emerging risks to strengthen the business model, whilst also strategically positioning the Group to capitalise on potentials.

OUR BUSINESS MODEL

Mah Sing's business model comprises the following principal business activities: Property Development and Manufacturing.



GROUP

Provides strategic direction in terms of business plans, growth aspirations, capital allocation and more.



PROPERTY DEVELOPMENT

- Design and development of various types of properties (commercial, residential, industrial).
- Landbanking strategies and construction activities.
- Revenues derived from one-off sales as well as recurring income from ownership of strategic assets i.e. hotels, properties for rental, etc.



PLASTICS MANUFACTURING

- Production of plastic products using primarily recycled plastics.
- Domestic and international customers.
- Revenues derived from sales from customers.



GLOVE MANUFACTURING

- Nitrile gloves manufacturing.
- Possibilities venturing into the manufacture of healthcare products.
- Revenues derived from sales from customers.

In terms of revenue and earnings contribution, the Property Development Division remains the major contributor to the Group's financial performance, accounting for the bulk of Group revenue. The balance of revenues is derived from plastics and gloves manufacturing.

All three operations are aligned to the overall Group strategy of value creation, but are provided a great degree of autonomy to plan and develop business and operational strategies in line with the current external operating environment and internal capabilities. Essentially, decisions on budgetary requirements and financial planning rest with the respective divisions, while Group management maintains comprehensive oversight.

The decentralised approach enables faster and more effective decision making in response to market forces. Ultimately, each business is responsible for developing a sustainable growth plan and underlying strategies.

In the execution of its business model, Mah Sing generates a wide range of financial and non-financial values for society with many of these being well aligned to the United Nations Sustainability Development Goals (UNSDGs).

PILLAR	VALUES CREATED	FUTURE ASPIRATIONS / TARGETS	UNSDG LINKAGE
ECONOMIC / FINANCIAL VALUES	• RM2.60 billion in Revenue • RM2.26 billion in Property Sales • RM222.18 million Group PAT • 45% dividend payout, exceed 18-year dividend policy of minimum 40% • 2,478 acres* Remaining Landbank • 14th Consecutive Year of Sales in the Billion Ringgit Range • RM28.4 billion* Remaining Gross Development Value and Unbilled Sales • 86,133 M Privilege members • 100% customer resolution rate for PTMSI and MSPi • Zero data breaches or framework non-compliances occurred • More than 90% of the total procurement spend is for local suppliers Group-wide. • Established a Defects Management system via Project RADIANCE (Novade).	• With its first glove manufacturing factory established in Kapar, Mah Sing aspires to be one of the top five glove producers in Malaysia in the future • To establish Material Declaration aligned with Substance List Requirement • Plastics Division plans to ensure the integration of all its local supplier within the ISO system. • Remain future-forward in further trying to digitise more of its construction processes	

* Include newly acquired land in Sepang (Mah Sing Business Park) and Johor (M Tiara 2), respectively.

OUR BUSINESS MODEL

PILLAR	VALUES CREATED	FUTURE ASPIRATIONS / TARGETS	UNSDG LINKAGE
ENVIRONMENTAL PERFORMANCE	4,351 MT CO₂e Scope 1 emissions 28,688 MT CO₂e Scope 2 emissions - Generated 2,661.1 MWh through solar panels at MSPI 624 ML for water consumption 6,366kg of waste recycled at Wisma Mah Sing - Crucial documentation, including correspondence transcripts with customers, bills and more are 100% electronic 1,544 trees planted across Klang Valley.	- Promote alternative water sources, such as rainwater harvesting tanks and other infrastructure, to ensure that there is enough water for new and existing townships or projects - Obtain a minimum “Bronze” GreenRE Certification rating for all High-Rise Development in KL - Install at least 2 electric vehicle charging stations at each High-Rise Development in KL - To provide energy-efficient lightings in all common areas for High-Rise Development in KL - To provide Automated Waste Collection System in all High-Rise Development in KL - Support the usage of 100% recyclable plastics and ultimately contribute to the circular economy - To provide more than 10% of Green Spaces from development area in all High-Rise Development in KL - To plant at least 50% of Native Trees out of total trees planted in all developments - Scope 2 emissions intensity to be reduced by 20% by the year 2025 for Star Avenue Lifestyle Mall compared to FY2020's baseline	   
SOCIAL PERFORMANCE	2,189 total workforce 29.6% women employees 35% of employees are temporary / contract workers - Zero incidents of human rights or labour standards violations 75.1% employee engagement score - More than 10.8 million safe manhours worked 24,003 training hours 10.97 average training hours per employee 100% of confirmed employees are appraised annually - More than RM812,000 total charitable donations made by Mah Sing Foundation benefitting more than 20 schools and NGOs and impacting more than 900 individuals	- Zero case of non-compliance to OHS regulatory - Zero case of fatalities - To provide an average of 8 training hours per employee per year for executive level and above - RM187,000 budget allocated for training and development - At least 30% female at the Board level - Increase total volunteer hours by 20% by 2025 compared to 2019's baseline	  
GOVERNANCE	100% of Board members and employees received anti-corruption training 2 virtual ABAC training sessions held with 472 participants attending 100% of Mah Sing's operations have been assessed for corruption-related risks.	- Zero corruption case - Anti-corruption awareness training to Board of Directors (“BOD”) and employees	

OUR BUSINESS DIVISIONS

In enabling providers of capital to develop a more comprehensive understanding of Mah Sing's business model, IAR2023 provides readers with a snapshot of strategic information of the Group's business divisions.

PROPERTY DIVISION

A total of

58 projects*

in Greater Kuala Lumpur, Klang Valley, Penang, Johor, Sabah

Diversified portfolios comprises **residential, commercial, retail, hospitality** and **industrial developments**

Remaining land bank of

2,478 acres*

Remaining GDV & unbilled sales

RM28.4 billion*

* Include newly acquired land in Sepang (Mah Sing Business Park) and Johor (M Tiara 2), respectively.

MANUFACTURING DIVISION

4 Plastics Manufacturing Factories

81 injection machines

Exports to more than

50 countries

60 to 4,000 tonnes

of clamping force machines
(4,000 tonnes is among the largest in Southeast Asia)

Phase 1 consists of
12 automated
and high-speed production lines

Able to produce

38,000 pieces
of gloves per line per hour

Maximum capacity of up to

3.68 billion

M Adora in Wangsa Melawati.

OUR BUSINESS DIVISIONS



Stages of Business Process	Challenges & Considerations	Opportunities & Values Created	Capitals Utilised	Business Strengths and Strategies	Material Matters
Landbanking	Involves identification of strategic land parcels that are in line with the Group's property development strategies. Primary landbanking considerations are as follows: - Sourcing and acquiring land in suburban locations that have good infrastructure, accessibility and connectivity and preferably approved for development with high plot ratios. - Ensuring that land pricing is competitive based on internally developed pricing and other proprietary ratios.	By identifying, acquiring, and developing idle land, the Property Division stirs interest in the said land and the surrounding vicinity. This inevitably leads to an appreciation in land valuation and also promotes appreciation of land in the surrounding vicinity. This benefits local landowners. Mah Sing's decision to invest in land could also attract other property developers to the area to further spur development. It could also lead to infrastructure development while generating various socio-economic multiplier effects for local communities.	 	Landbank Replenishment Efficient Capital Structure and Optimal Liquidity, Healthy Balance Sheet Urban Regeneration	Direct Economic Values Indirect Economic Values Innovation and Technology Product Quality and Responsibility Landbank Climate Change and Emissions Energy Consumption Water Consumption

OUR BUSINESS DIVISIONS

Stages of Business Process	Challenges & Considerations	Opportunities & Values Created	Capitals Utilised	Business Strengths and Strategies	Material Matters
Market research / feasibility study	Prior to project conceptualisation, Mah Sing undertakes extensive market research activities. This primarily involves engaging with prospective buyers, the government, industry experts and other key stakeholders. Mah Sing also closely reviews industry statistics and data towards identifying pertinent market trends in relation to sales transactions and volumes for varying property types, preferred locations and more.	Robust and comprehensive market research provides the Group with greater clarity on market sentiments as well as buyers' preferences, propensity to purchase, and budget range. This enables a more effective allocation of resources, budget planning and supports improved project rollout.	 	Continued Digitalisation, Automation and R&D Strong Human Capital Base Redoubling Commitment to Sustainability Urban Regeneration	Waste Management & Recycling Resource Consumption Biodiversity Occupational Health and Safety Talent Retention and Development
Master planning / project planning	Drawing from industry insights developed from extensive market research, Mah Sing is well placed to conceptualise its project, designing and planning accordingly. In master planning the development, consumer insights must be considered along with legal requirements, feasibility studies, competitors' products in the vicinity, infrastructure requirements to ensure the viability of the masterplan, physical terrain limitations, ESG requirements and other factors. It is vital that the master plan is sellable and executable.	Effective masterplanning enables the emergence of new property development concepts to emerge to the fore. These include innovative ideas, the integration of ESG concepts into the development, use of digital technologies and more. Effective masterplanning can also address other areas such as promoting public transport use, elevating and enhancing lifestyles and more.	   	Continued Digitalisation, Automation and R&D Strong Human Capital Base Redoubling Commitment to Sustainability Efficient Capital Structure and Optimal Liquidity, Healthy Balance Sheet	Local Community Development Diversity and Equal Opportunity Workplace Workplace Opportunity Labour Practices and Human Rights Anti-Corruption and Corporate Governance
Obtain authority approvals and financing (if required from banks, etc.)	In ensuring timely rollout of projects, Mah Sing ensures that all social and environmental regulatory requirements have been met such as performing environmental, social and traffic impact assessments (where relevant) and meeting all development criteria set by local authorities. Any delays in this process would delay project launch, and thus affect sales as well as impede commencement of construction.	The approvals process facilitates stronger engagement with regulatory stakeholders and capital providers such as banks enabling a better understanding of their aspirations and requirements.	 	Strong Human Capital Base Redoubling Commitment to Sustainability Urban Regeneration	Data Privacy and Security Regulatory Compliance Supply Chain Assessment



Financial



Manufactured



Intellectual



Human



Social



Natural

OUR BUSINESS DIVISIONS

Stages of Business Process	Challenges & Considerations	Opportunities & Values Created	Capitals Utilised	Business Strengths and Strategies	Material Matters
Marketing / registration of interest exercise and Project launch	Mah Sing launches its project to the market, leveraging a wide range of marketing and communication mediums, including digital and conventional channels. Considerations include ensuring marketing spend commensurates with the level of interest and sales achieved from the sales efforts. Specific sales and marketing strategies are developed towards showcasing the unique value proposition of the project and importantly, the ownership proposition developed for buyers must be attuned to present economic conditions.	Through branding and marketing activities, the Property Division stimulates demand for properties and creates sought-after residential and commercial addresses. This leads to industry growth, promotes home ownership, and supports capital appreciation. It also increases the supply of homes, particularly much-needed affordable homes that helps to address pricing of properties in the market.	   	Continued Digitalisation, Automation and R&D Strong Human Capital Base Efficient Capital Structure And Optimal Liquidity, Healthy Balance Sheet	Waste Management & Recycling Resource Consumption Biodiversity Occupational Health and Safety Talent Retention and Development Local Community Development Diversity and Equal Opportunity Workplace
Construction	Mah Sing's fast turnaround business model emphasises swift progress on construction while ensuring optimum product quality levels at all stages of the construction process are met. This includes ensuring timely supply of materials, an efficient supply chain and maintaining incident-free construction sites. It is imperative that construction commences on time and is completed by the set timeframe to avoid late penalties. Considerations for climate change related impacts i.e., flash floods, rising temperatures, landslides and drought are increasingly being given increased focus. This is in addition to ensuring site works comply with all regulatory requirements in relation to environmental and social impacts.	Construction and development activity leads to job creation and economic activity. It has also led to the introduction of modern construction systems such as IBS, Building Information Modelling ("BIM") and recently, the use of "green" cement and steel.	   	Efficient Capital Structure And Optimal Liquidity, Healthy Balance Sheet Continued Digitalisation, Automation and R&D Redoubling Commitment to Sustainability Expanding In-House Construction Expertise	Labour Practices and Human Rights Anti-Corruption and Corporate Governance Data Privacy and Security Regulatory Compliance Supply Chain Assessment



Financial



Manufactured



Intellectual



Human



Social



Natural

OUR BUSINESS DIVISIONS

Stages of Business Process	Challenges & Considerations	Opportunities & Values Created	Capitals Utilised	Business Strengths and Strategies	Material Matters
Delivery of vacant possession	Units handed over to buyers should have none to low number of defects. In the event of any defects, Mah Sing has established a robust defect rectification process to address all issues and ensure satisfactory resolution for buyers. The use of defect management apps and other technologies expedite and enhance the defect management process.	A smooth handover process and effective defect resolution contribute to improved customer experiences and satisfaction. This ultimately translates into enhanced brand appeal and credibility which strengthens Mah Sing's market perception and positioning.	  	Continued Digitalisation, Automation and R&D	Waste Management & Recycling Resource Consumption Biodiversity Occupational Health and Safety Talent Retention and Development Local Community Development Diversity and Equal Opportunity Workplace
After sales services / project and township management	Project management is necessary to ensure the continued growth and sustainability of the project. Good after sales customer management is also vital in satisfying stakeholders and ensuring continued harmonious relationships and win-win outcomes.	After sales services / project and township management enhance brand credibility and position Mah Sing as a responsible, caring developer.	  	Continued Digitalisation, Automation and R&D Strong Human Capital Base Generation of Recurring Income	Labour Practices and Human Rights Anti-Corruption and Corporate Governance Data Privacy and Security Regulatory Compliance Supply Chain Assessment



Financial



Manufactured



Intellectual



Human

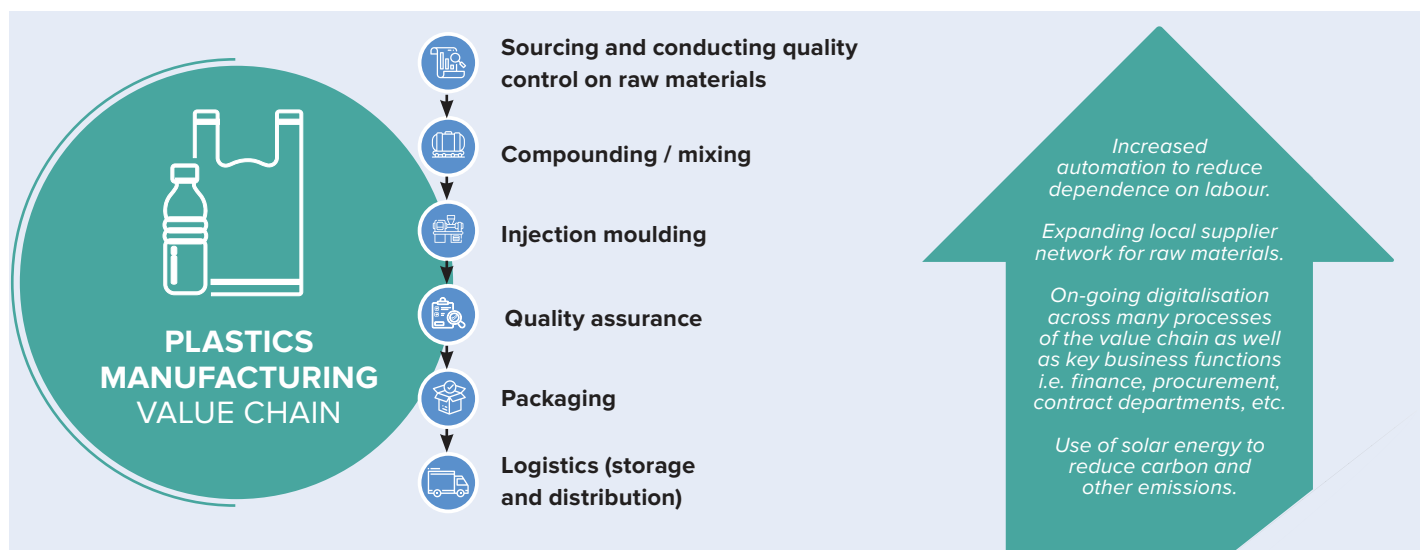


Social



Natural

OUR BUSINESS DIVISIONS



Stages of Business Process	Challenges & Considerations	Opportunities & Values Created	Capitals Utilised	Business Strengths and Strategies	Material Matters
Sourcing and delivery of raw materials	Mah Sing's Plastics Manufacturing operations are capable of using both recycled and virgin plastic as raw material. However, the preference is to use recycled plastics as this would contribute to the avoidance of plastics being sent to dumpsites while reducing demand for virgin plastics. A strict quality control is required to ensure raw material is sourced from certified plastic recyclers and that the quality of raw material sourced is up to par. Prior to production, recycled plastic raw material will be tested for quality purposes. Tests include moisture, flexural and tensile strength, density, IZOD impact and melt flow tests.	The commitment to 100% recyclable led plastics is in line with both a circular economy approach and preserving environmental capital.		Improving Cost and Operational Efficiency and ESG Compliance of Supply Chains Continued Digitalisation, Automation and R&D Efficient Capital Structure And Optimal Liquidity, Healthy Balance Sheet	Direct Economic Values Indirect Economic Values Innovation and Technology Product Quality and Responsibility Supply Chain Assessment Labour Practices and Human Rights Climate Change and Emissions Energy Consumption Regulatory Compliance Occupational Health and Safety Talent Retention and Development Labour Practices and Human Rights Resource Consumption

OUR BUSINESS DIVISIONS

Stages of Business Process	Challenges & Considerations	Opportunities & Values Created	Capitals Utilised	Business Strengths and Strategies	Material Matters
Compounding / mixing, injection / moulding and quality assurance.	Stringent quality assurance measures are applied to ensure optimum quality at all stages of the manufacturing phase, including the final product. The standards applied are in line with industry best practices, ISO, Good Manufacturing Practices (“GMP”) and regulatory requirements. In addition, vigorous and comprehensive tests on final products are performed. These tests include dynamic load, welding strength, angle drop, impact, anti-slip, racking test, and various other tests.	The stringent process enables the reduction of wastages, emphasises raw material and cost efficiency, expedites time to market and essentially sets industry benchmarks for finished products.	 	Continued Digitalisation, Automation and R&D Redoubling Commitment to Sustainability	Direct Economic Values Indirect Economic Values Innovation and Technology Product Quality and Responsibility Supply Chain Assessment Labour Practices and Human Rights
Packaging	Increasing ESG considerations such as using more eco-friendly packaging materials are being considered.	The use of “greener” materials within the process would support the emergence of a lower carbon and “greener” product in line with changing customer requirements.	 	Continued Digitalisation, Automation and R&D Redoubling Commitment to Sustainability	Climate Change and Emissions Energy Consumption Regulatory Compliance Occupational Health and Safety
Logistics (storage and distribution)	A well-developed distribution network has been created to ensure all finished products are transported in good condition and on time to customers. Goods are closely tracked through a wide range of tech-based logistics and fulfillment systems. In addition, consideration for Scope 3 emissions is becoming more prevalent with regard to logistics and distribution activities.	Opportunities to further streamline logistics and distribution (by working with logistics partners) can further improve the process, rendering increased cost and operational efficiencies. Development of a more complete Scope 3 emissions profile.	 	Continued Digitalisation, Automation and R&D Redoubling Commitment to Sustainability	Talent Retention and Development Labour Practices and Human Rights Resource Consumption
Sales and marketing	The aim of sustained marketing and branding efforts is to increase brand awareness and appeal, to grow the customer base and in establishing Mah Sing as the preferred choice amidst a highly competitive market.	In addition to brand building and customer acquisition, sales and marketing enable stronger insights into customers' requirements. Participation in trade events and roadshows allow Mah Sing to reshape misperceptions on the use of plastics and to enable the market to better appreciate the versatility and functionality of plastics as an alternative to wood, glass and other materials. The use of plastics also reduces consumption of the aforementioned materials.	  	Continued Digitalisation, Automation and R&D	



Financial



Manufactured



Intellectual



Human



Social



Natural

OUR BUSINESS DIVISIONS



Stages of Business Process	Challenges & Considerations	Opportunities & Values Created	Capitals Utilised	Business Strengths and Strategies	Material Matters
Sourcing & conducting quality control on raw materials	MSHC uses raw materials sourced locally and globally. All suppliers are committed to meet the ESG compliances. Prior to production, raw materials will be tested for quality purposes.	The commitment to meet the ESG compliances, reduction of wastages, reuse or recycle materials.		Improving Cost & Operational Efficiency and ESG Compliance of Supply Chains;	Innovation and Technology Product Quality and Responsibility Direct Economic Values
Compounding/ Mixing, Dipping Process & Quality Assurance	Stringent quality assurance measures are applied to ensure optimum quality at all stages of the manufacturing phase, including the finished products. The standards applied are in line with Industry Best Practices, International Standards, Regulatory Authorities, Good Manufacturing Practices & Customer requirements.	The stringent process enables the reduction of wastages, emphasises raw material and cost efficiency, expedites time to market and essentially sets industry benchmarks for finished products. Automation and Continuous Improvement process to drive better efficiency & quality.		Continued Digitalisation, Automation and R&D; Redoubling Commitment to Sustainability; Strong Human Capital Base	Indirect Economic Values Climate Change and Emissions Energy Consumption Water Consumption Waste Management & Recycling
Packaging	Increasing ESG considerations such as using more eco-friendly packaging materials are being considered.	The use of "greener" materials within the process would support the emergence of a lower carbon and "greener" product in line with changing customer requirements.			Resource Consumption Occupational Health and Safety Talent Retention and Development
Logistics (storage and distribution)	Space limitations and high cost for all sea freight. Goods are closely tracked through a wide range of tech-based logistics and fulfillment systems. In addition, consideration for Scope 3 emissions is becoming more prevalent with regard to logistics and distribution activities.	Negotiate with the customer to go for FOB shipment. Provide all the agent details in advance to secure the vessel booking. Development of a more complete Scope 3 emissions profile.			Labour Practices and Human Rights Data Privacy and Security Regulatory Compliance Supply Chain Assessment

MATTERS MATERIAL TO VALUE CREATION

MATERIAL RANKING Anti-Corruption and Corporate Governance



RISKS

Incidents of poor ethical conduct and corporate integrity including acts of bribery can cause direct negative impacts such as legal action, reputational loss and more.

Indirect ramifications include inability to hire and retain talent, poor quality of raw materials and finished products, OSH incidents and the loss of a merit, competency based organisational culture within the organisation.

OPPORTUNITIES

Continued vigilance by emphasising a zero tolerance, no compromise stance on corruption strengthens internal operational processes, promotes meritorious performance and enables the identification of inefficiencies and wastages within the value and supply chain.

Focussing on good governance strengthens internal processes and controls, removes ambiguity on accepted (and desired) business conduct and practices, and enables consistency and uniformity, which instils staff and stakeholder confidence.

MATERIAL RANKING Regulatory Compliance



RISKS

Environmental and social non-compliance in any form or practice would expose the Group to the risk of fines, site closures, delays in construction or production and ultimately, impact timely project completion as well as fulfilment of customers' orders. Any shutdown of sites would affect production and construction schedules while affecting revenue recognition.

These impacts could lead to reduced revenue recognition with customer satisfaction and brand reputation also being diminished, not forgetting affecting contractors' ability to complete works on time and at required quality.

In addition, any changes made by regulatory authorities, especially internationally could render finished plastic products non-compliant in international markets.

Specifically, with the growing focus on ESG performance, such requirements could impact access to overseas markets.

OPPORTUNITIES

Ensuring a high level of environmental and social compliance strengthens brand reputation, promotes operational improvements across the value chain especially with regard to waste and labour management. This may ultimately support further integration of circular economy concepts into the manufacturing process.

MATTERS MATERIAL TO VALUE CREATION

MATERIAL RANKING Occupational Health and Safety



RISKS

Stringent OSH protocols have been established at all Mah Sing operating sites across all business divisions. This has significantly reduced the risks of loss time incidents, injuries and fatalities.

Still, any OHS incident irrespective of being major or minor, could cause production / construction delays due to short or prolonged site shutdowns. This would impact progress of works and revenue recognition over time.

From a manufacturing perspective, OHS incidents could lead to operational disruption and the inability to meet production orders.

OHS incidents may also lead to fines, impact future regulatory approvals for projects and impact brand reputation and credibility.

OPPORTUNITIES

A strong OHS track record strengthens brand reputation and credibility. Continued focus on strengthening OHS practices may also enable improvements in operational efficiency, supply chains and elevate overall standards for the construction and manufacturing sectors.

MATERIAL RANKING Labour Practices and Human Rights



RISKS

The risks arising from poor labour and human rights management could expose the Group to legal action, strikes, regulatory fines and lawsuits, not forgetting varying levels of disruption to operational productivity. There is the possibility of delay in property project completion as well.

The risks are more apparent in the Group's supply chains where suppliers and contractors may not be fully compliant to regulatory requirements or with Mah Sing's benchmark practices.

OPPORTUNITIES

Emphasising a continued high level of compliance with regard to human and labour rights supports the development of less risk prone supply chain and operations, improves ability to recruit labour, may reduce absentee and attrition rates and may also eliminate or reduce the possibility of OHS incidents related to worker sickness.

MATERIAL RANKING Product Quality and Responsibility



RISKS

Quality control and customer satisfaction are intrinsically linked to revenue and earnings as well as brand reputation and credibility.

Quality issues such as a high level of defects would incur rectification costs and impact gross margins. It may also lead to customer rejection of products, which would translate to lost sales and revenues.

Poor quality would also impact brand reputation and credibility and may affect future sales, especially repeated sales.

In addition, supply chain issues revolving around poor quality of raw materials, delayed shipments and other issues can also impact end-product quality control and ultimately, customer satisfaction.

OPPORTUNITIES

Continuing to be driven by quality and customer satisfaction perspectives leads to greater focus on managing the production process to eliminate redundancies, inefficiencies and to move up the value chain through automation and digitalisation.

It elevates the creation and delivery of customer experiences and enables a better understanding of evolving customer / market requirements and preferences. This enables more market oriented products with high appeal to be developed going forward.

MATTERS MATERIAL TO VALUE CREATION

MATERIAL RANKING Waste Management and Recycling



RISKS

Non-compliant waste management practices, such as effluents, noise levels and air emissions exceeding permissible levels expose the Group to a wide range of regulatory censures, while significantly impacting the surrounding environment and local communities.

OPPORTUNITIES

Focussing on waste management potentially allows for opportunities to adopt circular economy approaches, where waste can be reduced, reused or repurposed and thus reducing dependence on raw materials and related costs.

MATERIAL RANKING Energy Consumption



RISKS

Energy costs, especially grid sourced electricity in Malaysia continues to rise significantly in recent years. This contributes to higher operating costs.

OPPORTUNITIES

Pursuing green energy reduces total energy costs, notably by transitioning to renewables for powering operations. A further benefit is the use of solar or other forms of Renewable Energy ("RE") contributes to operational decarbonisation and reduces the Group's carbon footprint. This reduces exposure to potential carbon taxes and supports the development of lower carbon products.

MATERIAL RANKING Climate Change and Emissions



RISKS

Inherent and emerging physical and transitional climate change risks may pose significant impacts to business operations. Flash floods, rising temperatures and drought could potentially inundate operational sites, rendering such sites inoperable for varying periods of time. These may cause delays to project completion.

Transitional risks include non-compliance with evolving legal requirements, additional costs incurred to achieved said compliance and potential exposure to carbon tax or carbon emission ceiling imposition. Please refer to page 51-53 for more information.

OPPORTUNITIES

Addressing climate change and emissions through decarbonisation and other strategies may lead to reduced operational costs, reduced emissions across Scope 1, 2, and 3, greener supply chains and lower embodied carbon products.

Other opportunities include developing climate resilience, notably over the medium and long-term.

MATTERS MATERIAL TO VALUE CREATION

MATERIAL RANKING Resource Consumption



RISKS

While the Group has developed contingencies for acute or expected disruptions in labour or raw material supply, a prolonged disruption can, lead to an inability to fulfil sales and maintain the pace of construction / manufacturing.

With supply chain disruptions still a major concern post-pandemic, both property development and manufacturing operations are susceptible to any disruption in supply as well as rising costs due to material scarcity.

If alternative sources of material is required, these may need to be procured at higher costs, affecting earnings margins.

OPPORTUNITIES

Transitioning to greener materials such as green cement and green steel, etc. provide new opportunities for supply chain diversification, to achieve “greener” operations while contributing to resource and cost efficiency.

MATERIAL RANKING Local Community Development



RISKS

A lack of understanding of the needs and aspirations of local communities could lead to ineffective social programmes that incur cost but do not deliver desired positive outcomes. The end result is reduced ROI from social and community initiatives, especially in the context of creation of desired positive outcomes i.e. social mobility, job creation, improvement in incomes and more.

OPPORTUNITIES

Continued focus on local community development generates social return of investment and importantly, may provide clear ideas of future property development concepts. For example, providing education and healthcare support to underprivileged / local communities may support property development concepts that have a stronger focus on education and healthcare components going forward.

Local community development promotes socio-economic upliftment that would enable a larger slice of society to achieve social mobility, which in turn enlarge the middle income mass segment of society constituting a large number of property buyers.

MATERIAL RANKING Talent Retention and Development



RISKS

Recruiting and retaining talent is increasingly challenging amidst a talent scarce environment. In addition, inaccurate talent development programmes could lead to reduced ROI. Mismatches in talent development strategies and actual organisational need can impact success rates, potentially leading to ineffective expenditures.

In addition, brain drain remains a factor as developed talents could be poached by competitors or by companies outside of Malaysia who can offer more lucrative compensation packages (as compared to salaries denominated in Ringgit Malaysia).

OPPORTUNITIES

A comprehensive and strategic talent development programme not only ensures a competent and capable workforce, but also supports succession planning, employee morale and satisfaction and can reduce attrition rates.

Training also potentially upskills employees, thus enabling the workforce to undertake more higher value activities and supports the transition of the business model towards higher value activities.

A good training programme also can be advantageous in attracting talent to join Mah Sing.

MATTERS MATERIAL TO VALUE CREATION

MATERIAL RANKING Innovation and Technology



RISKS

As Mah Sing increasingly adopts digitalisation, there is the possibility that the acquired technology is not implemented as intended or fails to deliver the desired results. New technology may have a learning curve, and this may impact productivity or lead to increased costs.

A lack of understanding within the Group due to a scarcity of technologists could also lead to ineffective implementation. Incorrect selection of technology may lead to ineffective implementation, rendering the adoption process less successful, while significant financial investments have been incurred.

OPPORTUNITIES

Technology remains a high-potential business enabler – offering opportunities to reduce manual labour dependencies, to re-engineer processes for greater cost and operational efficiency, to enhance quality and speed of production and even develop more eco-friendly and customer centric products.

Technology also supports a reduced environmental footprint with new technologies generally promoting a more energy and resource-efficient approach to property development and manufacturing practices.

Technology may also support and enhance research and development efforts, expand market / customer reach and potentially facilitate new building designs which would reduce construction costs while expediting project completion.

MATERIAL RANKING Landbank



RISKS

While the Property division has a consistent track record of replenishing its landbank, increasing competition for dwindling land parcels in selected strategic locations in the Klang Valley i.e. freehold land parcels in the city area may lead to premium prices. Landbank size, location and other characteristics influence the development and launch plans.

This may pose challenges in product pricing, impacting the ability to launch affordable products. It may also lead to costs being passed to buyers resulting in higher-priced homes.

Alternatively, such land parcels may have to be passed up for cheaper but less strategically located options.

OPPORTUNITIES

Challenges to landbank may lead to Mah Sing exploring new locations within Malaysia or overseas. For example, the Klang Valley is a highly competitive market and hence, exploring new regions domestically offers new growth opportunities. Locations outside of the Klang Valley typically have lower land prices, which could enable higher earnings margins for projects.

Other opportunities include venturing into joint venture (“JV”) agreements with landowners as opposed to outright land acquisition. This would reduce the upfront costs associated with project development. JVs can be structured based on various models. These include costs and profit sharing, equity partnerships in projects and more.

The Group may also sell existing land parcels towards unlocking capital gains or to raise capital for more desired landbank based on its strategic priorities.

In addition, landbank acquisition challenges may also support the development of new business models that reduce reliance on one-off property sales and development revenues. These include further expansion into retail asset ownership and management such as hotels, shopping malls and more.

MATTERS MATERIAL TO VALUE CREATION

GOOD GOVERNANCE AND ANTI-CORRUPTION

Mah Sing continues to adopt a zero-tolerance approach to bribery and corruption across its operations, which is also extended to its entire supply chain. The Group's management approach is aligned with Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACCA").

The tone from the top begins with the Board, who has direct oversight on matters pertaining to good governance, ethics and integrity including corruption. The Board oversees, guides and spearheads the development and implementation of anti-bribery and anti-corruption organisational practices and culture and is supported by the Group's Legal Department as well as internal audit function. All contracts entered into are also embedded with an anti-corruption clause which requires the contracting party to comply with all anti-corruption laws of Malaysia.

Mah Sing's Anti-Bribery and Anti-Corruption (ABAC) Policy further strengthens the commitment and practice of strict zero tolerance towards corruption. The ABAC Policy is implemented in all business divisions with division-specific communication and training mechanisms applied to ensure each business division garners the best understanding and compliance of the ABAC Policy.

The ABAC Policy can be viewed here:



Mah Sing has also implemented its whistleblowing mechanism, supported by a Whistleblowing Policy.

The Whistleblowing Policy can be viewed here:



Employees and stakeholders are reminded periodically of the existence of the whistleblowing mechanism and are specifically instructed to use the mechanism to report any form of wrongdoing including corrupt acts and practices within the Group or within its supply chains. Reports can be made anonymously with the whistleblowing form available on the Group's corporate website. The form must be filled with relevant information and sent to whistleblow@mahsing.com.my.

The Whistleblowing Committee, which reports to the Audit Committee and comprises the Head of Internal Audit and Chief Executive Officer, shall be in charge of initiating investigations and providing findings which will then be presented to relevant parties for enforcement on any offending parties. No whistleblowing case was reported in FY2023.

Regular training and briefing sessions are provided to Board Directors, senior management, employees and the supply chain on anti-corruption matters. Literature on anti-corruption is also disseminated widely and frequently via a wide range of internal and external communication channels.

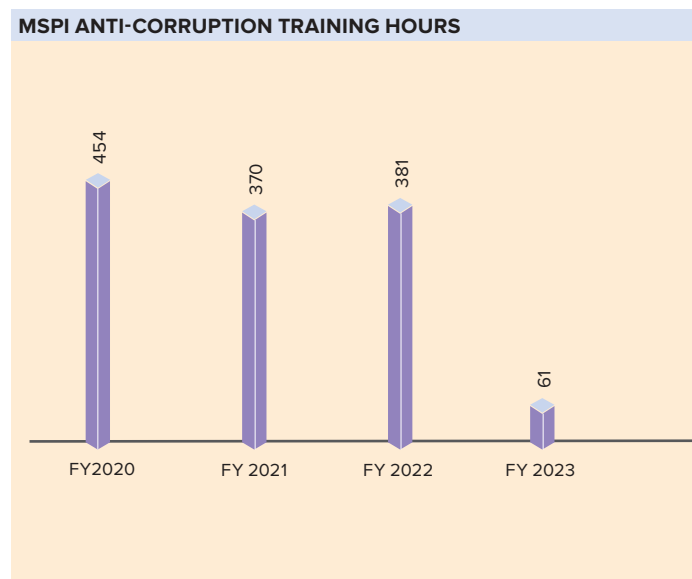
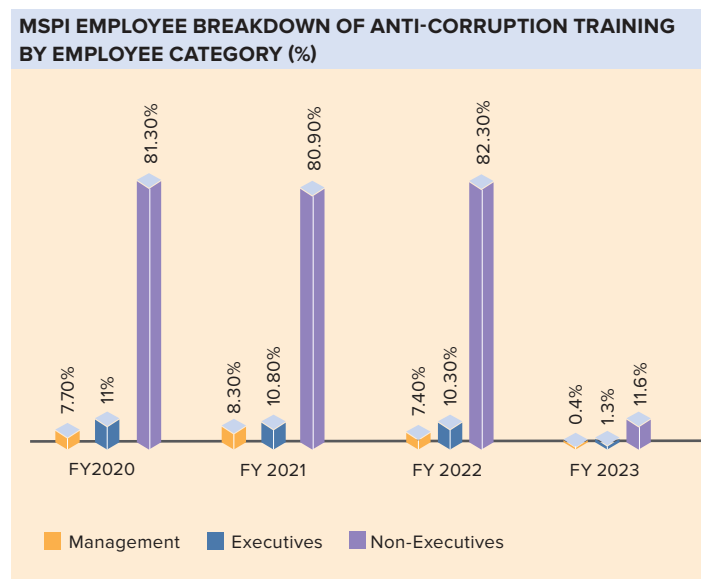
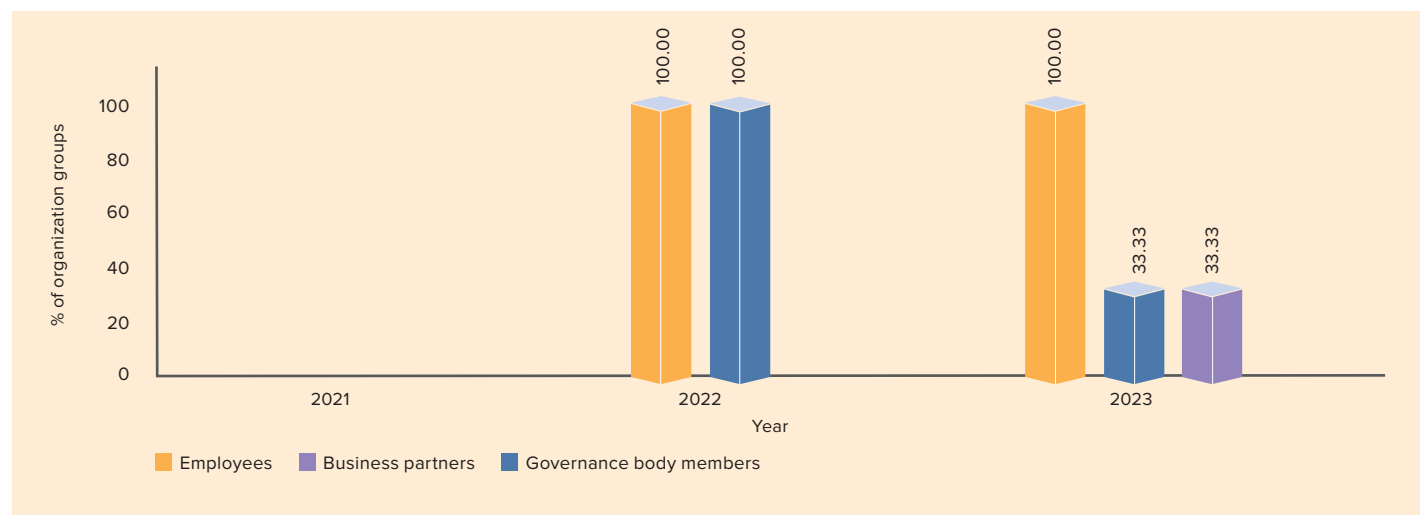
It is mandatory for Heads of Department, Directors, management personnel, employees and any other person under Mah Sing's employment or entering into a contractual agreement with the Group to receive, understand and sign the Letter of Understanding to affirm their compliance with the Group's ABAC Policy.

Vendors and business partners must provide written acknowledgement and receipt of the ABAC Policy, the Code of Conduct & Ethics ("Code") as well as the Letter of Understanding ("LoU") in order to enter into contracts with Mah Sing. In addition, all contractors and consultants must acknowledge Mah Sing's corporate culture of integrity and no gift policy.

In FY2023, there were zero confirmed incidences / cases of corruption or ABAC Policy violations.

MATTERS MATERIAL TO VALUE CREATION

Date	Number of participants	Training Description
30 November 2023 and 1 December 2023	472	Refresher training on Anti Bribery and Anti Corruption Policy and Procedures



Note:

The lower percentage of anti-corruption training performed is reflective of training provided to newly hired staff only, whereas existing staff are already equipped with the basic awareness of the company's anti-corruption policies.

MATTERS MATERIAL TO VALUE CREATION

ENVIRONMENTAL & SOCIAL COMPLIANCE

Across all business divisions, monitoring of effluent discharge, water quality, noise and other potential pollutants is stringently implemented. Likewise, compliance to all labour and employment laws is constantly monitored. The same due diligence is expected of the supply chain with vendors and suppliers compelled to provide written commitment of adhering to all legislation as a prerequisite to provide goods and services to Mah Sing.

Any violations of environmental standards and guidelines identified during environmental monitoring will be notified to the appropriate parties for prompt corrective action.

The Plastics business conducts a Noise Risk Assessment to monitor noise pollution and employs controlled chemical disposal monitoring to monitor final water discharge, in accordance with the Environmental Quality Act. The Healthcare division ensures compliance with Regulation 6(1) of the Occupational Safety and Health (Noise Exposure) Regulation 2019.

In FY2023, there were zero cases of non-compliance as identified by regulatory authorities.

QUALITY CONTROL AND CUSTOMER SATISFACTION

Given the importance of quality control and customer satisfaction to achieving repeat and increased sales and brand trust and reputation, both Mah Sing's Property Development and Manufacturing divisions have implemented specific management approaches to uphold quality and customer service based on ISO certified Quality Management Systems. These include the generic ISO-9001 QMS as well as industry or topic specific ISO based systems and other systems. i.e. IATF 16949.

Specific ISO based systems implemented include ISO8611, ISO14001, ISO45001 and ISO13485. The latter is specific to Mah Sing's Healthcare operations.

The Group's Property Development division applies the Construction Industry Development Board Malaysia ("CIDB"), QLASSIC quality system. The QLASSIC system is used to assess the quality of a completed building's or structure's workmanship based on the Construction Industry Standard ("CIS 7"). In addition, the Property Development division also uses the IBS system towards improving overall build quality.

The Group's Manufacturing division comprising Plastics manufacturing and Healthcare operations, has devised a process wide quality assessment approach. Essentially, all aspects of the production process; vetting of raw material suppliers, pre-inspecting raw materials arriving at manufacturing plants, testing products and final delivery to customers are thoroughly assessed. Product quality is also improved through robotics and factory automation. Both MSPI and PTMSI has devised and implemented its own product quality initiatives that best serve the needs of the respective division.

Customer satisfaction for both divisions is measured via the solicitation of customer feedback through surveys and various feedback mechanisms. These include the use of Customer Satisfaction ("CSAT") and Net Promoter Scores ("NPS").

SETTING INDUSTRY BENCHMARK VIA QLASSIC

Mah Sing's latest QLASSIC scores are as follows:

QLASSIC Scores (%)			
M Oscar 85%	M Aruna, Delphy 85%	M Adora 85%	Meridin East Parcel 2H2 84%

QUALITY DELIVERY THROUGH IBS

Among Mah Sing's projects that employ IBS in FY2023 are as follows:

IBS Scores (%)			
M Residence 2 RSKU 79%	M Aruna (Type A&B) 78.73%	M Oscar 70%	M Vertica (Tower A&B) 56%
M Vertica (C,D & E) 56%	M Luna 55%	M Centura 51%	M Arisa 50%
M Adora 50%	Cerrado (Tower A & B) 43.85%		

Note:

IBS scores are not a measurement of quality, but the level of IBS components and technology used within that particular project. It is not a benchmark to ascertain the quality of design, workmanship or finish.

MATTERS MATERIAL TO VALUE CREATION

MAINTAINING STRONG QUALITY IMPROVEMENTS IN PLASTICS MANUFACTURING

MSPI

Implementation of a Plan, Do, Control and Assess ("PDCA") approach operations wide.

The Quality Assurance Department manages the quality of processes and ensures the products' quality meets customer requirements. The Sales & Marketing Department is in charge of customer satisfaction and providing quality services to customers.

MSPI ensures that its products' packaging and labelling is strictly done according to compliant SOPs.

Product safety inspection is carried out according to internal standards and customer requirements (based on customer application, regulatory requirements i.e. RoHS, REACH and etc.)

PTMSI

PTMSI's target is 0 PPM defect outflow to customers. Quality is monitored closely through monthly reviews and KPI performance evaluations conducted by respective department heads.

Quality comes under the Quality Department while customer satisfaction under the Marketing Department.

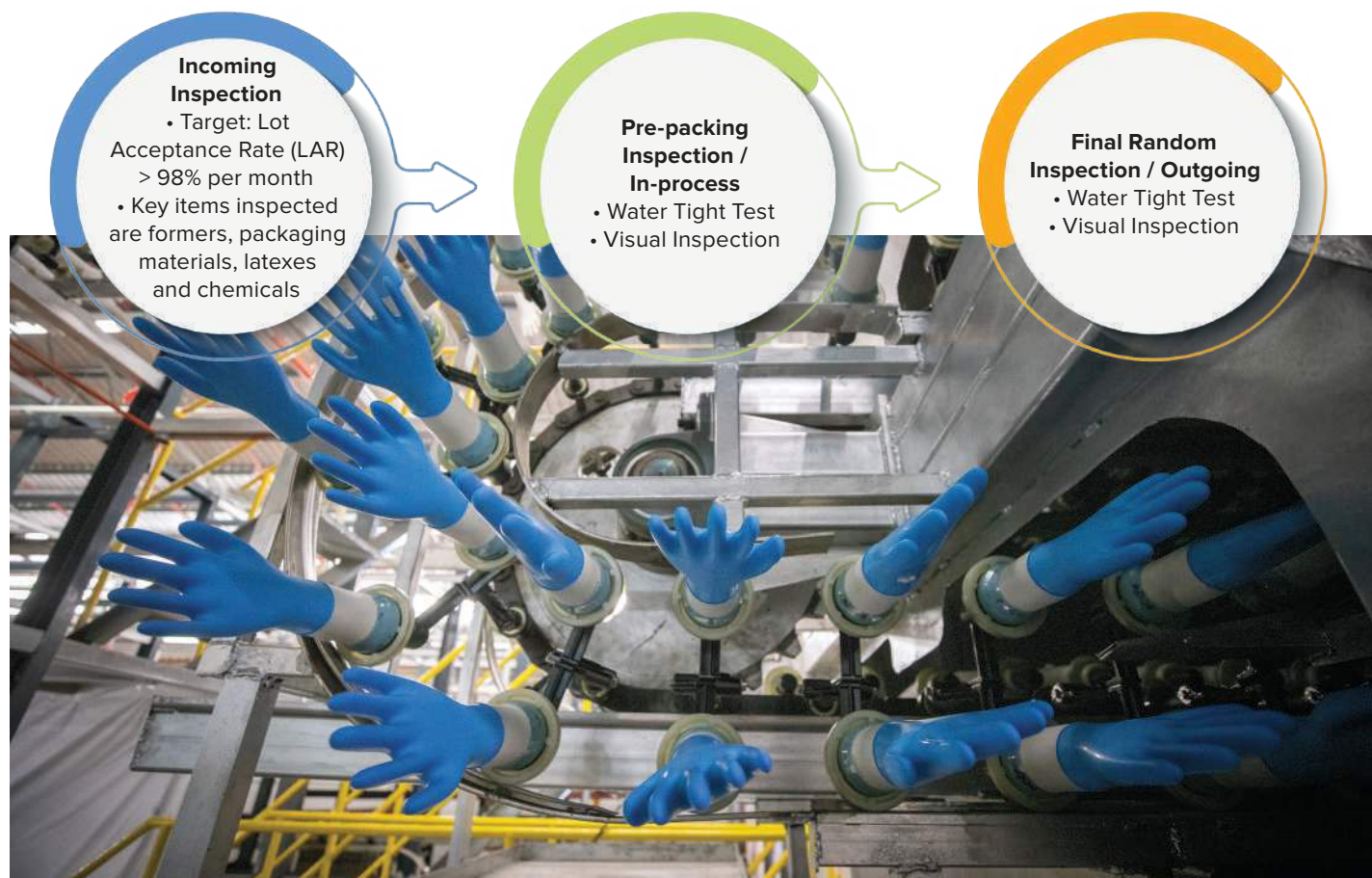
PTMSI is certified with IATF 16949, ISO9001 and ISO 14001.

Customer feedback mechanisms include the following: Quality Claim Report, Request for Corrective Action ("RFCA") and Problem Analysis Report ("PAR").

Future quality enhancement plans include performing In QCC and QCP projects to facilitate further improvements across the production process.

FORTIFYING QUALITY STANDARDS IN GLOVES MANUFACTURING

MSHC ensures that all manufactured gloves comply with internal quality control standards that are aligned to industry and customer standards. The following internal audit process and procedures are applied to ensure a high level of compliance.



MATTERS MATERIAL TO VALUE CREATION

OCCUPATIONAL HEALTH AND SAFETY

Mah Sing has implemented stringent OSH measures driven by a comprehensive HSE Inspections, HSE Contractors Audit, ISO45001:2018 & ISO14001:2015 Internal & External Audit approach to managing environmental impacts and the health and safety of employees, workers and the local community.

MSPD - Employees + Contractors	2020	2021	2022	2023
Total manhours	11,564,796	9,733,435	6,976,124	8,892,972
Number of fatalities	0	0	0	1
Number of recordable work-related injuries	0	3	0	0
Frequency rate	0	0.31	0	1.12
Lost time incident rate	0	0.31	0	1.12

MSPI - Employees	2020	2021	2022	2023
Total manhours	1,041,920	1,034,880	1,307,809	1,077,836
Number of fatalities	0	0	0	0
Number of recordable work-related injuries	16	12	14	6
Incident rate	36.36	27.27	30.37	12.82
Frequency rate	15.36	11.6	10.70	5.57
Severity rate	45.11	228.05	89.46	55.20
Lost time incident rate	15.36	10.63	10.70	5.57

PTMSI - Employees	2020	2021	2022	2023
Number of fatalities	0	0	0	0
Number of recordable work-related injuries	2	2	3	0

MSHC - Employees	2020	2021	2023
Total manhours	224,432	743,584	766,416
Number of fatalities	0	0	0
Number of recordable work-related injuries	4	12	4
Incident rate	21.39	52.86	14.01
Frequency rate	17.82	16.14	5.22
Severity rate	365.37	99.52	9.13
Lost time incident rate	73.07	19.9	1.83

MATTERS MATERIAL TO VALUE CREATION

LABOUR AND HUMAN RIGHTS

As always, Mah Sing ensures compliance with labour and employment laws of the jurisdictions in which it operates in. Mah Sing has developed and implemented the following policies as the basis for ensuring compliance and good labour and human rights practices across its operations.

Child Labour and Young Person Policy	Foreign Workers Recruitment and Employment Policy	Passport Access Policy for Foreign Workers
Privacy and Personal Data Protection Policy	Local Labour Recruitment and Employment Policy	Ethical Trading Initiative Policy

The policies can be viewed here: <https://www.mahsing.com.my/corporate-governance/>. The implementation of the Ethical Trading Initiative (“ETI”) Policy has been made Group-wide following its adoption at MSHC. Employees are always kept abreast of their rights.

Employees have the right to collective bargaining and are informed in advance of any changes to their working conditions or environment. The same is accorded to all direct workers under the Group’s employment as well as indirect workers; workers hired by third party organisations that perform duties on any sites owned or operated by Mah Sing. A formal grievance mechanism has been established for employee or workers to voice their dissatisfaction with regard to human rights or work related issues. Alternatively, the whistleblowing mechanism can be also used to express complains, concerns or dissatisfaction.

Employee training on human rights policies and procedures are covered during the orientation process. The Group’s Employee Handbook and Code of Ethics Booklet outlines employees’ rights, benefits and ethical workplace protocols, in addition to detailing the Group’s policies, labour standards, grievance mechanisms. The handbook is also published on MConnect communication platform.

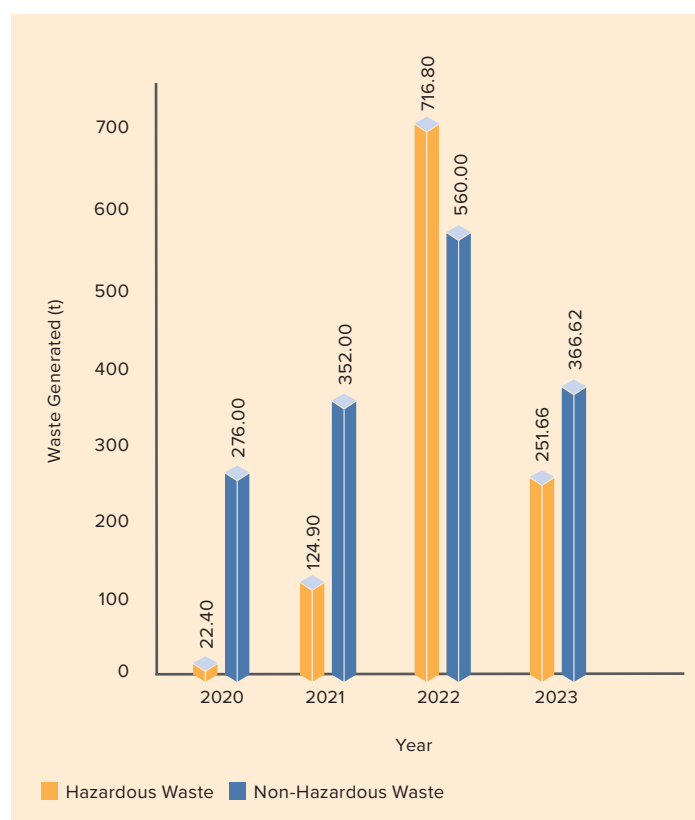
Mah Sing’s human rights and labour standards approach also extends to its supply chain. The Group’s suppliers, vendors, contractors and other third-party business partners are obliged to adhere to a human rights-driven management approach, in addition to complying with Mah Sing’s own policies and procedures.

In FY2023, there were zero incidents of human rights violations or labour standard violations.

WASTE MANAGEMENT AND RECYCLING

Both the property development and manufacturing industries produce a wide range of waste products. These include scheduled and unscheduled waste comprising effluents, emissions, physical waste products and more. The aim is to reduce the production of waste and reduce the quantities of waste sent for disposal at landfills or incinerators.

Hence, the focus is on reducing the quantities of waste produced via the business process while also looking for opportunities to repurpose waste. Where disposal is necessary, waste is disposed by DOE certified, third party waste disposal companies.



MATTERS MATERIAL TO VALUE CREATION

ENERGY CONSUMPTION

Typically, both property development and manufacturing are energy intensive economic activities, consuming comparatively large amounts of direct and indirect energy sources. These include a wide range of fossil fuels such as diesel for stationary combustion i.e. for equipment, machinery and generators as well as for the fleet of company vehicles. Specific operations utilise Natural Gas.

The primary indirect energy source is grid sourced electricity. In recent years, the Group continues to increase the usage of solar within the energy mix as a strategy to reduce carbon emissions

and dependency on grid-sourced electricity towards managing rising energy consumption costs.

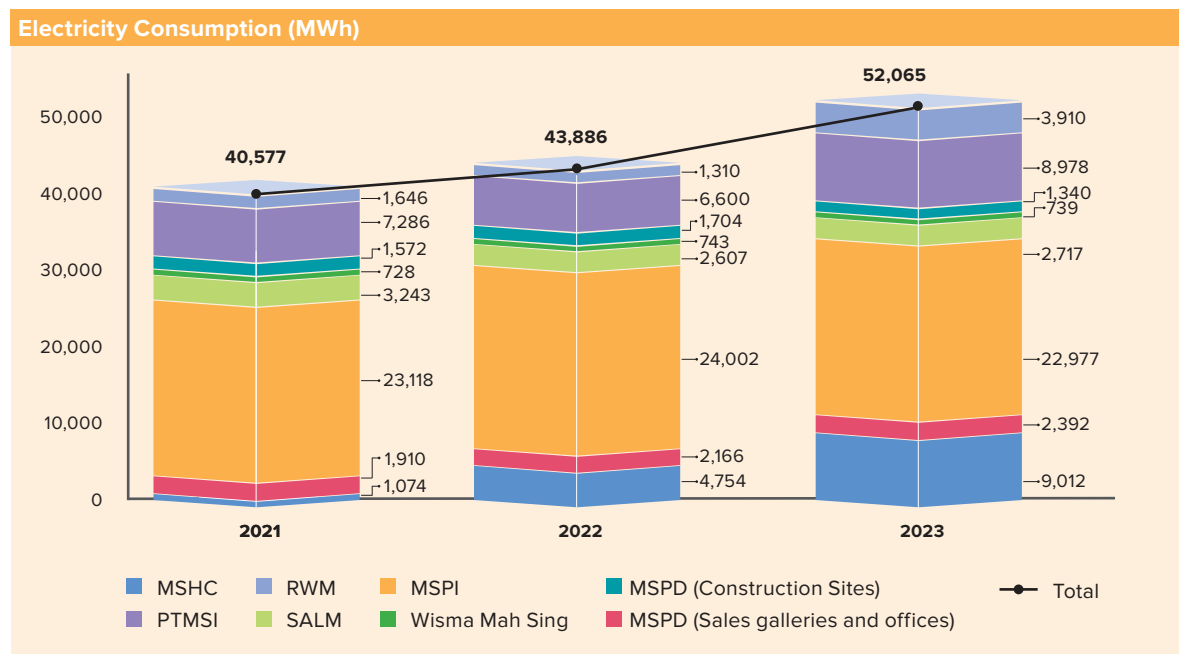
Across all operations, stringent energy management systems ("EnMS") have been implemented towards achieving increased energy efficiency. These include energy audits, reassessment of operational processes to identify opportunities for energy reduction and to also eliminate wastages:

Following is Mah Sing's energy consumption for both direct and indirect energy sources.

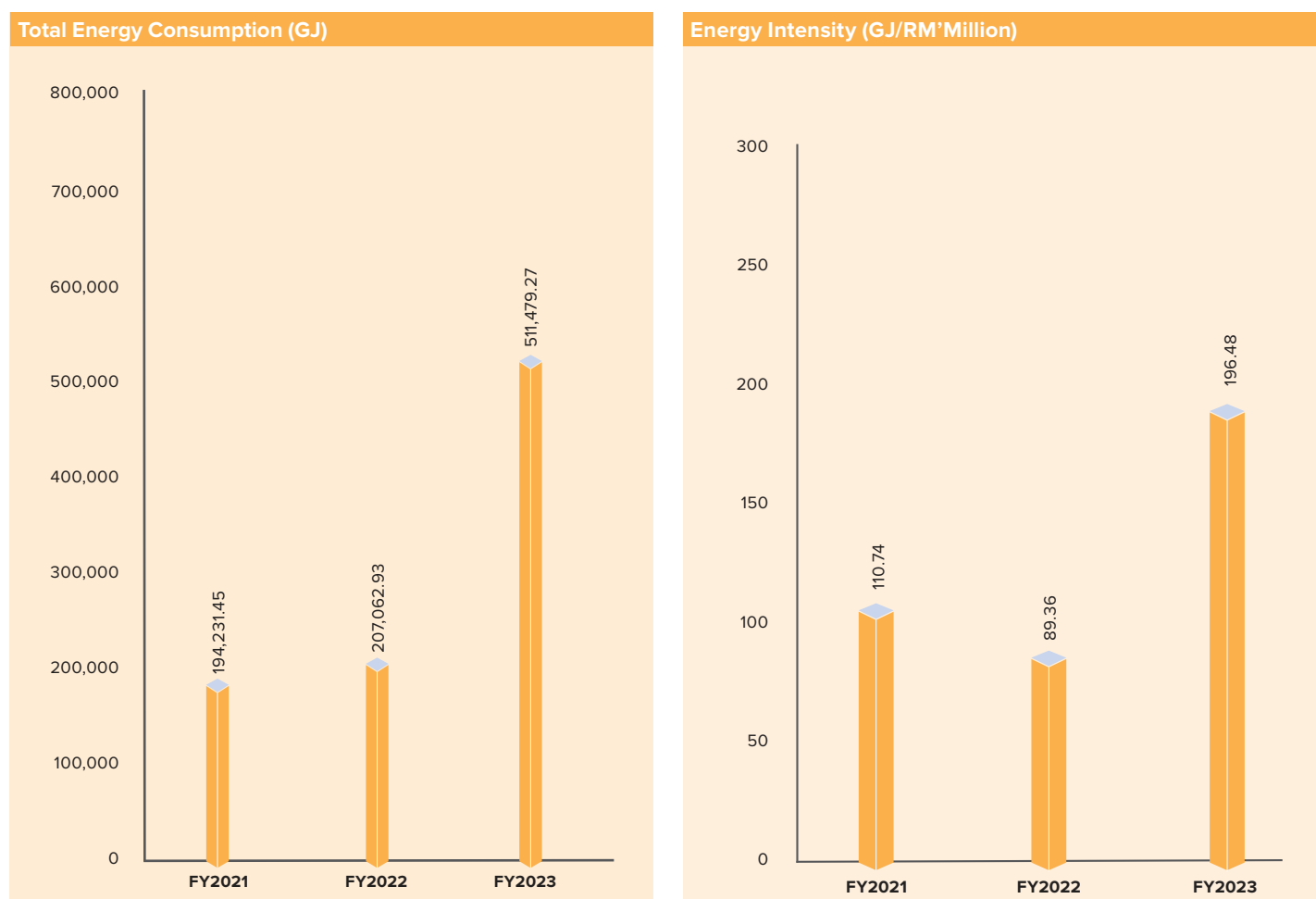
Consumption (L)	FY2021	FY2022	FY2023
MSPD (Company Vehicles)	57,460	76,727	74,181
MSHC	-	263,717	13,834,609
MSPD (Construction Site)	1,103,034	925,952	1,339,340
RWM	9,668	8,984	10,570
MSPI	153,612	160,367	169,861
PTMSI	30,000	30,000	30,259
Total	1,358,033	1,465,747	15,458,821

Note:

- Data collection for MSHC only commenced in 2021 as it was established in 2020.
- Data collection for MSPD (construction sites) only commenced in 2021, as the Group initiated resource consumption monitoring for this operation.
- There is no stationary combustion of fossil fuel in SALM under Mah Sing's operational control.
- The notable increase in fuel consumption at MSHC from FY2022 to FY2023 is primarily driven by the improved tracking and reporting methodology, which now encompasses fuel usage not just for heating but also for important manufacturing processes. This enhancement over last year's disclosure offers a more thorough insight into our fuel utilisation practices, resulting in an observed increase in reported consumption figures.



MATTERS MATERIAL TO VALUE CREATION



Note:

The increase in energy consumption in FY2023 is due to the improved tracking and reporting methodology, which now encompasses all types of fuel usage in MSHC. This improvement offers a more thorough insight into our fuel utilisation practices, resulting in an observed increase in reported energy consumption figures.

The energy intensity is disclosed here which measures the relationship between revenue and the energy consumption of the Group.

CLIMATE CHANGE AND EMISSIONS

Mah Sing remains cognisant to the Group's exposure to climate change risks, as well the arising opportunities for value creation. Beyond energy management and a continued commitment towards decarbonising operations, Mah Sing undertook its first inaugural climate change risk and impacts assessment exercise in FY2023.

The workshop involved participants from all aspects of the Group's property development and manufacturing operations and also involved external contractors as part of soliciting perspectives from the Group's supply chain.

MATTERS MATERIAL TO VALUE CREATION

In determining the Group's physical and transition risks, Mah Sing applied the RCP 3.4 and NGFS Net Zero 2050 scenarios.

RCP 3.4	NGFS Net Zero 2050
• Intermediate pathway between the “very stringent” RCP2.6 and less stringent RCP4.5. • Radiative forcing level of 3.4 watts per square meter by 2100. • Projects 2.0–2.4 Celsius warming by 2100 from pre-industrial levels. • Moderate to high physical risks	• Limits global warming to 1.5 °C via stringent climate policies and innovation. • Achieves net zero CO₂ emissions around 2050. • Transition risks are high.

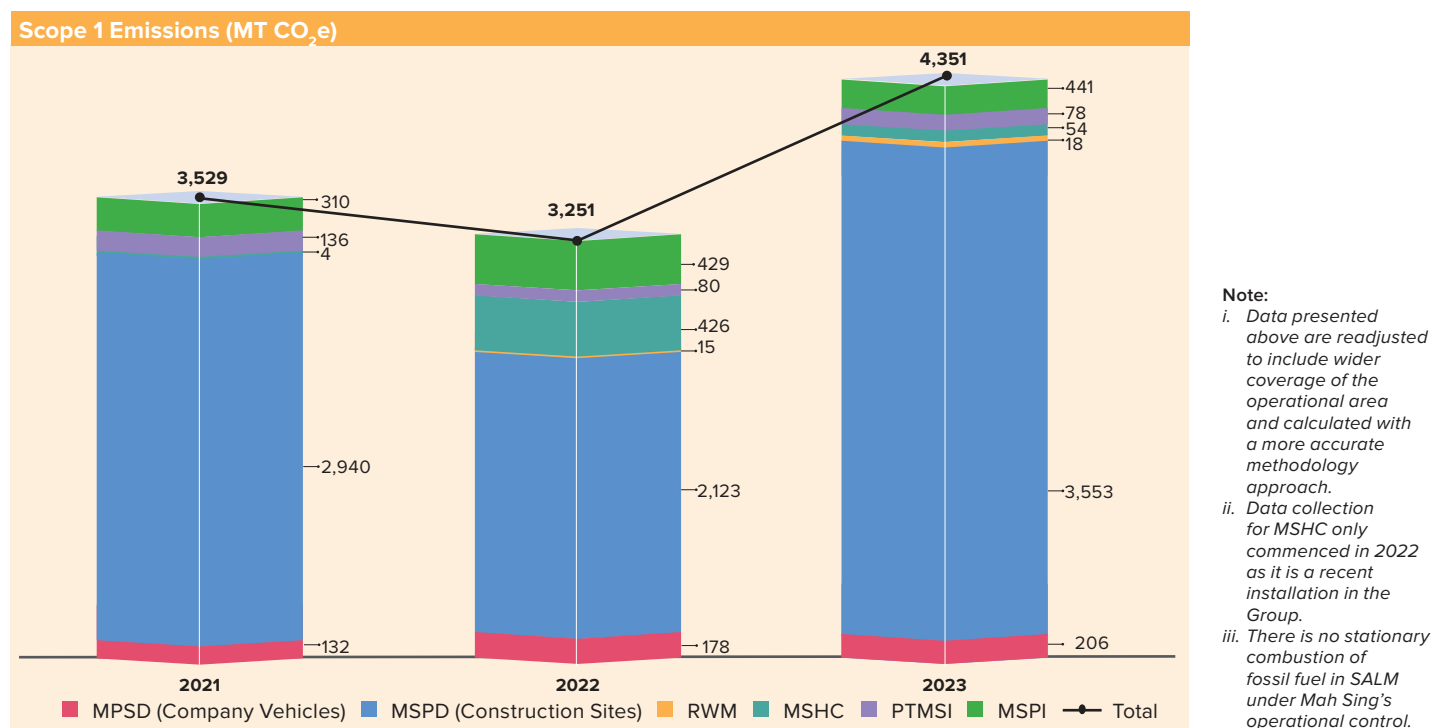
Utilising the above scenarios, the Group has identified to a reasonable extent its likely physical and transitional risks as well as associated impacts and financial costs. Going forward, the extent of severity as well as types of impacts will be expanded to include site specific disclosures upon the undertaking of more specific scenario planning exercises, customised to each operational site.

RISK	TIMEFRAME	SEVERITY	POTENTIAL FINANCIAL IMPACTS
Flood Related Impacts To Business Operations	Short, Medium And Long-Term	Low To Moderate	Infrastructure costs such as provision of larger / additional drainage and irrigation, costs associated with revisions to project design and planning as well as additional costs incurred due to delays in supply of goods and services.
Rising Temperatures	Medium To Long-Term	Low To Moderate	Reduced worker productivity and increased defects and liabilities costs.
Drought And Water Scarcity	Short, Medium And Long-Term	Moderate To High	Costs associated with having to secure alternative water supply from third party providers or costs to develop rainwater or groundwater harvesting systems.
Increased Requirements For Green Features And Green Buildings	Short, Medium And Long-Term	Moderate To High	Costs associated with changes in design and development approaches, increased material costs, increased costs for external expertise.
Pursuit Of Energy Efficiency And Transition To Renewable Energy Sources	Short, Medium And Long-Term	Low, Moderate To High	Cost associated to redesigning existing systems, installation / provision of RE facilities and infrastructure.

MATTERS MATERIAL TO VALUE CREATION

OPPORTUNITIES	TIMEFRAME	POTENTIAL FINANCIAL IMPACTS
Increased potential to seek government and regulatory support for incentives and other benefits for more environmentally friendly practices.	Short, Medium And Long-Term	Reduction in cost for adoption of more sustainability measures and strategies i.e. solar adoption or green building development.
Development of sustainable construction methods and designs for long-term feasibility, all of which reduces overall impacts on the climate.	Medium To Long-Term	Possible short-term increase in cost as business model pivots towards development of green supply chains, procurement of sustainable building materials and development of properties with higher green credentials / ratings.
Greater acceptance for use of environmentally friendly design, materials and features within property development.	Short, Medium And Long-Term	Medium to long-term benefits derived i.e. efficiencies and resilience of supply chains, lower embodied carbon of products, further penetration into green building development, strengthening of brand positioning as a sustainable developer.
Increased support to adopt solar energy to power assets.	Short, Medium And Long-Term	Medium to long-term savings derived for reduced exposure to rising energy costs.
Opportunity to reshape the business model and strategy to pivot towards a more sustainability-influenced system that can be utilised for the long term.	Long-Term	Initial outlay to drive investments into green building development and related design and technology capabilities, development of green assets for asset and property management and more.
Opportunity to promote environmental awareness across the value chain and to customers towards encouraging concerted action for greater cumulative impact.	Medium to Long Term	Minimal financial impact as transition to greener procurement would typically involve expenditures borne by suppliers to “green” their operations.

Mah Sing applies the IPCC Greenhouse Gas Protocol methodologies for calculation emissions across all scopes. Following is Mah Sing's emissions performance:



For FY2023, emissions from fuel consumption (Scope 1) at 22 active construction sites were recorded at 3,553 MT CO₂e. These fuels were used for machinery and generator sets to electrify the sites.

MATTERS MATERIAL TO VALUE CREATION

RESOURCE CONSUMPTION

Both the Property Development and Manufacturing Divisions are dependent on a wide range of raw materials and products as inputs for the production process. These include construction materials such as steel, cement, wood, glass, concrete and more, as well as recycled plastics and latex.

Disruption to the availability of materials / resources due to supply chain issues or constraints or increase in pricing may have adverse effects on business processes. In addition, materials must adhere to Mah Sing's stringent quality standards. Hence, materials supplied must be at the desired, benchmark standards, failing which, there would be rejections and this may also further impact construction / production ability and ultimately timely delivery.

Increasingly, the focus is on transitioning, where possible to greener product alternatives, usage of green certified suppliers and diversifying the procurement options to reduce exposure to supply chain risks. The preference though is to, as much as possible procure locally.

TALENT RETENTION AND DEVELOPMENT

Talent acquisition and retention is a vital component in the development of a high performance organisational culture and ensuring optimum productivity. Talent is also essential in improving Mah Sing's adeptness at implementing technology and facilitating a more nimble and agile organisation that is capable of responding swiftly to a dynamic operating environment.

Mah Sing's approach to talent management is centred on ensuring a steady stream of available talent to meet present operational requirements as well as to support growth and expansion plans. It is also designed to ensure that experienced and capable staff are successfully retained within the organisation and are not lost to the competition or due to other reasons, choose to leave Mah Sing's workforce.

The focus will be on developing more comprehensive and robust cross-functional teams with a multi-skilled, diverse workforce comprising individuals with varied corporate backgrounds, expertise and experiences. This includes hiring professionals with ESG skillsets as well as more technologists.

Hence, increasingly, beyond competitive remuneration, the emphasis and focus on talent now encompasses a conducive work environment, a people centred organisational culture, greater considerations in terms of the preferences and motivations of a younger workforce, re-strategisation of employee benefits in terms of present, post pandemic work culture and more. Also a key aspect of the management approach is consideration employee work-life balance and the development of rewarding career pathways that enables high-performing talents to clearly map out a rewarding career progression journey across the organisation.

24,003 
Total training hours
(FY2022: 12,907 hours)

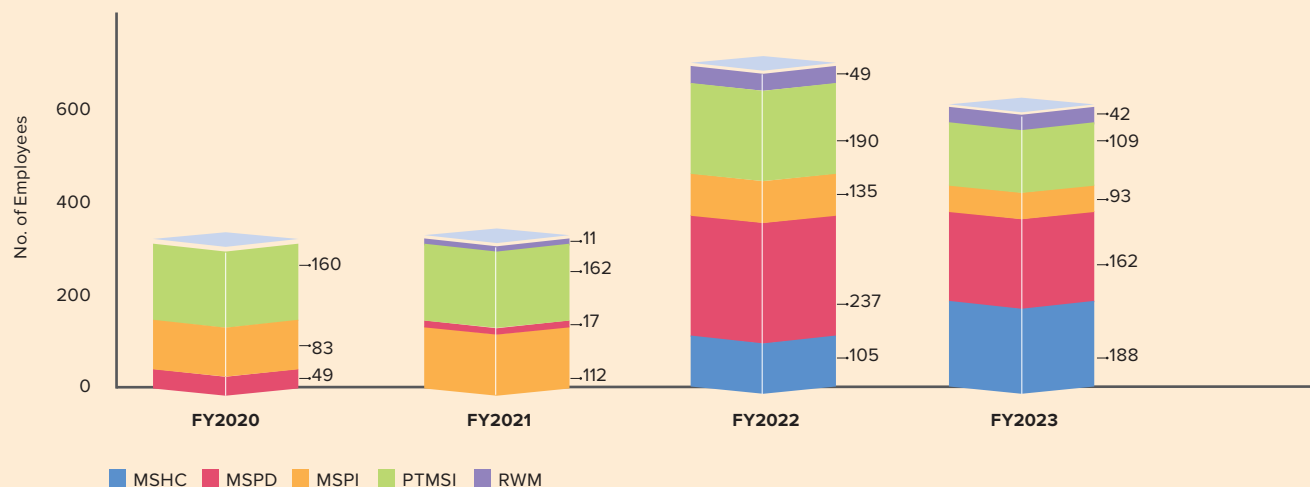
10.97
Average training hours per employee
(FY2022: 8.5 hours)



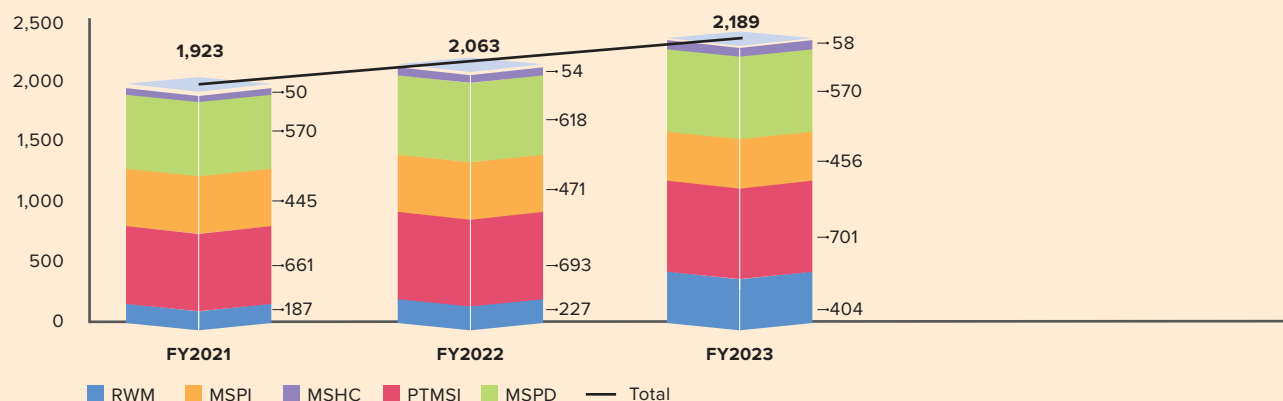
MSPI Basic Injection Moulding Training.

MATTERS MATERIAL TO VALUE CREATION

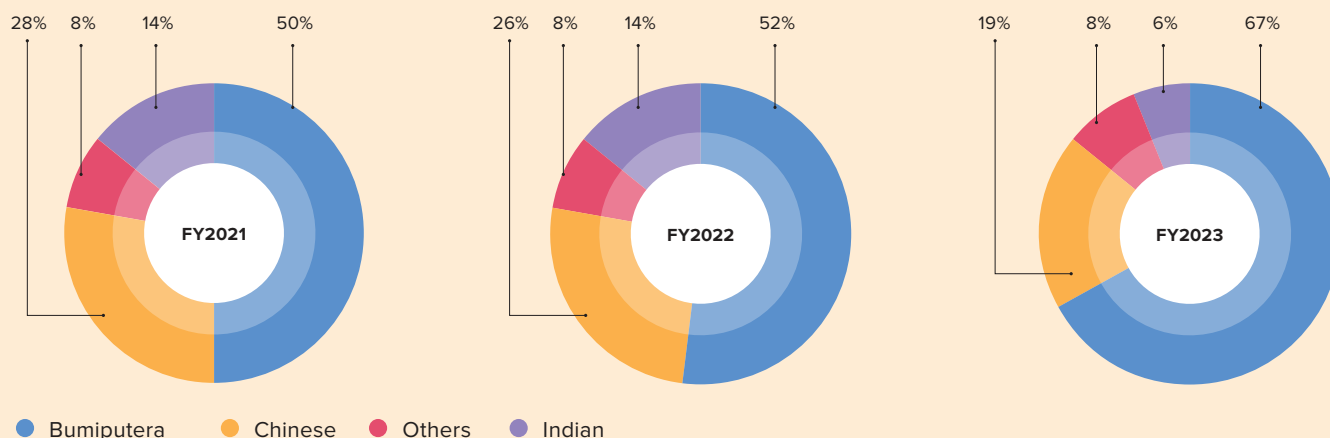
Total New Hires



Total Workforce

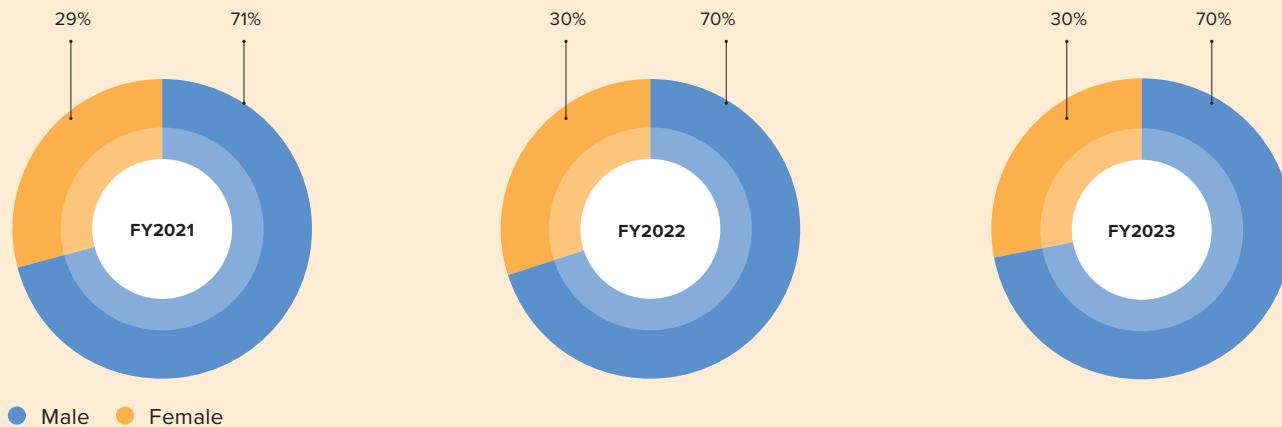


Workforce Ethnicity (Malaysia's Operations Only)

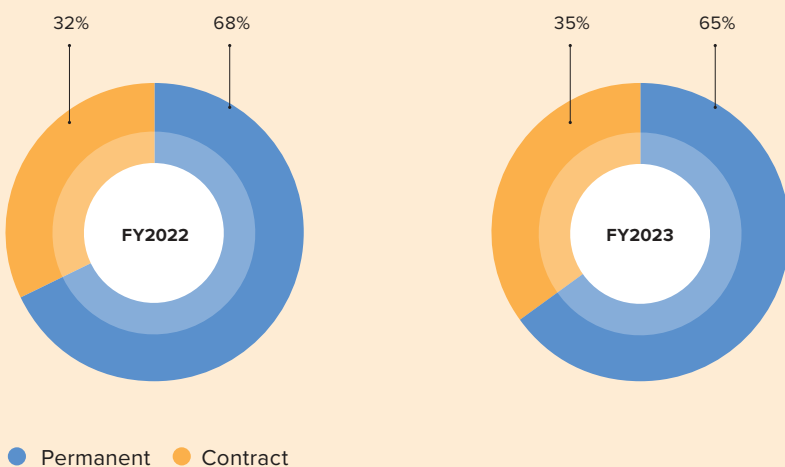


MATTERS MATERIAL TO VALUE CREATION

Gender Breakdown of Employees



Workforce Breakdown By Contract Type



MATTERS MATERIAL TO VALUE CREATION

DIGITALISATION AND TECHNOLOGY

Mah Sing continues to focus on technology across its business divisions. Notably, digital and automation-related technologies will continue to be adopted to improve efficiency across all value chains.

Within the Property Development division, Industrialised Building Systems (“IBS”), Building Information Modelling (“BIM”) and various other technological driven strategies are being progressively implemented. These include increased use of technology to streamline the pre-vacant possession and customer handover process for the ease and convenience of property buyers.

Big Data Analytics (“BDA”) continues to support the development of more insights into customers, including their lifestyle preferences, purchasing capability, psychological motivations, salient demographic patterns and more. This enables more customer attuned products and marketing campaigns to be developed. Similarly, BDA capabilities enable Mah Sing’s Plastics and Healthcare operations to also develop insights into market and customer preferences, trends and more.

Notably the use of technology to address defect management and rectification has emerged as a key aspect of the Group’s approach. The use of mobile apps enable quick reporting by property buyers and also a comprehensive reporting trail, which promotes increased accountability, visibility of defects for all parties while promoting faster rectification.

With regard to Plastics Manufacturing operation, the use of RFID technology expands the division’s product leasing business. RFID technology enables swift and accurate tracing of rented items nationwide as well as globally. The RFID codes are embedded into products during production and linked to a mobile app, which enables convenient traceability. The system is also paperless. This provides a greater degree of security and hence, enables the proliferation of the rental option to more customers irrespective of location.

The Group has also transitioned its ESG data collection from Excel-based to online via the deployment of Convene ESG. The system is deployed Group-wide with access given to both the Property Division and Manufacturing (Plastics & Healthcare) Division for data entry. Moving forward the system shall be used to effectively measure, and track Mah Sing’s overall ESG performance.

LOCAL COMMUNITY DEVELOPMENT

Local community development has always been a cornerstone of Mah Sing’s property development approach. Providing direct aid or developing social upliftment programmes notably via Mah Sing Foundation (“MSF”) is fundamental to the Group’s value creation aspirations and ideals. A progressive business is one that enables its community stakeholders to also progress and attain a wide range of improvements.

Mah Sing’s community development efforts are targeted at both the general community at large, as well as specific segments which are considered to be more in need of specific financial or non-financial support. The latter includes the underprivileged, those with special needs and various other groups. Ultimately, Mah Sing is of the view that in ensuring equitable development and socio-economic progress, no one should be left behind consistent with the concept of a Just Transition that delivers betterment for all stakeholders.

Following is Mah Sing Foundation’s total contributions over the past three years on a rolling basis:

	2021	2022	2023
MSF’s Total Donations (RM’ million)	1.398	0.872	0.812

Further information on the Group’s CSR contributions are provided in SR2023 pages 126-133

LANDBANK

Mah Sing aims to replenish existing landbank through the acquisition of strategic parcels. The Group’s total remaining landbank stand at 2,478 acres located nationwide. This is equivalent to a cumulative remaining GDV of RM28.4 billion.

As in previous years, the goal is to continue acquiring strategic land parcels in existing property locations in which Mah Sing has established a presence. These include the Klang Valley, Penang and Johor. Each of these locations have their respective market advantages and value creation potentials based on an overall mix of land prices, market pricing for properties, level of market competition, population and economic growth trends.

A key consideration is achieving a more balanced revenue contribution from Klang Valley and other property epicentres. Presently, a bulk of Mah Sing’s property revenues are derived from Klang Valley based projects.

Mah Sing will continue to focus on affordable homes, with 96% of launched products priced below RM700,000 and 72% priced below RM500,000.

STRATEGIC PRIORITIES AND FUTURE ORIENTATION

In this section, Mah Sing has outlined its future focus areas. This is in addition to information provided in the Matters Material to Value Creation section. Mah Sing aims to strengthen its fiscal position, to retain a robust balance sheet, strong cash flows and increase the Group's asset over liabilities position.

The broad strategies identified here are in addition to the Group's strategies in relation to its financial materiality topics identified on pages 39-44.



REDOUBLING COMMITMENT TO SUSTAINABILITY

Across all three business divisions, the focus remains on further introducing and integrating sustainability principles and strategies across business operations.

This is intended based on addressing Mah Sing's impacts to the environment and society, but also driven by financial and business considerations. These are how leveraging ESG improves the business model, delivers a competitive edge and drives cost, operational and resource efficiencies as well as climate resiliency.

Hence, the focus of each business division is as follows:

PROPERTY DEVELOPMENT

- Targeting to have more future projects to attain at least Bronze status based on REHDA's Green RE rating system. Hence, this entails the provision of more energy and water saving features in developments.
- Committing to biodiversity by focussing on achieving more than minimum compliance for greenspaces in new projects (beyond the regulatory minimum¹).
- Committing to protect and use more local species in developments, especially IUCN certified Red List species.

MANUFACTURING

- Progressively increase use of solar across operations to reduce emissions and mitigate exposure against rising energy costs.
- Continued focus on supply chains towards ensuring ESG compliant or "green" supply chains.

¹ The regulatory minimum set by local authorities is 5% of landscape to be reserved for greenery.

STRATEGIC PRIORITIES AND FUTURE ORIENTATION

GENERATION OF RECURRING INCOME

The development of recurring income through lease and operations of assets is intended to supplement existing one-off revenue streams driven by property sales and sales of plastics products and gloves.

Beyond reducing dependence on sales revenues, the focus on generating recurring income also provides the Group with further exposure to new business sectors. For example, Mah Sing's ownership and operation of the Ramada by Wyndham Meridin Hotel and Star Avenue Lifestyle Mall has enabled the Group to establish a presence in the lucrative and high potential Hospitality and Retail sectors in Malaysia. This provides the Management with valuable experience that will enable further expansion going forward.

Towards this end, given Mah Sing's robust financial position, the Group is well positioned to build assets for ownership or to purchase outright existing assets in the market. These could be distressed assets and beyond hospitality and retail targets, potentials include industrial assets such as warehouses, which are seeing high demand in tandem with the growth of the logistics and e-fulfillment niche sectors.

Other long-term potentials of expanding the asset ownership and management operations are refinancing or disposal of assets to generate cash or unlock gains and / or injection into a real estate investment trust ("REIT).

Mah Sing's Plastics Manufacturing operations will continue to focus on expanding its leasing of finished plastics products business. Leasing expands the potential customer base and complements revenues generated from product sales.

PURSUING ORGANIC GROWTH

Mah Sing intends to drive sales going forward. The Property Development division intends to bring to market a significant number of new project launches in tandem with meeting the division's sales target for 2024.

Kindly refer to the Management Discussion and Analysis section for specific information on the Division's launch plans and projects.

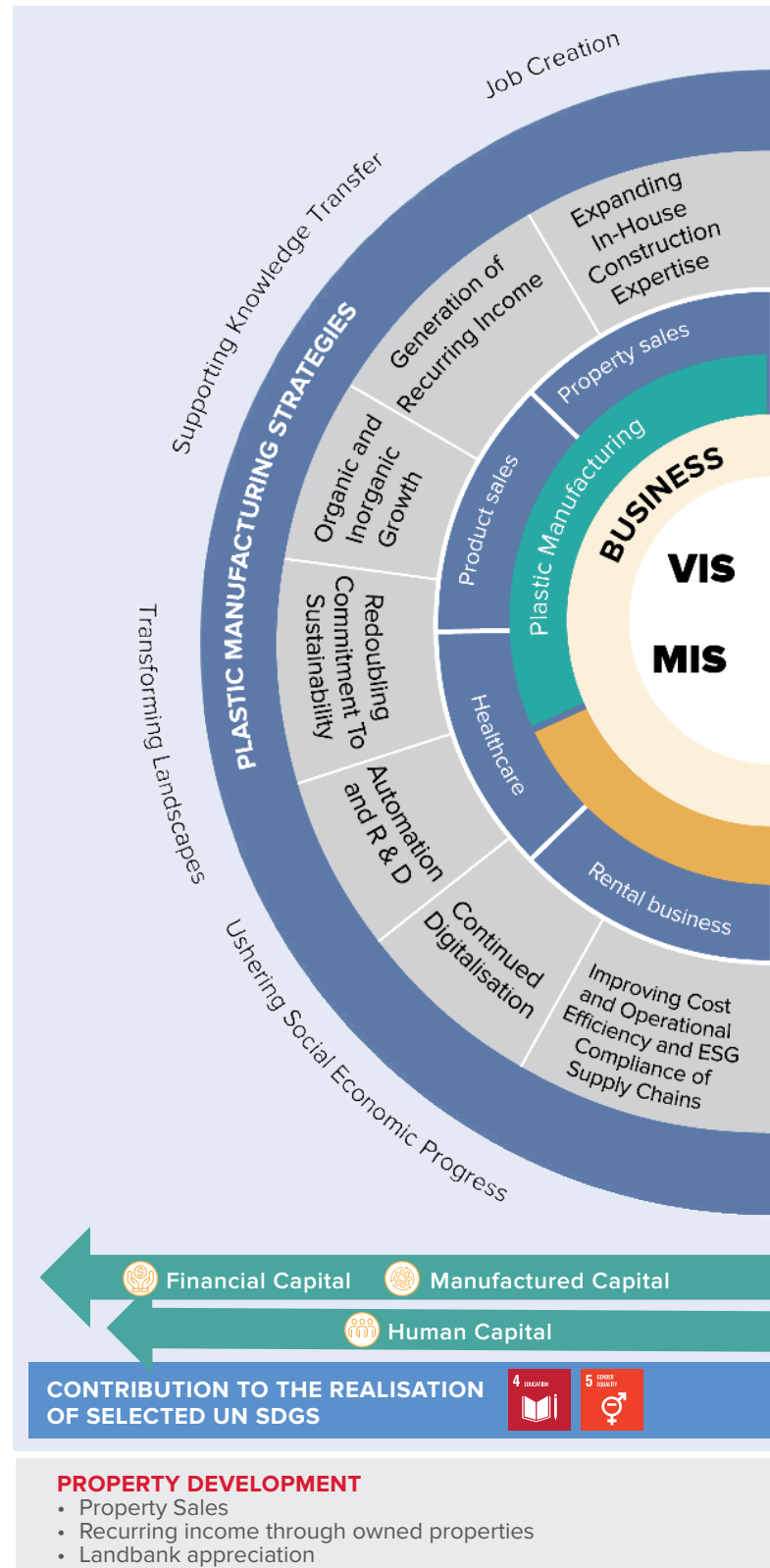
PURSUING INORGANIC GROWTH

Mah Sing's Plastics Division continues to explore acquisition opportunities with the goal of expanding production capacity and capabilities, and to facilitate access to overseas markets.

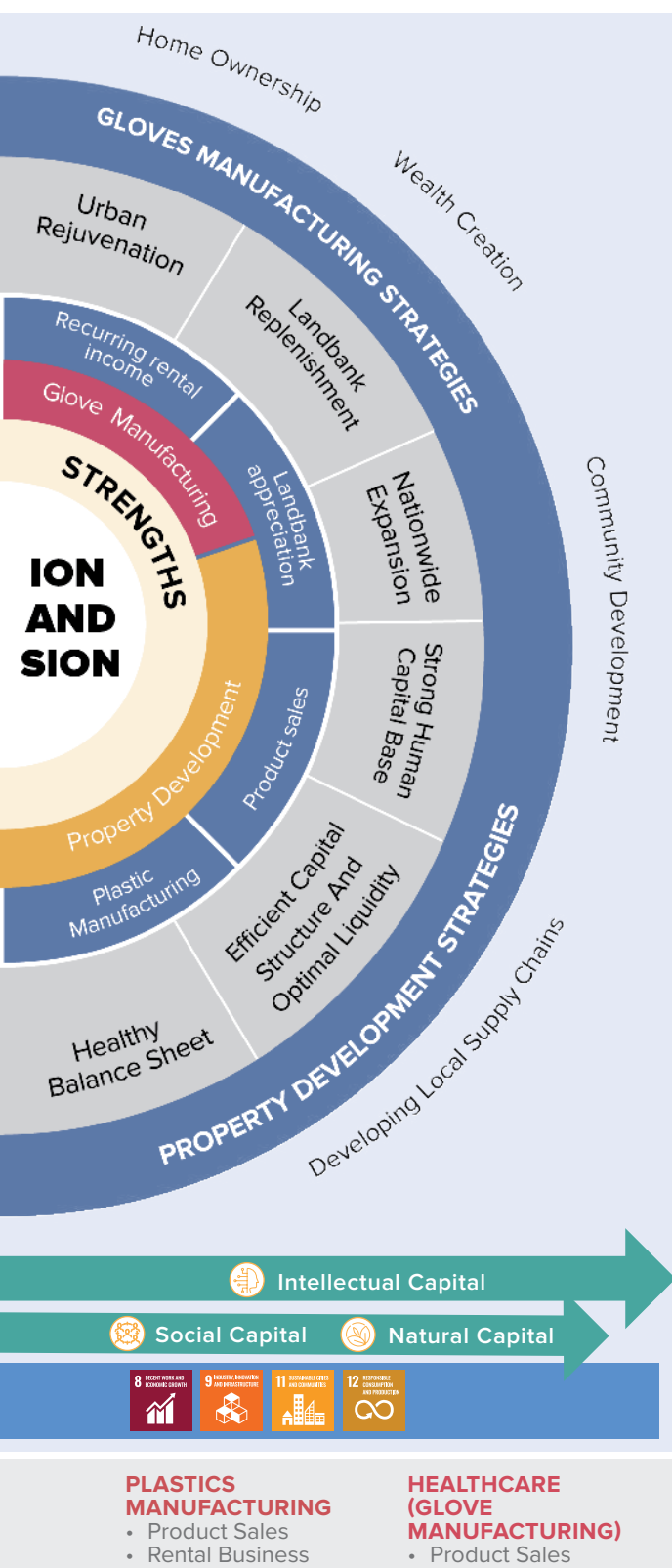
Acquisition will be driven by both commercial and ESG considerations. The latter being on assessing the targeted companies' sustainability performance. Acquisitions could be undertaken based on moving vertically or horizontally across the value chain. For example, acquiring raw material suppliers or distributors towards securing sufficient supply of natural and manufactured capitals at stable prices as well as ensuring unfettered market access.

VALUE CREATION MODEL

CAPITAL	INPUT
Financial All financial resources allocated for the operations of the business model. These include debt and reinvested capital, internally generated funds and borrowings.	- Share capital: RM1,776.06 mil - Retained earnings: RM1,770.99 mil - Cash and cash equivalents: RM480.37 mil - Total assets: RM6,389.69 mil - Total liabilities: RM2,802.52 mil - Borrowings: RM1,352.38 mil
Manufactured Plants, machinery, vehicles and all other physical assets deployed across the operations of all three business divisions and ultimately the creation of financial and non-financial values.	4 plastics manufacturing plants 1 glove manufacturing plant 81 injection machines 12 automated, high-speed production lines 60-4,000 tonnes clamping machines 58 property projects nationwide
Intellectual The collective capabilities, skills, business acumen and industry know-how residing within the Group including intellectual property, systems and processes as well as inherent business strengths / competitive advantages.	- Established brand reputation - Robust Financial Position - Nationwide business presence - Market focussed - Fast project turnaround - Technologically savvy - Ample, strategic landbank - ISO 45001:2018 OHS Management System
Human The total workforce of the Group and their unique skills, knowledge and experience as well as the high-performance organisational culture of Mah Sing.	2,189-strong workforce, 65% permanent staff - RM178.75 mil in employee compensation 24,003 total employee training hours - Employee engagement activities and satisfaction surveys - High-performance organisational culture - Experienced leadership team
Social The diverse stakeholder relationships that are necessary for the effective execution of the business model. Aligning business strategies as well as KPIs and targets to stakeholders is vital in sustaining value creation.	- Materiality assessment surveys - Annual identification of key stakeholders - Investor relations engagements including dedicated web portal - Meetings with regulatory bodies - CSR activities and programmes via Mah Sing Foundation - More than RM0.812 mil in community investments
Natural Consumption of a wide range of raw materials and natural resources including energy, water and building materials and land.	- ISO 45001:2018 OHS Management System 52,065MWh of electricity 15.46 million litres of fuel 624 megalitres of water - Significant quantities of building materials such as steel, cement, timber, concrete and others 50,048 MT of virgin and recycled materials - Landbank



VALUE CREATION MODEL



OUTPUTS

- Revenue: RM2,603.21 mil
 - PAT: RM222.18 mil
 - Cash and cash equivalents: RM780.94 mil
 - Total assets: RM6,416.78 mil
 - Total liabilities: RM2,679.92 mil
 - Borrowings: RM1,281.14 mil
 - Retained Earnings: RM1,913.09 mil
- Unbilled sales: RM2,325 mil
 - Remaining GDV: RM26,123 mil
 - Projects launched in 2023: M Astra, M Nova (Tower A and Tower B), M Minori (Tower A), M Residence (Phase 8) 2 Storey Shop Office, M Panora (Phase 2), Meridin East (Phase 2F1, 2F2, 1C1, 1C2, 2G1 and 4A1) and M Senyum (Phase 2A, 2B, 3A and 3B).
 - Completed projects: M Vertica (Phase 2) Tower C, D and E, M Adora, Meridin East Parcel 2H (Section 1) and M Aruna (Delphy).
- Continued growth in business and financial performance
 - 3.7 FTSE4 Good score
 - Four-star FABGM rating
- 2,189 strong workforce, 29.6% women employees, 65% permanent employees
 - Zero incidents of human rights or labour violations
 - 75.1% employee engagement score
 - More than 10.8 million manhours Without Lost time Incident ("LTI")
- 100% buy / outperform / add calls
 - More than 100 investor / relations engagements
 - A wide range of highly successful marketing / branding campaigns
 - Zero fines for social / labour non-compliance.
 - Market capitalisation: RM2,015 mil
 - Benefitted more than 20 schools and NGOs and impacted more than 900 individuals
- 2,478 acres remaining landbank
 - 4,351 MT CO₂e Scope 1 emissions
 - 28,688 Co₂e MT Scope 2 emissions
 - 1,529.09 MT CO₂e Scope 3 emissions
 - 251.26 MT hazardous waste
 - 1,793.8 MT waste diverted from disposal
 - 38,848.09 MT recycled resins consumed
 - 6,366 kg household waste recycled at Wisma Mah Sing
 - Zero fines for environmental non-compliance
 - 1,860.1 MT CO₂e avoided and 12.96% savings in electricity bill through 2,661.1 MWh of solar energy generation

OUTCOMES

- 45% dividend payout ratio, RM139.37 mil paid to providers of capital
 - RM133.78 mil paid in taxes
 - RM178.75 mil paid to staff
 - Market capitalisation: RM2,015 mil
 - Reduced net gearing of 0.08 times
- QLASSIC scores: M Oscar 85%, Meridin East Parcel 2H2 84%, M Adora 85% M Aruna Delphy 85%
 - IBS scores: M Aruna (Type A&B) 79%, M Centura 51%, M Vertica (Tower A&B) 56%, M Vertica (C, D & E) 56%, M Arisa 50%, M Adora 50%, M Oscar 70%, M Residence 2 RSKU 79%
 - Creation of additional local jobs and more opportunities for local suppliers
- Mah Sing continues to demonstrate resilience and agility in navigating a turbulent external operating environment to continue charting a clear growth path. It also achieves improved oversight on climate change risks and progressive adoption of TCFD.
- Beyond providing gainful local employment opportunities, Mah Sing continues to contribute to the development of professional industry talent and upskills the local talent pool. pandemic. This increases the disposal incomes of many families and supports nation building.
- Enhanced customer satisfaction and stakeholder relationships, closer working ties and improved productivity despite the pandemic related disruptions.
- Continued improvements in ESG performance, development of a more sustainability-oriented supply chain. Greater awareness for ESG practices across the industry.

An aerial photograph of a resort pool with a mosaic tile interior, overlooking a large lake and a city skyline in the distance. The pool has a curved edge and a wooden deck area. The text 'OUR STRATEGY & ACHIEVEMENTS' is overlaid in large white letters.

OUR STRATEGY & ACHIEVEMENTS

64 Management Discussion and Analysis

80 Key Developments



Artist's Impression of pool view at M Zenya, Kepong.

MANAGEMENT DISCUSSION AND ANALYSIS

Dear Valued Shareholders,

On behalf of the Management and Board of Directors, we hereby present the Management Discussion and Analysis of Mah Sing Group Berhad (“Mah Sing” or “Group”) for the financial year ended 31 December 2023 (“2023”).

In a year of significant change and challenge, Mah Sing’s strategic response to a dynamic operating environment has allowed the Group to continue creating value for all stakeholders. Both our Property Development and Manufacturing divisions have registered notable financial and non-financial highlights during the year in review. These achievements further establish Mah Sing as a leader in its chosen industries, while paving the way for further growth and success going forward. More importantly, it strengthens our competitive positioning and enables an effective response for us to stay resilient and ready to face an increasingly complex and fast evolving external environment.



**ADMIRAL (R) TAN
SRI DATO’ SERI
ABU BAKAR BIN
ABDUL JAMAL**
*Chairman/Independent
Non-Executive Director*

**TAN SRI DATO’
SRI LEONG
HOY KUM**
*Founder and
Group Managing
Director*

Mah Sing is pleased to share that Dato’ Voon Tin Yow has joined Mah Sing Group Berhad as Group Chief Executive Officer (GCEO) cum Executive Director effective 2 February 2024. He brings with him 40 years of experience in the property development industry, construction site management, property investment, as well as hospitality and leisure. Dato’ Voon, an engineer by training, possess extensive experience in the property industry and strong network. The Group is confident that with him on the team, Mah Sing will continue its growth trajectory. He takes over from Datuk Ho Hon Sang who has Mah Sing’s sincere appreciation for his contributions to the strong performance of the Group over the past 8 years.

In addition, Lionel Leong Jihn Haur has been appointed as Mah Sing Group Berhad’s Deputy Group Chief Executive Officer cum Executive Director effective 2 February 2024. He assists in overseeing the operation of the Property Business and report directly to Dato’ Voon, Group Chief Executive Officer. He worked in a Malaysian Investment Bank for a year prior to joining Mah Sing Group Berhad in March 2013 as General Manager, Group Strategic Development and Projects. He was then promoted to Director, Group Strategy and Operations in March 2016. His experience includes strategic planning and managerial roles in General Management, Corporate Transformation, Digitalization, Process Improvement, Business Development, Corporate and Investment, Project Development and Group Quality Assurance.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF THE EXTERNAL OPERATING ENVIRONMENT: PROPERTY DEVELOPMENT

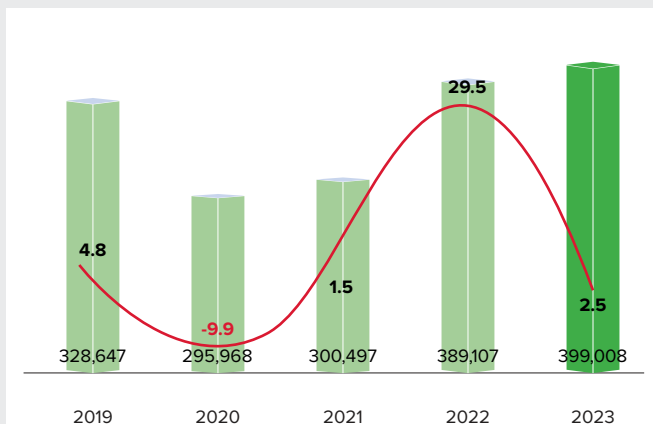
In 2023, global economic growth moderated further, attributed to slower global trade, the ongoing global tech downcycle, protracted geopolitical tensions and a continued high interest rate environment and tighter fiscal policies.

Consistent with global economic performance, Malaysia's gross domestic product ("GDP") moderated to 3.7%, a stark contrast to the previous year's 8.7% growth performance when the economy reopened. However, the domestic economy continue to demonstrate resilience, underpinned by expansion in domestic demand, improving labour market conditions, growth in investment activity, commodities and services sectors. Notably, both the country's property and manufacturing sectors continued to record positive growth.

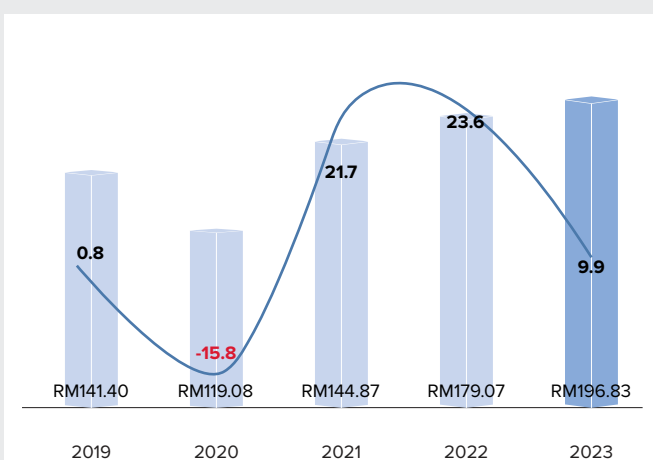
In 2023, volume and value of property transactions grew by 2.5% and 9.9% respectively to 399,008 transactions worth RM196.83 billion (2022: 389,107 transactions; RM179.07 billion). The residential sub-sector remained the largest property market segment in terms of number of transactions and total transacted value, followed by the industrial sub-sector. Both market segments recorded positive growth trajectory. Consistent with the rising value of properties transacted, the Malaysian House Price Index ("MHPI") also recorded a year-on-year increase of 3.2% to 216.5 points and an average price of RM467,144.

The upward momentum in the property sector was supported by several initiatives outlined under Budget 2023. These included stamp duty exemptions, allocations for building new homes, home renovations, and affordable housing programs. Market demand was primarily driven by first-time homeowners and owner-occupiers during the period under review.

Transactions Volume Trend 2019-2023 (Units)



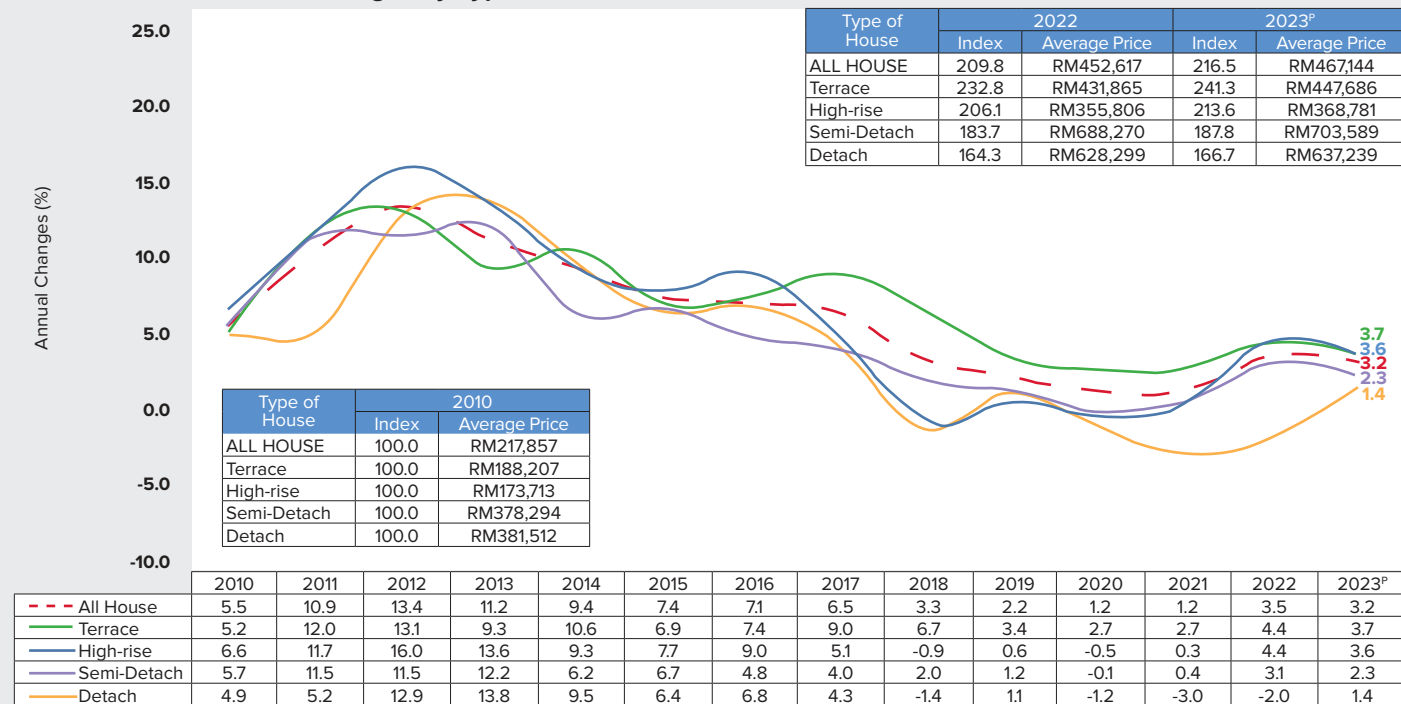
Transactions Value Trend 2019-2023 (RM'billion)



Cantilevered gym at M Adora, Wangsa Melawati.

MANAGEMENT DISCUSSION AND ANALYSIS

MHPI: Point and Annual Changes by Type 2010-2023^P



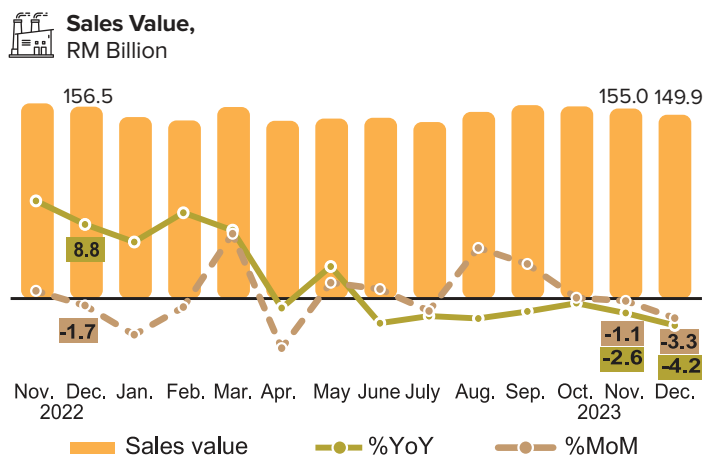
Source: Property Market Report, National Property Information Centre ("NAPIC")

However, property developers faced rising material, labour, and energy costs, coupled with higher borrowing costs due to a higher interest rate environment. In 2023, the Overnight Policy Rate (OPR) increased by 25 basis points to reach 3.0% during the financial year. This translated into a hike in the Base Lending Rate (BLR) of domestic financial institutions, consequently leading to higher borrowing and repayment costs for developers and property buyers.

REVIEW OF THE EXTERNAL OPERATING ENVIRONMENT: MANUFACTURING

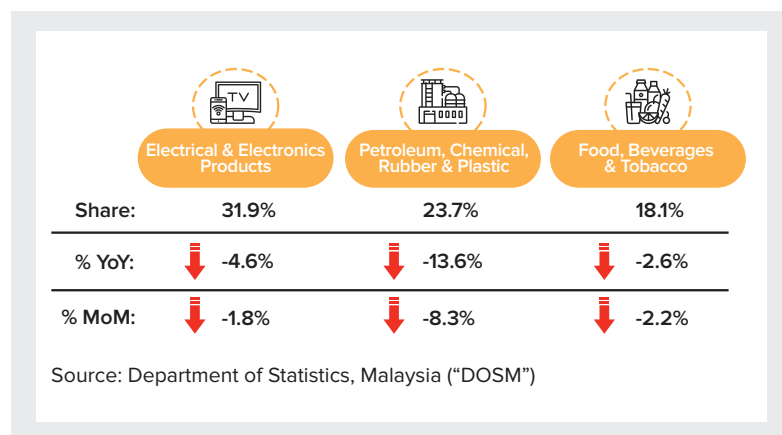
The manufacturing sector recorded marginal growth of 1.8% for 2023 with positive growth recorded the first two quarters of 2023, followed by two consecutive quarters of negative growth performance. Overall sales value of Malaysia's manufacturing sector touched RM1.8 trillion in 2023, a marginal 0.2% improvement year-on-year.

Sales value declined 4.2% year-on-year to RM149.9 billion in December 2023, marking the largest decline since May 2020 (-20.4%). This is attributed to the continued drop in output of the chemical, rubber and plastic products sub-sector in the second half of 2023.



MANAGEMENT DISCUSSION AND ANALYSIS

More than two-thirds of Manufacturing sales value was contributed by Electrical & Electronics Products (31.9%); Petroleum, Chemical, Rubber & Plastic (23.7%); and Food, Beverages & Tobacco (18.1%) sub-sectors in December 2023.



OUR STRATEGIC RESPONSE

Mah Sing continued to respond proactively to prevailing market conditions, adapting its business and operational strategies. The Group continued to exemplify agility and adaptability in its approach to deliver value for its customers and stakeholders alike.

Existing strategies that were effective were maintained and augmented with new ideas and innovation. The latter included leveraging technology and digitalisation to strengthen customer reach and to drive operational and cost efficiencies.

Market research and developing strong customer insights remained an important aspect of the Group's strategy mix. Both the Group's property development and manufacturing business segments continued to focus on ensuring strong understanding of customers' evolving preferences. While cost competitiveness, quality and speed remained fundamental, ESG requirements have also become increasingly important to customers. Hence, efforts were also focussed on driving sustainability performance in 2023.

With regard to property development, Mah Sing continued to launch properties with attractive price points, good quality, practical layout and well-designed features as well as strategic location and with excellent accessibility and connectivity.

In 2023, Mah Sing brought to market 4,121 units of properties in strategic urban and suburban locations and recorded property sales of RM2.26 billion. 96% of launched properties were priced below RM700,000 while 65% of the launch mix comprised properties priced RM500,000 and below, targeted at first time homebuyers.

Mah Sing continued to emphasise close project management and value engineering amidst rising costs and higher interest rates. The objective was to ensure optimum quality, while eliminating redundancies and wastages and timely completion which would translate to stronger revenue recognition during the year.

As for the manufacturing division, the focus in 2023 was to effectively respond to the issue of high inventories stockpiled by customers, especially international customers, due to slower than expected global trade. Post pandemic, the expected swift recovery in global consumption demand has been below par and with that, global supply chains continued to face challenges in driving higher orders, which in turn, reverberates throughout the manufacturing supply chain.

Responding swiftly, the Group's manufacturing operations implemented specific strategies. These included expanding the customer base and product lines through business development activities, driving efforts to penetrate geographic locations as well as new industrial sectors, and further driving cost efficiencies through value engineering. The latter involved continuous assessment of business processes to identify opportunities for improvement in terms of resource consumption, elimination of redundancies and wastage as well as energy and cost savings.

Cumulatively, these strategies have enabled Mah Sing to deliver continued strong revenues and earnings, resulting in an overall improved Group fiscal performance in 2023.

FINANCIAL PERFORMANCE

REVENUES AND EARNINGS

In 2023, Mah Sing posted improved revenue of RM2.6 billion, 12.3% higher year-on-year (2022: RM2.32 billion) driven by higher revenue recognition and increased sales from the Property Development division.

As in previous years, the Property Development division remained the primary contributor to the Group's revenues, accounting for 81.2% of total revenues in 2023. The overwhelming response received during property launches, coupled with disciplined management of construction timelines, progress billings and collections, had underpinned a strong and consistent revenue stream for the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

GROUP FINANCIAL FIGURES

	2023 (RM'000)	2022 (RM'000)	Difference (%)
Revenue	2,603,212	2,317,228	12.3
Cost of sales	(2,007,556)	(1,804,339)	11.3
Gross profit	595,656	512,889	16.1
Other income	30,528	44,792	-31.8
Selling and marketing expenses	(57,585)	(60,807)	-5.3
Administrative and other expenses	(189,399)	(176,416)	7.4
Results from operating activities	379,200	320,458	18.3
Finance income	7,834	2,465	217.8
Finance costs	(59,647)	(58,799)	1.4
Net finance costs	(51,813)	(56,334)	-8.0
Profit before tax	327,387	264,124	24.0
Income tax expense	(105,208)	(77,326)	36.1
Profit for the year	222,179	186,798	18.9

On the back of growing revenues and continued efforts to maximise cost efficiency, the Group's earnings improved year-on-year. In 2023, profit before tax ("PBT") grew to RM327.4 million while profit after tax ("PAT") was recorded at RM222.2 million. Both PBT and PAT had risen 24% and 18.9% year-on-year, respectively. The Property Development division also posted higher operating profits of 8.8% year-on-year reaching RM368.4 million in 2023 (2022: RM338.7 million).

SEGMENTAL FINANCIAL FIGURES

	Property Development			Manufacturing			Investment Holding and Others		
	2023 (RM'000)	2022 (RM'000)	Difference (%)	2023 (RM'000)	2022 (RM'000)	Difference (%)	2023 (RM'000)	2022 (RM'000)	Difference (%)
Revenue:									
External revenue	2,114,883	1,839,981	14.9	435,186	441,300	-1.4	53,143	35,947	47.8
Inter-segment	-	-	-	-	-	-	276,076*	186,689*	47.9
	2,114,883	1,839,981	14.9	435,186	441,300	-1.4	329,219	222,636	47.9
Operating profit/(loss)	368,391	338,677	8.8	(5,044)	(23,063)	78.1	15,853	4,844	227.3

* Eliminated through inter division calculation

Key property projects that contributed to revenues and earnings were M Vertica in Cheras, M Arisa in Sentul, M Luna in Kepong, Meridin East in Johor Bahru, M Oscar in Sri Petaling, M Adora in Wangsa Melawati, M Senyum in Salak Tinggi, M Panora in Rawang and Southville City in Bangi. Additionally, other projects such as M Astra in Setapak, M Nova in Kepong, M Aruna in Rawang, Southbay City and Ferringhi Residence in Penang, M Minori, Sierra Perdana, Meridin @ Medini, and Mah Sing i-Parc in Johor also contributed to the Group's stronger fiscal showing.

Revenue from manufacturing operations declined marginally by 1.4% year-on-year to RM435.2 million in 2023 with operating loss narrowing significantly by 78.1% to RM5.0 million compared with 2022's RM23.1 million deficit. The sharp decline in losses is due to the ongoing strategic efforts in rationalising operating costs and to achieve improved productivity and operating efficiencies, notably in gloves manufacturing operations.

MANAGEMENT DISCUSSION AND ANALYSIS



Revenue and earnings from the Group's investment holding and other segments had also improved in 2023. Income and earnings are mainly derived from income generated from the deposit of funds, revenue from trading of building materials and hotel operations.

PROPERTY SALES

In 2023, Mah Sing recorded property sales of RM2.26 billion (2022: RM2.0 billion, excluding land sales of RM115 million). This is a 13% year-on-year increase and is the Group's highest property sales performance since 2016.

Property sales was driven by strong market demand across all property segments, with a notable emphasis on affordably-priced homes. The Group's flagship M Series residential developments, are well aligned with the present market trends.

Mah Sing's M Series projects are designed to resonate with prevailing market trends – offering affordable and contemporary living spaces tailored to first-time homebuyers, upgraders and young families.

The M Series projects have become synonymous with quality and affordability, as well as accessibility and connectivity, and the provision of a wide range of amenities and facilities. The commendable take-up rate of the M Series projects are mostly above 90%.

The Group also achieved unbilled sales of RM2.33 billion during the financial year, which provides revenue and earnings visibility going into 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

BALANCE SHEET

	2023	2022	Difference
ASSETS	(RM'000)	(RM'000)	(%)
Total Assets	6,416,779	6,389,689	0.4
Property, plant and equipment	407,864	392,485	3.9
Right-of-use assets	46,874	57,576	-18.6
Prepaid lease payments	3,151	3,196	-1.4
Investment properties	175,880	180,880	-2.8
Land held for property development	1,766,139	1,838,717	-3.9
Intangible assets	3,960	5,021	-21.1
Deferred tax assets	223,377	206,754	8.0
Property development costs	999,667	1,017,090	-1.7
Land held for sale	-	46,614	-100.0
Inventories	529,659	674,322	-21.5
Trade and other receivables	618,086	809,235	-23.6
Contract assets	572,942	501,962	14.1
Contract cost assets	75,892	66,117	14.8
Current tax assets	12,027	10,140	18.6
Deposits, cash and bank balances and investment in short-term funds	981,261	579,580	69.3

	2023	2022	Difference
EQUITY AND LIABILITIES	(RM'000)	(RM'000)	(%)
Total Equity And Liabilities	6,416,779	6,389,689	0.4
Share Capital	1,776,057	1,776,057	-
Reserves	12,004	11,637	3.2
Retained earnings	1,913,090	1,770,989	8.0
Non-controlling interests	35,706	28,482	25.4
Medium term notes	1,003,232	1,001,136	0.2
Term loans	267,184	329,359	-18.9
Long term and deferred payables	83,597	70,643	18.3
Deferred tax liabilities	32,213	44,160	-27.1
Trade and other payables	1,109,951	1,198,121	-7.4
Contract liabilities	138,302	114,158	21.1
Short term borrowings	8,265	20,996	-60.6
Current tax liabilities	37,178	23,951	55.2

Mah Sing's balance sheet continues to be robust, with a strong asset position on the back of steady cashflows and a low gearing position. Prudent capital management has been instrumental in maintaining a robust balance sheet and ample liquidity, resulting in a year-end cash balance of RM981.3 million and a low net gearing of 0.08x.

The Group is well placed to seek additional borrowings to fund development activities or landbank acquisition and to meet its working capital requirements. This financial strength forms a solid foundation for the ongoing land acquisition strategies and driving future growth initiatives.

MANAGEMENT DISCUSSION AND ANALYSIS

DIVIDEND PAYOUT

On the back of improved financial performance, Mah Sing continues its track record of rewarding shareholders by declaring a first and final dividend of 4 sen per ordinary share for the financial year ended 31 December 2023, representing a 45% payout of profits. Mah Sing has been consistent in paying dividend rates of at least 40% over the last 18 years, upholding its commitment to reward shareholders while balancing growth.

CREATING VALUE

The Group's thorough understanding of market sentiments and preferences have enabled Mah Sing to develop new and innovative products and to remain true to its motto of "Reinvent Spaces. Enhance Life." Launched products featured innovative lifestyle concepts that homebuyers sought for. Developments centred on providing sustainable modern living where community, nature and other in-demand elements were brought together in a single urban concept. This was in addition to delivering the essentials of accessibility, connectivity and convenience.



Artist's impression of the facilities podium at M Adora, Wangsa Melawati.

Beyond financial and sales performance, Mah Sing has continued to achieve various other notable milestones, particularly in quality and safety. The Group's M Adora in Wangsa Melawati and M Vertica in Jalan Cheras, Kuala Lumpur both scored a comparatively high score of 85% and 83% respectively for Quality Assessment System in Construction (QLASSIC), a benchmark for quality build by the Construction Industry Development Board (CIDB).

Additionally, the fully sold M Luna in Kepong achieved a Safety and Health Assessment in Construction (SHASSIC) score of 94.02% from the Construction Assessment Centre (CASC), marking it as the highest among the Group's M Series developments.

Several of Mah Sing's projects were certified Bronze under the Real Estate and Housing Developers Association (REHDA)'s GreenRE ratings system in 2023, notably M Minori, M Panora and M Astra.

In July 2023, M Oscar in Sri Petaling held its topping-out ceremony, indicating the completion of North and South Towers structure. To-date, the Group has 20 ongoing projects at various stages of completion nationwide:

Project Name	Location	Total GDV	Estimated Completion Date
M Zenya	Kepong	Approximately RM500 million	2028
M Terra	Puchong	Approximately RM368.8 million	2028/2029
M Hana	Puchong	Approximately RM357.2 million	2028
M Azura	Setapak	Approximately RM508 million	2028
M Legasi	Semenyih	Approximately RM3.3 billion	Yet to be launched
Mah Sing Business Park	Sepang	Approximately RM728 million for 185 acres (Phase 1) with option to purchase remaining 376.65 acres (bringing GDV up to approximately RM2 billion)	Yet to be launched
M Sinar	Southville City, Bangi	Approximately RM11 billion (part of Southville City township)	Yet to be launched
M Tiara	Johor Bahru	Approximately RM480 million	Phase 1: Estimated in Q2 2026
Allamanda Phase 3 & 4, Meridin East	Johor Bahru	Approximately RM5 billion (part of Meridin East township)	Q1 2027
M Tiara 2	Johor Bahru	Approximately RM1.45 billion	Yet to be launched

MANAGEMENT DISCUSSION AND ANALYSIS

In 2023, Mah Sing launched its “Mah Sing Secured” sales campaign, providing homebuyers with fixed interest rates, step-up payment schemes, appealing packages and incentives, as well as extra rewards to initiate their journey towards homeownership. Followed by the “Mah Sing First” campaign, which elevated the homeownership experience by offering enticing perks such as free stamp duty, low down payment options, and other attractive incentives. The campaign covered more than 10 participating projects and was instrumental in ensuring strong consumer traction for Mah Sing’s launched properties in 2023.

These campaigns reflected Mah Sing’s commitment to prioritising customer satisfaction and enhancing the overall buying experience for customers.



Mah Sing’s sales campaign helped homebuyers to embark on their homeownership journey.

PLACEMAKING AND DELIVERING POSITIVE IMPACTS

In March 2023, Mah Sing announced the completion of the dedicated M Vertica 2-way ingress and egress ramp on Jalan Cheras. The RM23 million ramp alleviates traffic congestion and enables smooth traffic flow at Jalan Cheras, Jalan Besraya, Jalan Ikan Ayu and Jalan Ikan Emas. The ramp added value to M Vertica residents as well as the surrounding communities.

In June 2023, Mah Sing finished constructing and transferred the 12-court Arena Badminton DBKL Cheras to Dewan Bandaraya Kuala Lumpur (DBKL). This public facility includes a two-court tournament hall and tiered seating for 619 spectators, managed by DBKL.



Handover ceremony of Arena Badminton DBKL Cheras.

AWARDS AND ACCOLADES

The Group was honoured as one of the country’s Best Managed Companies 2023, an initiative by Deloitte Malaysia. Apart from that, Mah Sing was also recognised as one of the trusted brands in the Property Development category at the prestigious 2023 Putra Aria Brand Awards. This acknowledgement, determined by consumers’ investments in brand development, is a testament to the Group’s solid presence in the industry and commitment to excellence.

LANDBANKING REPLENISHMENT

Mah Sing’s acquisition of new land parcels in 2023 brings the Group’s total remaining landbank to 2,478 acres with a cumulative remaining GDV and unbilled sales of RM28.4 billion. Mah Sing’s healthy balance sheet and the effectiveness of its quick turnaround business model enables the Group to identify and acquire prime lands to replicate the success of its M Series portfolio as well as to expand its industrial property mix.

Since 2023 until early April 2024, the Group acquired seven plots of residential and industrial land specifically M Terra and M Hana in Puchong, M Zenya in Kepong, M Azura in Setapak, M Legasi in Semenyih, M Tiara and M Tiara 2 in Johor Bahru as well as the 185 acres (with option to purchase another 376.65 acres) of industrial land, Mah Sing Business Park in Sepang. These acquisitions and option collectively amount to an approximate GDV of RM9 billion and is earmarked as part of driving Mah Sing’s launch plans in 2024 and 2025.

Mah Sing shall continue to acquire prime lands at strategic locations with excellent amenities and ready infrastructures. This will fuel the continued progress of Mah Sing’s M Series of properties.

MANAGEMENT DISCUSSION AND ANALYSIS

TAPPING TECHNOLOGY

One of the notable highlights is the leveraging of technology to augment the property development business model. The My MahSing App, an innovative digital companion for homebuyers, revolutionises the homeownership journey by providing features such as quarterly construction updates, account statements, payment facilities and facility bookings. Moreover, the increased utilisation of digital marketing and virtual show units has proven effective in driving sales and enhancing customer engagement.

YEAR IN REVIEW: MANUFACTURING DIVISION

PLASTICS MANUFACTURING BUSINESS

Mah Sing's plastics manufacturing operations has grown into a high-tech plastics producer of quality goods recognised worldwide. Mah Sing's plastic pallets and multi-purpose industrial plastic containers continue to serve a diverse range of end users, including those in automotive components, construction materials, housewares, and packaging products. The division exports plastic products to customers in more than 50 countries worldwide.

Notably, Mah Sing's plastic pallets are well accepted from key industries in food, medical, chemical, automotive, electronics, and other industries. Material handling products like plastic pallets and containers are crucial across diverse industries, enabling businesses to stack, store, and transport goods in warehouses while serving as essential components for efficient loading in the transport and logistics sector.

The advantages associated with plastic pallets, such as durability, lightweight construction, ease of access and handling with a forklift, and availability in various design options, have positioned plastic pallets as the preferred choice, supporting their significant growth in industries such as food and beverages, pharmaceuticals, and chemicals. In addition, plastic pallets work well with modern packaging like corrugated boxes and intermodal containers commonly used for bulk shipping.

Plastic pallets as opposed to wooden pallets, are more resistant to water chemicals and extreme temperature exposure, thus making them suitable for outdoor storage, in an automated warehouse or as shipping pallets. The durability of plastic pallets



Mah Sing Plastics Factory in Port Klang.

in contrast to other variants results in decreased resource consumption, leading to lower demand for wood and other materials. Additionally, plastics are highly recyclable.

Mah Sing Plastics undertook relevant initiatives towards directing investments on acquiring new technologies, securing raw materials through efficient procurement and inventory management, enhancing product portfolios, and leveraging capabilities to sustain growth amidst challenging conditions.

As governments around the world introduce more stringent environmental regulations, the business division has been stringent in adopting sustainable practices to comply with increasing regulations, thus mitigating against potential non-compliance risks and costs. The division in 2023, has also actively engaged with its supply chain towards getting vendors and service providers to be better aligned with the division's vision of sustainable manufacturing.

As the division supports local procurement, it also aims to upscale local industries particularly to move up the value chain including achieving higher compliance with sustainability and regulatory requirements of foreign markets. A key focus area in 2023 was traceability of sourced raw materials towards ensuring legitimate procurement.

The Group remain steadfast in market development and innovation to grow a circular economy, building capacity for reprocessing and manufacturing of recycled products nationally and harmonising standards, regulations and communication

MANAGEMENT DISCUSSION AND ANALYSIS



Mah Sing Plastics exports plastic products to customers in more than 50 countries worldwide.

across jurisdictions. Mah Sing believes that these key strategies represent a step forward toward a world with less plastic waste and increased economic value.

Consistent with the Group's focus on addressing environmental impacts, Mah Sing Plastics has continued to pursue energy efficiency, enhanced recycling, and waste reduction across its operations. The focus on energy efficiency in particular not only reduces carbon emissions, but also offers significant cost savings, notably with the rise of electricity prices in 2023.

Besides outright sales, Mah Sing was also active in the leasing business of plastic pallets rental which has seen strong growth and has been generating recurring income for the Group.

GLOVE MANUFACTURING BUSINESS

Mah Sing has successfully obtained all the required certifications for its glove business. The production lines have undergone various tests and trial runs to ensure the process improves its cycle times hence increasing productivity and efficiency. As the business continues to receive steady orders from various buyers, the focus now will be on the operations to ensure plant utilisation and performance efficiency are maintained at the level which matches the orders. Over the long run, the Group believe that continued improvement in cost efficiency remains an essential factor for its glove manufacturing business to remain competitive.

FOCUSING ON TALENT, SOCIETY AND THE ENVIRONMENT

Mah Sing has continued to emphasise sustainability performance as an intrinsic aspect of its operations. Sustainability goals and aspirations are driven by both considerations of impacts on the environment and society as well as how material ESG topics influence or impact financial performance and value creation.

The creation of non-financial together with financial values is an essential part of Mah Sing's business philosophy. This is reflected in the Group's Vision and Mission. Additionally, Mah Sing's sustainability strategy is propelled by global aspirations, such as the UN SDGs.

The focus on ESG reduces risk exposure, strengthens the business model, addresses resource dependencies, improves brand perceptions, attracts talent and ultimately strengthens its business model.

The Group continues to embrace integrated thinking, where strategic decisions on organisational planning and allocation of capital are driven by careful consideration of the linkages between financial and non-financial outcomes; and how the two are mutually supportive of each other. The integrated thinking approach continues to be cascaded progressively to all levels of the Group's management, including operating subsidiaries.

Among the notable sustainability highlights achieved in 2023 include progress made on most material topics. These include continued achievement of a zero corruption cases track record, zero fatalities across operations, including contractors' performance and zero non-compliance cases involving suppliers for both social and environmental compliance.

In developing a more comprehensive understanding of the impacts of climate change on the organisation, Mah Sing in FY2023 released its first TCFD Climate Change Risk Assessment and Scenario Planning Report. The development of Mah Sing's inaugural climate change report is in accordance with the requirements of the TCFD.

The Group will continue to improve its approach to climate change going forward, including strengthening oversight of physical and transition risks. Presently, the Group has identified these risks, and moving forward, the intention is to develop more site-specific disclosures.

MANAGEMENT DISCUSSION AND ANALYSIS

Pertaining to talent, Mah Sing continues to achieve its target of an average of 8 hours of training per employee per annum. Regarding sustainability governance, Mah Sing has established its Board Risk and Sustainability Committee and the management level Risk and Sustainability Committee. Both works concertedly towards advancing the sustainability agenda across the organisation.

Mah Sing's People Department had also attended the SUHAKAM construction-related 'Stakeholder Consultation on Forced Labour Issues in the Construction Industry' forum to further understand how Mah Sing can propagate human rights across the Group, as well as possibly initiate future human rights-related collaborations with the relevant stakeholders that were present at the forum. Additionally, Mah Sing also ensures full participation in its adopted UN SDGs that promote fair labour standards and human rights propagation e.g. SDG 5 Gender Equality.

Another notable highlight was Bursa Malaysia signing a memorandum of collaboration with Mah Sing to bring the Group on board as early adopters of the Centralised Sustainability Intelligence ("CSI") platform. The CSI platform serves as a repository for sustainability disclosures by listed companies, as well as disclosures by local and international suppliers throughout their respective supply chains. CSI will enable companies to calculate and track their carbon emissions impact while encouraging and supporting their ESG journey.

Mah Sing has also continued to achieve a high score as a constituent of the FTSE4Good Bursa Malaysia Index. The Group is the only company in the property sector to receive the coveted Four-Star ranking.

The Group's ESG rating as at 18 December 2023 is 3.7, a 0.1-point improvement from the December 2022 rating of 3.6.

In addition, Mah Sing, through its strategic partner, Mah Sing Foundation, has continuously supported programmes that empower and uplift the livelihoods of underserved communities in various ways, including education, community development, and health and well-being.

The programmes include free tuition classes, English and Malay literacy classes for children, women's entrepreneurship, mental health support, sustainable farming, and many more. Mah Sing Foundation has donated more than RM812,000, benefiting more than 20 schools and NGOs, and impacting more than 900 individuals in FY2023.

Full details of our CSR activities are provided in the Sustainability Report 2023.



Mah Sing signed a Memorandum of Collaboration with Bursa Malaysia as an early adopter of the CSI platform.

MANAGEMENT DISCUSSION AND ANALYSIS

2024 OUTLOOK

Ongoing geopolitical developments such as the Ukraine-Russia conflict, the high-interest rate environment, caused by the repeated rate hike by the US Federal Reserve and slower than expected recovery in China and other major economies continue to impede a return to pre-pandemic level global economic recovery. China is projected to experience a moderate slowdown, with growth estimated at 4.7% in 2024, down from 5.3% in 2023. Similarly, Europe and Japan are also expected to moderate further due to ongoing economic headwinds, with growth rates for both forecasted at 1.2% in 2024.

Continued trade tensions between the US and China lead to further distortion in supply and demand dynamics of raw materials as well as finished and semi-finished goods and services. The impact is also felt on supply chains, with the increase in pricing transferred across the supply chain from producer to consumer.

Consistent with global trends, the Malaysian economy is also likely to moderate. The continued impacts of a depreciating domestic currency against the US Dollar and other major currencies would likely have a ripple effect reflected in rising import costs and

inflationary pressures. However, export oriented businesses, including manufacturing may benefit from a lower domestic currency.

However, there are positive aspects that will persistently drive growth opportunities. For instance, the ongoing trade tensions between the US and China have led to many businesses, notably manufacturing operations relocating to other countries to circumvent trade restrictions. Malaysia has emerged as a leading destination and thus the country's industrial niche sector is expected to maintain its upward growth trajectory. Growth in the industrial sector is expected to be driven by the encouraging prospects of the e-fulfilment/logistics and warehousing sector, supported by the rise in online shopping.

In 2023, Malaysia attracted RM329.5 billion of approved investments in services (RM168.4 billion), manufacturing (RM152.0 billion), and primary (RM9.1 billion) sectors. This is a 23.0% increase as compared to RM267.7 billion approved investments last year.

Of the remarkable RM329.5 billion in approved investments for 2023, 5,101 projects stand ready to generate 127,332 job opportunities for Malaysians, bolstering both economic growth and employment.

The property sector is expected to see continued growth in 2024, based on past performance trends. Demand for properties remains strong fuelled by population growth, a fast-expanding urban middle class comprising largely first-time homeowners and primarily owner-occupiers and ample supply of homes in various categories, namely in the affordable housing market segment.

While inflationary pressures may affect customer purchasing power, pent-up domestic demand for goods and services should continue to support private-sector consumption while public-sector expenditure will be driven by large-scale infrastructure projects and other notable investments. Ancillary factors such as government incentives as those announced under Budget 2024 provide a stimulus effect in driving homeownership.

Newly launched properties at strategic locations with affordable price points and designed to meet market trends are expected to continue receiving strong buyer traction going into 2024.

Looking at the manufacturing sector, Malaysia's proactive policies such as Industry 4.0, Malaysia's New Industrial Master Plan 2030 ("NIMP"), and Digital Economy Blueprint have attracted high-tech



Artist's impression of M Minori, Johor Bahru.

MANAGEMENT DISCUSSION AND ANALYSIS

enterprises from many countries, leading to increased investment in Malaysia. Hence, Mah Sing's push into industrial projects is timely, especially with the launch of the NIMP. Please refer to the Our Forward Focus section of this Management Discussion and Analysis for more information.

Global demand for gloves is expected to increase, notably as the pace of inventory destocking improves in the second half of 2024 and progressively, new customer demand facilitates increased production demand despite stiff market competition. While sales volume remains volatile with a shorter order lead time due to excess supply in the glove market, sales volume has improved significantly quarter on quarter in 2023 and this trend should continue in 2024. This should provide an upward impetus for average selling prices ("ASPs") to stabilise between USD20-USD21 per 1,000 pieces. Global sectoral growth is expected at 4% in 2024.

FORWARD FOCUS

Mah Sing will continue to remain proactive in responding to market conditions and in implementing its business strategies, adapting in response to external developments. The Group's strategy of growth is executed with careful consideration to ensure the Group remains competitive, sustainable and well positioned to deliver value well into the future.

With regard to property development, Mah Sing remains positive of market traction for its products as evident from the robust demand experienced for the Group's M Series developments.

The M Series residential developments have solidified the Group's market share in the domestic residential market, positioning it as a leader in mid-range affordably priced housing in the Greater Kuala Lumpur city centre and suburban areas. This success is attributed to a proven formula, combining an attractive price point, uncompromised quality, and comprehensive lifestyle amenities. Moreover, the Group anticipates a heightened contribution from the industrial segment going forward, complementing its residential focus.

Sales and launch plans will be timed to present market realities and conditions, supported by continued customer-driven analytics and branding and marketing campaigns. In 2024, Mah Sing has more than RM2.8 billion worth of launch-ready products. Coupled with RM2.33 billion in unbilled sales, the Group remains cautiously optimistic of its prospects based on both revenue and sales visibility going into 2024.

Upcoming launches are targeted mostly at the affordable market segment as well as the industrial sector, which is fast emerging as a new growth niche within the property sector. Mah Sing draws confidence in continuing to see strong positive traction for its products as all launches continue to deliver a compelling value proposition centred on affordable pricing, strategic location, excellent accessibility and connectivity, and the inclusion of financial packages/assistance in enabling buyers to secure home loans and/or to meet upfront financial commitments.



Project highlights in 2024 include the Group's M Terra project in Puchong, which is a transit environment district ("TED") project. M Terra offers affordable homes with an indicative starting price of RM250,000. Located on a 3.7-acre land parcel, the estimated RM368.8 million GDV project caters to first-time homebuyers and upgraders as well as young families. It comprises three different types of units – Type A and Type B have 2 bedrooms meanwhile Type C has 3+1 bedrooms. All three types have built-ups ranging between 549 to 1,259 sq ft.

The development is designed to provide residents with a contemporary, quality lifestyle and complete facilities for an optimised living experience. The project is connected to seven major highways and is situated in close proximity to the Puchong Perdana and Puchong Prima LRT stations. The latter enables residents to enjoy seamless access to public transportation

MANAGEMENT DISCUSSION AND ANALYSIS

alternatives and thus reduces residents' dependence on private vehicular use for work, leisure and other travel purposes. Aimed at enhancing the lives of the community living, M Terra will be equipped with various green features such as a rainwater harvesting system and EV charging stations as well as other lifestyle features such as a 50m length pool, co-working spaces, fitness garden, kids' lounge and many more.

M Azura, marks Mah Sing's third venture into the urban enclave of Setapak. Located on a 4-acre strategic land parcel, M Azura comprises two blocks of serviced apartments with indicative built-ups of 700 sq ft, 850 sq ft and 1,000 sq ft based on preliminary plans and subject to authorities' approval. The indicative selling price starts from RM396,800.

M Minori located in Johor Bahru has an estimated GDV of RM469 million and is a 421-unit, 25-storey development. Unit sizes range from 570 sq ft to 880 sq ft, with a selling price from RM288,000. Of the 421 units, 252 are non-Bumi units.

Johor Bahru has been an important market for the Group since its first township in 2000. Due to strong brand recognition, Mah Sing is optimistic about the Johor property market, spillover demand from Singapore and upcoming infrastructure projects such as Sistem Transit Rapid (RTS) Link Johor Bahru-Singapore which will further boost economic activities in Johor Bahru. Mah Sing

is actively looking to expand its landbank in Johor, especially for townships, industrial projects and M Series project.

FURTHER EXPANSION INTO THE INDUSTRIAL PROPERTY SEGMENT

Mah Sing's acquisition of Mah Sing Business Park, Sepang is a strategic move to capitalise on the country's industrial growth potential. The Mah Sing Business Park is a 562-acre prime industrial development project with an estimated GDV of up to RM2 billion.

The Malaysian government's NIMP aligns perfectly with the Group's vision for the Mah Sing Business Park in Sepang. Guided by Mission 3 of NIMP, which aims to transform industrial estates into eco-industrial parks, Mah Sing is committed to creating a sustainable and customised industrial park that caters to the evolving needs of businesses. Project components comprise customised factories, industrial lots, cluster, semi-D and detached factories catering to medium and light industrial businesses.

Mah Sing Business Park will be developed by Fusion Heights Development Sdn Bhd, a subsidiary of Mah Sing South Sea Industrial Development Sdn Bhd (MSSSID, a 70% owned subsidiary of Mah Sing). The joint venture is expected to create more opportunities for the Group to fuel its industrial development portfolio growth.



Mah Sing inks agreement for 185 acres of land (with option to purchase an additional 376.65 acres) to develop Mah Sing Business Park in Sepang with an estimated GDV of RM728 million.

MANAGEMENT DISCUSSION AND ANALYSIS

The staggered investment structure with the initial purchase of 185 acres with an option for the remaining 376.65 acres within 4 years, along with the upfront locking of the fixed cost of RM12.50 psf, helps mitigate risk. It also creates growth opportunities without placing excessive pressure on the balance sheets and liquidity.

In line with the Group's quick turnaround strategy and subject to authorities' approval, the development of Mah Sing Business Park, Sepang is expected to commence in the second half of 2024 and to be developed over a span of 3-4 years. The project shall serve as the catalyst for expanding Mah Sing's industrial property portfolio going forward.

The Group's confidence is also driven by its string of successful industrial development projects. These are Mah Sing Integrated Industrial Park in Mutiara Subang, iParc in Bukit Jelutong, iParc 2 in Shah Alam, iParc 3 in Bukit Jelutong and iParc, Tanjung Pelepas.

Apart from design and development projects, Mah Sing's expansion into the industrial property sector involves MSSSID, a joint venture company. MSSSID offers a one-stop solution for investors looking to establish manufacturing facilities in Malaysia.

MSSSID shall provide related services to Mah Sing's internal projects as well as external customers. Services include sales and marketing, leasing, project construction and management and the customization of the aforementioned to the specific requirements and preferences of investors/buyers.

MANUFACTURING – STRENGTHENING OUR PRESENCE IN INDONESIA

The plastic pallets industry faces several key challenges to address which include shifting consumer preferences, the need for industrial policy amendments to align with growing environmental concerns, significant fluctuations in raw material costs due to geopolitical tensions and expected subdued economic growth. The Group anticipate risks and opportunities from these challenges and have identified immediate to long-term measures to ensure manufacturing activities remain competitive and resilient.

In January 2024, Mah Sing Plastics entered into a joint venture agreement with PT Gaya Sukses Mandiri Kaseindo ("PT Gaya"), Indonesia to expand the existing manufacturing and trading of plastic pallets, containers and related material handling and storage products operations in Indonesia.

A joint venture company with Mah Sing Plastics holding a 70% shareholding and PT Gaya holding the remaining 30% will be incorporated to facilitate the expansion into the high-potential market of Indonesia.

Given that PT Gaya has been the distributor of Mah Sing's plastic pallets in Indonesia for over a decade, the collaboration capitalises on the strengths and expertise of both parties to sustain growth and address Indonesia's growing demand for plastic pallets and material handling products.

The Indonesian plastic pallets market represents a significant growth opportunity for the Group. Currently dominated by traditional wooden pallets, there is a growing trend and increasing demand for environmentally friendly and recyclable alternatives, especially plastic pallets. In addition, the large population and increasing number of factories being established across Indonesia is a further facilitating factor that supports business expansion in the archipelago.

Aside from outright sales of manufactured plastic products, revenues from the manufacturing sector will be augmented by the Group's leasing business, which continues to register steady growth over the past five years. Mah Sing aims to leverage its Indonesia experience to explore the commercial feasibility of expansion to other countries in Southeast Asia.

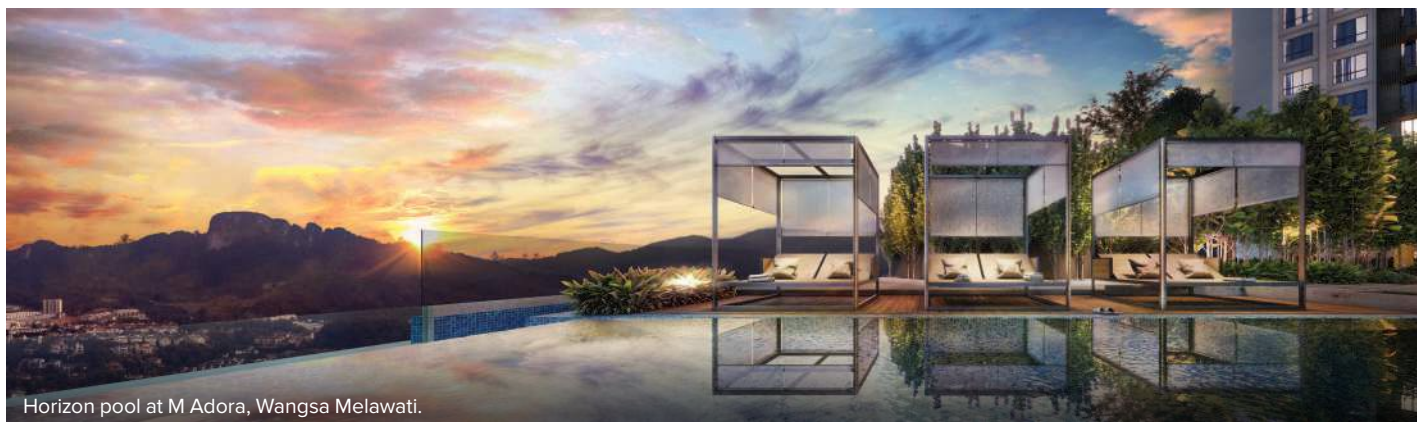
With critical mass achieved, the manufacturing division could be a potential listing prospect towards unlocking value and enabling more shareholders to participate in the unfolding growth story.

EXPRESSING OUR THANKS

On behalf of the Board and Management, we wish to take this opportunity to express our deepest gratitude to all stakeholders who have played a notable role in our journey of continued value creation in 2023. In particular, our many employees, shareholders, government ministries and agencies, regulatory bodies, the media and others who have all, supported or contributed to Mah Sing's progress.

We thank you and look forward to your continued engagement and collaboration towards delivering mutually beneficial outcomes for all stakeholders in 2024.

KEY DEVELOPMENTS



Horizon pool at M Adora, Wangsa Melawati.

As a top property developer, Mah Sing has been actively sourcing prime land and launching projects throughout 2023. The Group successfully achieved robust sales, exceeding its sales target at RM2.26 billion. Without compromising the quality of its works, Mah Sing also achieved significant milestones in project development and successfully acquired 5 plots of land in 2023 further establishing its track record as a responsible and active property developer.

The year 2023 began with the first land acquisition in January for the Transit Environmental District (TED) projects, namely M Terra and M Hana in Puchong. The land measures 8-acre with an estimated gross development value (GDV) of approximately RM726 million. In the same month, the Group launched 139 units of M Senyum new phase double-storey terrace homes, Rosalia in Salak Tinggi. In May 2023, in conjunction with Hari Raya Open House, the Group unveiled a new show village featuring bare unit and interior design unit for M Senyum, providing homebuyers an ideal and experiential way of homeownership. Meanwhile, the project continued to receive encouraging response, with Phase 1 fully taken up and Phase 2 to open for sale later.

Mah Sing has its second and third land deals in June 2023. The Group expanded its landbank in Johor with the acquisition of 75.7-acre freehold land in Mukim Pulai, with an estimated GDV of RM480 million. The freehold land, named M Tiara, is envisioned as a development of double-storey terrace and double-storey cluster homes. Subsequently, the Group acquired another freehold land measuring 500-acre, situated in Semenyih with GDV of approximately RM3.3 billion, named M Legasi. This land deal is planned as an integrated township development mainly comprising double-storey homes.

In July 2023, Mah Sing acquired its fourth land in Kepong, measuring 4.88-acre and to be named as M Zenya. This is the

Group's fourth project in Kepong, building on the success of Lakeville Residence, M Luna, and M Nova. M Zenya will be a mixed development with GDV of approximately RM500 million. In the same month, Mah Sing's M Oscar in Sri Petaling had its topping-out ceremony, celebrating the completion of the North and South Towers structures.

In August 2023, M Adora in Wangsa Melawati hosted a media appreciation night to celebrate the early completion and multiple milestones achieved for the project, such as obtaining the highest QLASSIC score of 85% for construction certification and achieving 2.2 million man-hours without Lost Time Injury (LTI). On the other hand, M Vertica, which also completed ahead of schedule obtained a high QLASSIC score of 83%, along with recognition from the Malaysia Book of Records for its 4.54-acre landscape and facilities podium. Meanwhile, Mah Sing's third project in Kepong, M Nova received encouraging response in August 2023, with 90% take-up for its Tower A (624 units).

In October 2023, M Senyum, the Group's double-storey landed development in Bandar Salak Tinggi, Selangor maintained a positive response from the market, with its Phase 3A comprising 150 units achieving 100% take-up. Concurrently, Mah Sing's first M Series in Johor Bahru, M Minori Tower A non-Bumiputera lots consisting of 252 units were all fully sold in one weekend. M Minori is a mixed development comprising three blocks of serviced suites with GDV of approximately RM469 million. M Minori's sales gallery had its grand launch in November 2023 with a ribbon-cutting ceremony and show unit tour for guests.

In December 2023, Mah Sing acquired its fifth landbank. Located in Setapak, the 4-acre prime land is planned for residential development named M Azura, with GDV of approximately RM508 million. This further helps uphold the consistent and visible earnings for the Group.

KEY DEVELOPMENTS



Est. GDV: RM590 million

Land Size : 4.6 acres

Status: Ongoing

Property Type: High-rise residential

Location: Sri Petaling, Kuala Lumpur

M Oscar is a freehold serviced apartment situated at the crossroads of Old Klang Road and Sri Petaling with two towers comprising 910 units. It composes of 4 unit types, including 2 bedrooms, 3 bedrooms, 4 bedrooms and Dual-key, ranging from 708 sq ft to 1,198 sq ft. The project boasts a favourable North-South orientation that effectively minimises direct sunlight exposure on the building's sides.

The 2.7-acre facility podium offers facilities such as a swimming pool, gym, children's playground and multipurpose hall. M Oscar is suitable for homebuyers who are looking for an easy commute to Petaling Jaya or Kuala Lumpur for work, as well as young families who are looking to upgrade their homes for a more enhanced security and living lifestyle.

M Oscar celebrated its topping-out ceremony in Q3 2023, with all units fully sold. The project was launched in Q4 2019 and completed in April 2024.

Est. GDV: RM653 million

Land Size: 3.3 acres

Status: Ongoing

Property Type: High-rise residential

Location: Sentul, Kuala Lumpur

M Arisa is a freehold residence strategically located within the vicinity of mature surrounding neighbourhoods such as Batu Caves, Gombak, Kepong, Segambut and Setapak. Located just 5km from the city centre, the project consists of two towers and all units are North-South oriented. It offers 5 unit types ranging from 1 to 4 bedrooms with built-up areas from 550 sq ft to 1,234 sq ft.

Designed to provide residents with a contemporary and quality lifestyle, M Arisa offers complete facilities for an optimised living experience. This includes Sentul's very first 1.89-acre themed Urban Forest multi-level sky garden, providing an improved and quality environment to make living and working in the city centre a pleasant experience.

Aimed at enhancing the lives of the residents, M Arisa will be well-equipped with various green features, such as centralised garbage disposal system, rainwater harvesting system, EV charging stations and multi-level gardens. Other lifestyle features include a 50m-length pool, co-working spaces, floating gym and games room.

M Arisa sales gallery was officially opened in Q4 2019. Launched in Q1 2020, the project is targeted to complete in Q3 2024.



KEY DEVELOPMENTS

Est. GDV: RM618 million	Land Size: 5 acres	Status: Ongoing
Property Type: High-rise residential and retail shops		Location: Setapak, Kuala Lumpur

M Astra is Mah Sing's second development in Setapak, following M Adora. The mixed development comprises two blocks of serviced residences with 3 bedrooms and 4 bedrooms units, featuring built-ups ranging from 850 sq ft to 1,044 sq ft. Additionally, there are 24 units of retail lots designed to accommodate drive-through food and beverage (F&B) outlets.

M Astra is a sustainable development enhanced with green features, aimed at reducing energy consumption and wastage. These features include energy-efficiency lighting (LED) in common areas, Low Volatile Organic Compound (VOC) paint and adhesive for better occupant health, enhanced indoor air quality through cross ventilation in all rooms and rainwater harvesting.

The architectural design of M Astra is inspired and enriched by incorporating the idea of courtyards to create a garden living concept and meticulously crafted to allow privacy and view surrounding it.

M Astra sales gallery was officially opened in Q4 2021. The project was launched in Q4 2022 and is targeted for completion by Q2 2027.



Est. GDV: RM705 million	Land Size: 5.47 acres	Status: Ongoing
Property Type: High-rise residential		Location: Kepong, Kuala Lumpur

M Luna is strategically located close to the Forest Research Institute Malaysia (FRIM) and adjacent to the 253-acre Kepong Metropolitan Park. The development offers residents the opportunity to experience the breathtaking view of the Bukit Lagong Forest Reserve. Situated next to the MRR2, Jalan Kuching Interchange, DUKE and North-South Expressway, residents enjoy excellent connectivity to the rest of the city. M Luna is Mah Sing's second residential development in Kepong.

Comprising two towers of serviced apartments with 57 storeys, M Luna offer units ranging from 2 to 4 bedrooms with built-up areas of 700 sq ft, 850 sq ft and 1,000 sq ft. All units are North-South oriented and equipped with express car park ramps.

With more than 35 facilities, residents can easily spend quality time with their families at the comfort of their homes. M Luna sales gallery opened in Q4 2019, followed by the official launch in Q2 2020. M Luna is fully sold and held its topping-out ceremony in Q4 2023.

KEY DEVELOPMENTS



Est. GDV: RM790 million

Land Size: 8.09 acres

Status: Ongoing

Property Type: High-rise residential

Location: Kepong, Kuala Lumpur

M Nova is an affordable mixed development with 11 units of retail lots and 1 drive-through retail. It comprises three blocks of serviced residences with 3 practical layouts – 700 sq ft (2 bedrooms), 850 sq ft (3 bedrooms) and 1,000 sq ft (4 bedrooms).

M Nova has a large captive market as the land straddles the well-established neighbourhoods of Kepong, Taman Selayang Jaya, Batu Caves, Bandar Menjalara, Segambut, Taman Seri Gombak and Sentul, only 12.9km away from KLCC.

M Nova boasts good connectivity with direct access from MRR2, as well as being merely 1.8km away from Jalan Kuching, with both Jalan Kepong and DUKE Highway just 5km away. In terms of public transportation, M Nova is located 6.9km from Metro Prima MRT2 station and 3.1km from the Taman Wahyu KTM station.

Specially designed for urban-sized families, M Nova is crafted to offer a comfortable living experience within Greater Kuala Lumpur.

M Nova's sales gallery was unveiled in Q3 2022 and the project was launched in Q2 2023, recording overwhelming response from homebuyers for its Phase 1.

Est. GDV: RM300 million

Land Size: 45.4 acres

Status: Ongoing

Property Type: Landed residential

Location: Rawang, Selangor

M Panorama is the Group's fourth township in Rawang. It is a freehold strata gated and guarded landed residential development that sits on a 45.38-acre land. The project is known for its low-density development with only 396 units of double-storey super link homes (24'x65') within the township – 9 units per acre. M Panorama comprises two unit types of 4 bedrooms and 3 bathrooms, with indicative built-ups ranging from 1,770 sq ft to 2,026 sq ft.

M Panorama homes are designed with a practical layout, providing flexibility for future renovations. The development enclaves with 15-acre or 31% of lush greenery, including a 5-acre Central Garden, multiple themed gardens and landscapes. Among the master-planned facilities are a 1.8km perimeter walkway, a picnic area and an adventure playground.

M Panorama boasts excellent accessibility and connectivity to the city, with direct access to major highways such as the North-South Expressway (NSE), LATAR and GUTHRIE. It is also located 8.2km away from Rawang KTM station. In addition, M Panorama nestled in matured neighbourhoods which has an established network of amenities and various lifestyle shops ensuring the needs of residents are well-catered.

M Panorama sales gallery and show unit opened in Q1 2021. In Q3 2022, M Panorama Phase 1A received an overwhelming response during its weekend launch. Phase 1 and 2 of M Panorama are slated to be ready in 2025 and 2026 respectively.



KEY DEVELOPMENTS



Est. GDV: RM656 million

Land Size: 100 acres

Status: Ongoing

Property Type:
Landed residential

Location: Bandar Baru Salak
Tinggi, Selangor

Sitting on a 100-acre leasehold parcel adjacent to Stadium Bandar Baru Salak Tinggi, **M Senyum** is a landed residential project comprising 1,176 double-storey terrace houses with built-ups ranging from 1,555 sq ft to 1,761 sq ft and lot sizes of 20' x 60', 20' x 65' and 20' x 70'.

M Senyum is inspired by the concept of countryside living with a luxurious outdoor space for homebuyers to enjoy a peaceful lifestyle away from the hustle and bustle of the city. The mid-range products of M Senyum are expected to attract a large catchment of home upgraders as this development is nearby established townships such as Kota Warisan, Bandar Baru Nilai, Dengkil, Putrajaya and Cyberjaya. The affordable price point would also attract homebuyers considering new properties in Seremban.

M Senyum is well-connected to Kuala Lumpur City Centre, Putrajaya and Cyberjaya via major highways such as ELITE Highway, North-South Expressway, Putrajaya-Cyberjaya Expressway, KLIA Expressway and Kajang-Seremban Highway.

M Senyum is located near Salak Tinggi ERL station and KLIA ERL station. The Kuala Lumpur International Airport is a mere 15km away, while the Aurelius Hospital Nilai is less than 10km away. Recreational centres including the Bandar Baru Salak Tinggi Stadium, Taman Awam Nilai, Nilai Springs Golf & Country Club and the Sepang International Circuit are readily available for enjoyment. Apart from that, there are 6 universities nearby, namely Xiamen University, INTI International University, Nilai University, Manipal International University, UniKL MIAT, Islamic Science University of Malaysia and a few schools.

To-date, all residential components of M Senyum (namely Camellia, Camellia 2, Rosalia, Rosalia 2, Wisteria and Wisteria 2) has been fully taken up.

Est. GDV: RM11.1 billion

Land Size: 428 acres

Status: Ongoing

Property Type: High-rise residential,
landed residential, retail shops & more

Location: Bangi,
Selangor

Southville City is an integrated freehold township development that includes commercial, recreational and residential components, envisioned for multi-generational living. Surrounded by lush greenery, it offers comfort, serenity and the conveniences of city life to its residents.

Accessible via major highways such as ELITE Expressway, South Klang Valley Expressway (SKVE) and the KL-Seremban Highway, Southville City boasts excellent connectivity, providing accessibility for those who decide to travel away from the green enclave they call home.

Southville City has a 9.62-acre Summit Park. This is the first public park playground in Malaysia that complies with the International Playground Safety Standard, certified by the Playground Safety Association of Malaysia (PSAM). Summit Park received the prestigious Silver award for Landscape Design at The Edge Best Managed & Sustainability Awards 2023. In addition, Summit Park won the Environmental Category Award at the Malaysia Property Award 2023 by FIABCI Malaysia.

M Sinar @ Southville City, the brand new Park Homes concept development, deviates from the conventional "residences" and "residensi". M Sinar expands into the realms of physical and mental health, biophilic design principles and nature properties.

M Sinar is a serviced apartment with two blocks of 33 storeys and 999 units, surrounded by several green spaces and ample nature. Block A is now open for registration.



KEY DEVELOPMENTS

Est. GDV: RM368.8 million Land Size: 4 acres Status: Coming soon

Property Type: High-rise residential Location: Puchong Perdana

M Terra is Mah Sing's first M Series located in the heart of Puchong. The serviced apartment is conceptualised and developed as a Transit Environmental District (TED) development, aiming to provide a fresh perspective on urban living, attracting vibrancy in lifestyle, promoting creativity and generating radiant energies. With excellent connectivity and high accessibility, M Terra offers seamless connections within the Klang Valley, situated about 500m from the Puchong Perdana LRT station. The project is surrounded by educational institutions, medical centres and shopping outlets.

Surrounded by matured neighbourhoods with a fairly high-density population, M Terra features indicative built-up areas of 549 sq ft, 775 sq ft and 1,023 sq ft, comprising a total of 999 units.

M Terra opened its sales gallery in January 2024 and is targeted for official launch in Q2 2024.



Est. GDV: RM500 million Land Size: 2.8 acres Status: Coming soon

Property Type: High-rise residential and retail shops

Location: Kepong, Kuala Lumpur



M Zenya is located in the heart of the established Kepong community, next to Kepong Square and the 140-acre Kepong Metropolitan Lake. This will be the Group's fourth project in Kepong.

M Zenya is planned to be a mixed development with retail lots and 2 bedrooms, 3 bedrooms and 4 bedrooms residential units, with indicative built-ups ranging from 762 sq ft to 1,067 sq ft. M Zenya is targeted to be launched by 2024.

The project will enjoy a large captive market as the land straddles well-established neighbourhoods of Kepong, Taman Selayang Jaya, Batu Caves, Bandar Menjalara, Segambut, Taman Seri Gombak and Sentul, and is only 12km away from KLCC. These are matured residential communities, which are highly accessible via major highways and trunk roads. In addition, M Zenya also has good connectivity with easy access from Jalan Kepong (0.6km) MRR2 (1km), Jalan Ipoh and Jalan Kuching (4km) and Duke Highway (5km). In terms of public transportation, M Zenya is close to MRT Metro Prima, MRT Kepong Baru, MRT Jinjang and KTM Taman Wahyu.

KEY DEVELOPMENTS



Est. GDV: RM508 million

Land Size: 4 acres

Status: Coming soon

Property Type: High-rise residential

Location: Setapak, Kuala Lumpur

M Azura is the Group's third development in Setapak. Situated within the vicinity of matured neighbourhoods such as Wangsa Maju, Setapak Jaya, Kementah, Setiawangsa, Danau Kota and Titiwangsa, the living environment is very conducive as it is surrounded by ready amenities such as primary and secondary schools, educational institutions, public transport, shopping malls, and hospitals.

M Azura comprises two blocks of serviced apartments with 2 bedrooms, 3 bedrooms and 4 bedrooms units with indicative built-ups ranging from 700 sq ft, 850 sq ft and 1,000 sq ft. M Azura is targeted to be launched by 2024.

This development can be highly accessible via major highways and trunk roads. Located within 5km away from KLCC, M Azura has excellent connectivity via Jalan Genting Kelang (2.7km), Middle Ring Road 2 (MRR2) (4.6km), Duke Expressway (DUKE) (4.6km) and Jalan Tun Razak (5km). The project is also only 3.9km away from Sri Rampai LRT station and 4.0km from Wangsa Maju LRT station. It is just 250m away from the proposed MRT Rejang Station, which is expected to be fully operational by 2030.

Est. GDV: RM3.3 billion	Land Size: 500 acres	Status: Coming soon
Property Type: Landed residential and commercial lots		
Location: Semenyih, Selangor		

M Legasi is situated in the matured township of Semenyih, located to the south of Eco Forest and to the east of Bandar Tasik Kesuma. The land also borders the Seremban district giving it a captive target market.

According to preliminary plans, this integrated township will be developed with double-storey landed homes, well-planned amenities and commercial lots. M Legasi is expected to commence by Q3 2024 and to be developed over 8 to 10 years.



While Mah Sing shall develop retail and commercial components to complement the residential mix, buyers can immediately tap on the facilities and amenities afforded by nearby developments, which include Lotus Semenyih and Setia EcoHill Walk Mall which is 4.5km away while the Mydin Wholesale Market is 7.7km away.

The development is surrounded by public schools which are SMK and SK Tasik Kesuma (2.5km), Tenby International School Setia Ecohill (6.7km), Maverick International Primary School (9.8km) and Maverick International Secondary School (12.1km) and institutions of higher learning including MARA Japan Industrial Institute (2.5km) and Nottingham University (4.8km). Nature lovers will be able to enjoy recreational activities at Broga Hill Park which is just 3.4km away.

Connectivity wise, the township is accessible via Kajang-Seremban highway (LEKAS) exit toll Eco Majestic (8km), LEKAS highway exit toll Semenyih (9.2km), South Klang Valley Expressway (SKVE), the North-South Expressway (PLUS) or the Kajang Dispersal Link Expressway (SILK).

KEY DEVELOPMENTS

Est. GDV: RM2.2 billion

Land Size: 11.25 acres

Status:
Completed

Property Type: High-rise
residential and retail shops

Location: Jalan Cheras, Kuala Lumpur

Strategically situated in the matured neighbourhood of Cheras, **M Vertica** comprises five towers: A, B, C, D and E. The transit-adjacent development (TAD) is approximately 500m away and within walking distance from the Maluri MRT & LRT interchange, as well as 800m to the Taman Pertama MRT station. M Vertica is a mixed development with built-ups of 850 sq ft (3 bedrooms) and 1,000 sq ft (4 bedrooms) for its residential component.

In Q1 2018, M Vertica launched Phase 1 of the development (Towers A and B). M Vertica's Tower A had its topping-out ceremony in Q1 2021. Phase 2 comprises Tower C, D and E, which were launched in Q4 2018, Q4 2019 and Q3 2021 respectively.

M Vertica's Phase 1 delivered VP ahead of schedule in Q2 2022. In 2023, M Vertica achieved several remarkable milestones, such as, certified by the Malaysia Book of Records (MBOR) for having the biggest residents' facility deck in Malaysia, Phase 2 obtained an 83% QLASSIC score and achieved 8-million man-hours without Lost Time Injury (LTI) for the entire construction. The project was completed in Q2 2023.



Est. GDV: RM399 million

Land Size: 4.5 acres

Status: Completed

Property Type: High-rise residential

Location: Wangsa Melawati, Kuala Lumpur

M Adora at Wangsa Melawati is strategically connected to the city, with serene, cascading mountain ranges as its backdrop. Fully sold, M Adora is Mah Sing's debut residential development in Setapak. Residents enjoy stunning views of the Kuala Lumpur City Skyline picturesque mountains right from the comfort of their homes. The project boasts 35 exclusive facilities and the 29th-floor features a sky bridge and decks conveniently connecting Towers A and B.

Comprising two towers and a total of 677 units, M Adora offers 3 unit types and built-up areas of 850 sq ft (3 bedrooms), 1,000 sq ft (3+1 bedrooms) and 1,200 sq ft (4 bedrooms/ Dual Key). M Adora obtained the highest QLASSIC score of 85% among Mah Sing's M Series development. It's construction was also successfully completed with 2.2 million man-hours without lost time injury. Launched in 2020, M Adora was completed ahead of schedule and delivered its VP in Q4 2023.

KEY DEVELOPMENTS



Est. GDV: RM654 million

Land Size: 4.66 acres

Status: Completed

Property Type: High-rise residential

Location: Setapak, Kuala Lumpur

M Centura is a freehold high-rise residential development that offers convenience of being in the heart of the city, providing its dwellers with a modern urban living experience.

M Centura comprises 3 types of unit layouts: Type A (646 sq ft), Type B (850 sq ft) and Type C (1,001 sq ft).

Due to its prime location, accessibility to M Centura is assured. The development is situated near the Sentul Timur LRT station, Sentul LRT station and 3 KTM stations: Sentul, Kampung Batu and Batu Kentonmen. Furthermore, direct shuttle services to the LRT and MRT stations are also available.

M Centura was launched in Q4 2017 and completed in Q4 2021.

Est. GDV: RM520 million

Land Size: 96.7 acres

Status: Completed

Property Type: Landed residential & retail shops

Location: Rawang, Selangor

M Aruna represents the Group's third township in Rawang after M Residence and M Residence 2. The township has three phases comprising double-storey linked homes.

The township was developed based on the concept of the 'Secret Garden'. M Aruna provides a green sanctuary to encourage sustainability and an ideal layout to promote energy savings within the community. Outdoor living is further enhanced in M Aruna with a range of facilities, including a 2-acre central park with a tree house-themed playground, relaxing hammocks, jogging track, bicycle challenge park and a half basketball court.

The township benefits from the added access to the LATAR Expressway and the extension from Jalan Tasik Puteri, which has helped reduce travel time to the city center. M Aruna Phase 1 – Aster and Basil represent Mah Sing's first development to adopt IBS, with Aster achieving a score of 85%. Notably, all three phases of M Aruna have successfully delivered VP.



Est. GDV: RM140 million

Land Size: 182,271 sq ft

Status: Completed

Property Type: Air-conditioned mall with carpark facility

Location: Subang Bestari, Shah Alam, Selangor

Star Avenue Lifestyle Mall (SALM) is strategically located fronting the thoroughfare of Jalan Sungai Buloh, neighbouring to Sultan Abdul Aziz Shah Airport (Skypark) Subang, Kota Damansara, Shah Alam and Sungai Buloh districts.

The mall consists of four levels of air-conditioned space, with a total of 116 retail units spread across level 1 to 4, along with car park facility on the basement and level 2 podium. The mall has a gross built-up area of 297,323 sq ft and net lettable area of 182,271 sq ft.

SALM's key tenants includes Magica Events & Wedding Hall, Mr. DIY, Original Classic, Subway, Singlock, NSK Trade City, Guardian Pharmacy, 7-Eleven, Pos Malaysia and Thaj Bistro. SALM regularly organises festive and thematic events, as well as promotions for mall visitors.

KEY DEVELOPMENTS



Est. GDV: RM469 million

Land Size: 6.938 acres

Status: Ongoing

Property Type: High-rise residential and retail shops

Location: Mukim Tebrau, Johor Bahru

M Minori is inspired by Japanese Ikigai living concept, targeting young homebuyers seeking a more convenient and safer environment with better security at an affordable price. Located in the heart of the established Austin community, M Minori is surrounded by educational institutions, medical centres, shopping outlets and more.

As the first-ever M Series in Johor Bahru, M Minori is strategically located among the matured neighbourhoods of Austin Height, Taman Seri Austin and Taman Setia Indah. Additionally, M Minori is highly accessible via major highways and trunk roads, such as the North-South Expressway interchange, Pasir Gudang Highway interchange and Senai-Desaru Expressway interchange.

M Minori prioritises environmentally friendly and sustainable living, incorporating green features such as EV charging stations, rainwater harvesting, automated waste collection system and biodegradable building materials. The project has obtained GreenRE Bronze certification.

M Minori sales gallery opened in Q4 2023. Tower A's non-bumiputera lots were fully sold while Tower B's non-bumiputera lots are 80% sold. Following the encouraging response, Tower C is now open for registration.

Est. GDV: RM5 billion

Land Size: 1,313 acres

Status: Ongoing

Property Type: Landed residential, high-rise residential, shop offices and light industries

Location: Pasir Gudang, Iskandar Malaysia

Spanning 1,313 acres with over 500 acres of lush greenery and picturesque lakes, **Meridin East** is Mah Sing's largest masterplan development in Eastern Iskandar Malaysia. Meridin East is located in the heart of Pasir Gudang, easily accessible via major highways such as Pasir Gudang Highway, Senai-Desaru Highway and JB East Coast Highway.

In Q4 2021, a total of 155 units of new landed residential properties, specifically Erica Phase 1 was launched. With an excellent take-up rate and response, Erica Phase 2, consisting of 210 units of double-storey linked homes was launched in Q2 2022. Additionally, Erica Phase 3, featuring 108 units was fully sold during the weekend launch in Q3 2022. Erica West Phase 1 was launched in Q1 2023 and Erica East was launched in Q4 2023.



To improve the accessibility of Meridin East, Jalan Kong Kong, the main road which connects Meridin East to the Senai-Desaru Highway, has been upgraded to a 4 lanes dual-carriageways. Furthermore, a new connecting road to Tanjung Langsat – Cahaya Baru Toll, part of Senai-Desaru Highway is ready and awaits government approval for road access. This improvement benefits residents by enhancing connectivity and reducing travel time between Pasir Gudang and Tanjung Langsat.

Besides new launches and upgrades, this integrated township development obtained CCC for about 609 residential and commercial units in 2021. To date, Mah Sing has developed more than 3,000 residential units, including Erica Phase 1, 2 and 3 within Meridin East township and has completed and handed over houses to 2,200 happy and satisfied homeowners. The remaining landbank in Meridin East will be fully developed in 7 years.

KEY DEVELOPMENTS

M
TIARA

Est. GDV: RM480 million

Land Size: 75.7 acres

Status: Coming soon

Property Type: Landed residential

Location: Skudai, Johor Bahru

Envisioned to be a landed residential project, **M Tiara** is planned for double-storey terrace and cluster homes with indicative built-up areas of 20'22'x70' and 32'x70'/75', respectively. M Tiara is strategically located between the lively and well-established townships of Mutiara Rini and Lima Kedai. It is within a 5km drive from Stadium Sultan Ibrahim and is highly accessible via major highways and trunk roads. M Tiara is the second M Series

by Mah Sing in the Southern region and is set to meet the current market demand from genuine first time homebuyers and upgraders from matured townships nearby. Registration of interest is targeted to start in the 1H of 2024.

Est. GDV: RM904 million

Land Size: 210 acres

Status: Completed

Property Type: Industrial factories, 3-storey shop offices, commercial land, industrial land, hostel land and petrol land

Location: Tanjung Pelepas, Iskandar Malaysia

i-Parc is situated in the heart of the Golden Triangle of Import & Export, located only 1km away from Port of Tanjung Pelepas. This strategic location offers great convenience to business owners by reducing supply chain lead time and costs. Additionally, being just 5km away from Tuas Checkpoint via the Second Link Expressway, i-Parc is an ideal choice for businesses targeting the Singaporean market. The new Pontian-JB bridge, situated only 3km from i-Parc started operating in January 2023, reduces travel time between Pontian and JB city by 25 minutes.

The presence of the only petrol station in the area and a worker's hostel adds significant value and convenience for business operations, enhances productivity and efficiency.

i-Parc, a multi-functional industrial hub, caters to the diversified needs of businesses with its 6-in-1 concept, combining factory, warehouse, office, showroom, reception and studio, all in one place. This makes i-Parc the perfect choice for business owners seeking cost savings through space consolidation.

i-Parc was completed in Q3 2017 and handed over to purchasers, businesses from various industries, including e-commerce, manufacturing and logistics.



Est. GDV: RM2.7 billion

Land Size: 32.298 acres

Status: Ongoing

Property Type: High-rise serviced apartment, office suites, hotel, shopping mall and retail shops

Location: Batu Maung, Penang

Southbay City is located along the scenic route of Jalan Permatang Damar Laut in Bayan Lepas, only 1km away from Penang's second bridge. The township aims to bring the concept of living, working and relaxing within a sea-side enclave amidst a lively urban setting.

The renovated sales gallery provides spacious and enhanced accessibility for homebuyers who are interested in Mah Sing's Northern projects, namely The Loft, M Vista, Ferringhi Residence and Legenda. The uplift of the sales gallery also extends to its surrounding area, providing a secure car park exclusively for customers and easing the drive into the sales gallery from Jalan Muzium Perang.

KEY DEVELOPMENTS

Est. GDV: RM134 million

Land Size: 2.02 acres

Status: Completed

Property Type: High-rise serviced apartment

Location: Batu Maung, Penang

M Vista consists of one 23-storey tower with a total of 237 residential units, featuring 5 types of built-ups ranging from a 536 sq ft studio unit to a 1,201 sq ft unit (3+1 bedrooms). M Vista also offers green units with their own gardens at the podium floor. The size of these units range from 933 sq ft to 1,430 sq ft (3+1 bedrooms).

Strategically located only 1km from Penang's second bridge, 9km from Penang's first bridge and nearby Tun Dr Lim Chong Eu Expressway, residents can easily access the mainland and Georgetown area. Shopping malls, hotels, banks, schools and entertainment centres are located within 10km of M Vista, while the Penang airport is only 7km away.

M Vista was honoured with a high QCLASSIC Achievement Award in the High-Rise Residential Development Category with a score of 81%.

M Vista has obtained CCC in Q4 2021 and delivered VP in Q1 2022. All units have been successfully handed over to proud and satisfied owners.



Est. GDV: RM614 million

Land Size: 9.95 acres

Status: Completed

Property Type: Resort condominium

Location: Batu Ferringhi, Penang



Ferringhi Residence 2 is strategically situated near international beach hotels, 5-star resort condos and The International School of Penang (Uplands) in the surrounding vicinity. Honoured with a high QCLASSIC Achievement Award in the High-Rise Residential Development Category, Ferringhi Residence 2 achieved an impressive score of 82%.

The site is accessible through Persiaran Sungai Emas 1, branching off from Jalan Batu Ferringhi in front of Starbucks at Batu Ferringhi. Residents can conveniently walk from their homes to visit the tourist sidewalks along Jalan Batu Ferringhi.

Ferringhi Residence 2 comprises a 32-storey high-rise residence, a 10-storey mid-rise residence and a 4-storey low-rise residence, totalling 632 residential units, all linked together via a podium car park. Each block has its own exclusive entrance lobby with a distinctive design. Ferringhi Residence 2 offers a total of 5 types of built-ups ranging from 1,208 sq ft to 2,900 sq ft.

Tower B was launched in Q3 2016 and handed over to homebuyers in Q4 2020.

A modern multi-story apartment building at dusk. The building has a dark facade with many windows illuminated from within. A prominent orange vertical stripe runs along one of the wings. In the foreground, there is a landscaped courtyard with green grass, several trees, and two hammocks strung between trees. A gravel path winds through the courtyard. The sky is a soft mix of blue and purple.

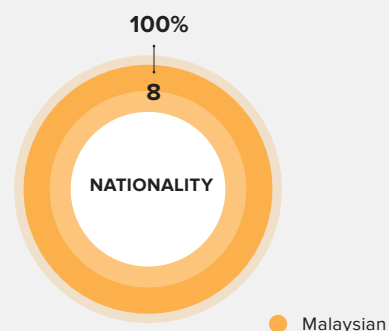
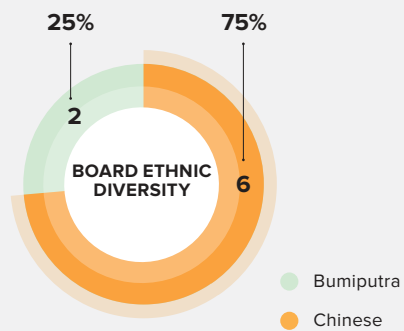
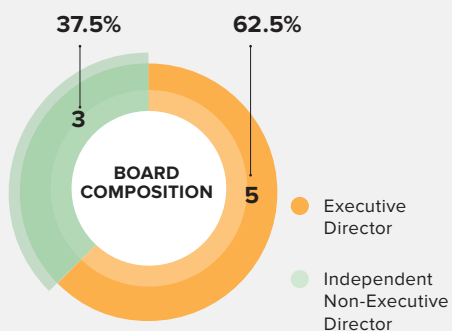
OUR LEADERSHIP

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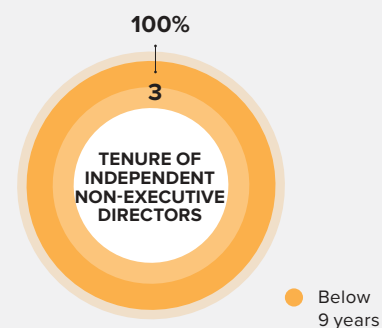
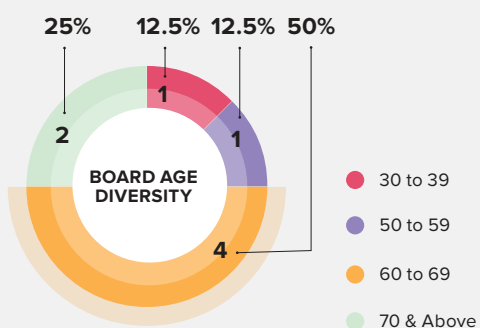
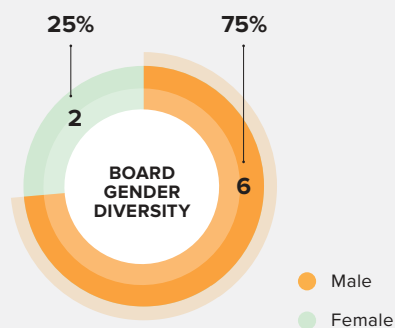
Artist's impression of outdoor deck at M Nova, Kepong.

BOARD OF DIRECTORS



As at 31 March 2024

BOARD OF DIRECTORS



PROFILE OF THE BOARD OF DIRECTORS

AS AT 30 APRIL 2024



**ADMIRAL (R) TAN SRI DATO' SERI
ABU BAKAR BIN ABDUL JAMAL**
Chairman/Independent Non-Executive Director

Nationality: Malaysian	Age and Gender: 77/Male
Date of Appointment : 1 August 2023	
- Chairman of the Nomination Committee - Chairman of the Remuneration Committee - Member of the Audit Committee	
2/2 Attended 2/2 Board Meetings convened during the financial year	

Academic/Professional Qualification(s)

Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal was the 10th Chief and the first four-star Admiral of the Royal Malaysian Navy. Admiral (R) Tan Sri Abu Bakar served the Royal Malaysian Navy for almost 40 years both at the staff and command levels culminating in the highest office of The Chief of Navy from 1998 to 2002.

Admiral (R) Tan Sri Abu Bakar was the former Chairman of Affin Fund Management Berhad and also the former Chairman of several companies covering diverse industries post his retirement including naval and marine, property development, construction and automotive. He was also a former Board member of Lembaga Tabung Angkatan Tentera (Armed Forces Fund Board).

In recognition of his services not only to Malaysia but also towards promoting international and regional understanding and peace, Admiral (R) Tan Sri Abu Bakar was bestowed the Panglima Setia Mahkota award carrying the title "Tan Sri". In addition, he also received international recognition in the form of the following awards:

- Bintang Jalasena Utama by Indonesian President Abdul Rahman Wahid on 28 August 2000
- Legion of Merit by United States President Bill Clinton on 6 October 2000

- Knight Grand Cross of the Most Noble Order of the Kingdom of Thailand by His Majesty King Bhumibol Adulyadej R on 24 February BE2544 (Gregorian 2001)
- Legion d' Honneur by President of France, Jacques Chirac on 17 June 2001

There is no family relationship between him and any director and/or major shareholder of the Company.

Save as disclosed above, Admiral (R) Tan Sri Dato' Seri Abu Bakar does not have:

- any other directorship of public companies and listed companies;
- any conflict of interest with the Company;
- any conviction of offences (other than traffic offences, if any) within the past 5 years; and
- any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF THE BOARD OF DIRECTORS

AS AT 30 APRIL 2024



TAN SRI DATO' SRI LEONG HOY KUM
 Founder and Group Managing Director

Nationality: Malaysian	Age and Gender: 66/Male
Date of Appointment : 3 December 1991	
Member of the Remuneration Committee	
4/4 Attended 4/4 Board Meetings convened during the financial year	

Academic/Professional Qualification(s)

Tan Sri Dato' Sri Leong Hoy Kum founded the plastics manufacturing division in 1979 and listed Mah Sing Group Berhad on the Kuala Lumpur Stock Exchange in 1992. He also led Mah Sing's venture into property development in 1994.

His vast experience spanning over 40 years as well as his entrepreneurial spirit culminated in the Group's rapid expansion with projects in Malaysia main growth corridors, namely Greater Kuala Lumpur, Klang Valley, Johor, Penang and Sabah. In 2020, Tan Sri Dato' Sri Leong also led Mah Sing to diversify into the healthcare industry via glove manufacturing.

In recognition of his achievements, he was conferred the Darjah Paduka Mahkota Selangor (D.P.M.S.) which carries the title of "Dato" and the Jaksa Pengaman (J.P.) awards by His Royal Highness, the Sultan of Selangor in 1996 and 2001 respectively. Tan Sri Dato' Sri Leong was conferred the Darjah Kebesaran Sultan Ahmad Shah Pahang Yang Amat DiMulia - Peringkat Pertama Sri Sultan Ahmad Shah Pahang (S.S.A.P.) which carries the title "Dato' Sri" on the Sultan Pahang's 77th birthday on 3 November 2007 and the Darjah Panglima Setia Mahkota (P.S.M.) which carries the title "Tan Sri" in 2009. He also holds the position of Honorary

President of the Associated Chinese Chambers of Commerce and Industry of Malaysia.

He also sits on the Board of Directors of other private companies. He is the father of Mr. Lionel Leong Jihn Haur, Deputy Group Chief Executive Officer and Executive Director, and brother of Datuk Seri Leong Yuet Mei, the Executive Director of the Company.

Save as disclosed above, Tan Sri Dato' Sri Leong does not have:

- (i) any other directorship of public companies and listed companies;
- (ii) any conflict of interest with the Company;
- (iii) any conviction of offences (other than traffic offences, if any) within the past 5 years; and
- (iv) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF THE BOARD OF DIRECTORS

AS AT 30 APRIL 2024



DATO' VOON TIN YOW Group Chief Executive Officer and Executive Director	
Nationality: Malaysian	Age and Gender: 66/Male
Date of Appointment : 2 February 2024	
- Member of the Board Risk and Sustainability Committee (appointed on 2 February 2024) - Did not attend any of the Board Meeting convened during the financial year as he was only appointed on 2 February 2024	

Academic/Professional Qualification(s)

Dato' Voon Tin Yow has 40 years of working experience in the construction and property development industry, which includes 3 years in construction site management and 37 years in management of property development.

He holds a Master of Science in Engineering and a Bachelor of Science in Civil Engineering from the University of Texas at Austin, Texas, USA.

He began his career in 1984 at Kimali Construction Sdn Bhd as a site engineer and went on to become a development engineer at Juru Bena Tenaga Sdn Bhd in 1986. In 1990, he joined Syarikat Kemajuan Jerai Sdn Bhd as a Project Manager and was subsequently appointed as the General Manager in 1994. He was previously an Executive Director at S P Setia Berhad and held the post of Chief Operating Officer from 1996 to 2014, during which he also acted as the Acting President and Chief Executive Officer from 1 May 2014 until 31 December 2014.

During his tenure in S P Setia, he oversaw the development of the entire ecosystem to establish the company's policies and procedures. On the international scene, Dato' Voon also oversaw S P Setia's successful ventures in Vietnam, Australia, Singapore, United Kingdom and China. He played a key role in leading the Malaysian

consortium comprising S P Setia and Rimbunan Hijau Group to jointly develop the China-Malaysia Qinzhou Industrial Park in the People's Republic of China, a government-to-government-backed project with notable Chinese partners. Dato' Voon joined Eco World Development Group Berhad in 2015 as an Executive Director. He was also a Non-Independent Non-Executive Director of Eco World International Berhad since 2017. He resigned from the board of both companies in February 2020.

Dato' Voon was appointed as the Chief Executive Officer of IOI Properties Group Berhad on 15 April 2020. He was responsible for the overall management of IOI Properties Group's business in its various business segments of Property Development, Property Investment as well as Hospitality and Leisure; and took the helm in executing strategies that deliver sustainable growth for the Group. He retired from IOI Properties Group Berhad on 1 July 2023.

There is no family relationship between him and any director and/or major shareholder of the Company.

Save as disclosed above, Dato' Voon does not have:

- (i) any other directorship of public companies and listed companies;
- (ii) any conflict of interest with the Company;
- (iii) any conviction of offences (other than traffic offences, if any) within the past 5 years; and
- (iv) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF THE BOARD OF DIRECTORS

AS AT 30 APRIL 2024



MR. LIONEL LEONG JIHN HAUR Deputy Group Chief Executive Officer and Executive Director	
Nationality: Malaysian	Age and Gender: 35/Male
Date of Appointment: 2 February 2024	
Did not attend any of the Board Meeting convened during the financial year as he was only appointed on 2 February 2024	

Academic/Professional Qualification(s)

Mr. Lionel Leong Jihn Haur holds a Bachelor's Degree in Economics and Finance from the University of New South Wales, Sydney, Australia.

He worked in a Malaysian Investment Bank for a year before joining Mah Sing Group Berhad in March 2013 as General Manager of Group Strategic Development and Projects. He was promoted to Director, Group Strategy and Operations in March 2016.

His experience includes strategic planning and managerial roles in General Management, Corporate Transformation, Digitisation, Process Improvement, Business Development, Corporate & Investment, Project Development and Group Quality Assurance.

Mr. Lionel Leong is the son of Tan Sri Dato' Sri Leong Hoy Kum, the Founder and Group Managing Director and a major shareholder of the Company. He is also the nephew of Datuk Seri Leong Yuet Mei, the Executive Director of the Company.

Save as disclosed above, Mr. Lionel Leong does not have:

- (i) any other directorship of public companies and listed companies;
- (ii) any conflict of interest with the Company;
- (iii) any conviction of offences (other than traffic offences, if any) within the past 5 years; and
- (iv) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF THE BOARD OF DIRECTORS

AS AT 30 APRIL 2024



DATO' STEVEN NG POH SENG
Executive Director

Nationality: Malaysian	Age and Gender: 58/Male
Date of Appointment : 27 June 2005	
4/4 Attended 4/4 Board Meetings convened during the financial year	

Academic/Professional Qualification(s)

Dato' Steven Ng Poh Seng has more than 30 years of experience in corporate finance, strategy, financial investment, legal, accounts and audit. He holds a Bachelor of Science degree majoring in accounting from the University of Wales, United Kingdom (UK). He is a member of both the Institute of Chartered Accountants in England and Wales and the Malaysian Institute of Accountants. He worked in a Chartered Accountancy firm in UK and upon his return to Malaysia, he served as a Manager in Malaysian International Merchant Bankers Berhad before joining S P Setia Berhad. After 8 years of service in S P Setia Berhad, he left as Head of Corporate Affairs prior to joining the Company.

In recognition of his achievements, Dato' Steven Ng was conferred the Darjah Kebesaran Mahkota Pahang Yang Amat Mulia – Peringkat Kedua Darjah Indera Mahkota Pahang (DIMP) which carries the title “Dato'” on the Sultan Pahang's 82nd birthday in 2013.

He is currently the Executive Director of the Company heading the Group Corporate and Investment division.

There is no family relationship between him and any director and/or major shareholder of the Company.

Save as disclosed above, Dato' Steven Ng does not have:

- (i) any other directorship of public companies and listed companies;
- (ii) any conflict of interest with the Company;
- (iii) any conviction of offences (other than traffic offences, if any) within the past 5 years; and
- (iv) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF THE BOARD OF DIRECTORS

AS AT 30 APRIL 2024



DATUK SERI LEONG YUET MEI Executive Director	
Nationality: Malaysian	Age and Gender: 69/Female
Date of Appointment : 17 November 1997	
4/4 Attended 4/4 Board Meetings convened during the financial year	

Academic/Professional Qualification(s)

Datuk Seri Leong Yuet Mei has over 25 years of experience in the property industry. Datuk Seri Leong holds an ACCA Certified Diploma in Accounting and Finance. Datuk Seri Leong was a member of the Malaysian Institute of Management (MIM) and the Research Institute of Investment Analysts Malaysia (RIIAM). She was attached to RHB Investment Bank Berhad as a Dealer's Representative since 1991. Prior to that Datuk Seri Leong was with KAF Discount Berhad as a Senior Accountant.

In recognition of her achievements, Datuk Seri Leong was conferred the Darjah Kebesaran Panglima Mahkota Wilayah (P.M.W.), which carries the title "Datuk" on 1 February 2018.

She was also conferred the Darjah Kebesaran Seri Mahkota Wilayah (S.M.W.), which carries the title "Datuk Seri" by Duli Yang Maha Mulia Seri Paduka Baginda Yang di-Pertuan Agong, Al-Sultan Abdullah Ri'ayatuddin Al-Mustafa Billah Shah on 1 February 2021.

Datuk Seri Leong is the elder sister of Tan Sri Dato' Sri Leong Hoy Kum, the Founder and Group Managing Director and a major shareholder of the Company. She is also the aunt of Mr. Lionel Leong Jihn Haur, the Deputy Group Chief Executive Officer and Executive Director of the Company.

Save as disclosed above, Datuk Seri Leong does not have:

- (i) any other directorship of public companies and listed companies;
- (ii) any conflict of interest with the Company;
- (iii) any conviction of offences (other than traffic offences, if any) within the past 5 years; and
- (iv) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF THE BOARD OF DIRECTORS

AS AT 30 APRIL 2024



ENCIK ABD MALIK BIN A RAHMAN
Independent Non-Executive Director

Nationality: Malaysian	Age and Gender: 75/Male
Date of Appointment : 16 April 2018	
- Chairman of the Audit Committee - Chairman of the Board Risk and Sustainability Committee - Member of the Nomination Committee - Member of the Remuneration Committee	
4/4 Attended 4/4 Board Meetings convened during the financial year	

Academic/Professional Qualification(s)

Encik Abd Malik Bin A Rahman is a Chartered Accountant member of the Malaysian Institute of Accountants (MIA), a Fellow of the Association of Chartered Certified Accountants (UK) (ACCA), and a member of the Malaysian Institute of Certified Public Accountants (MICPA).

During his working career, he held senior management positions at several companies in diverse industries including the oil & gas, manufacturing, fast moving consumer goods, multi-level marketing and port logistics segments.

He was formerly the Chairman of Affin Hwang Investment Bank Berhad, and served as an independent director of Affin Bank Berhad, Affin Hwang Asset Management Berhad, Boustead Heavy Industries Corporation Berhad, CYL Corporation Berhad, Innity Corporation Berhad and Lee Swee Kiat Group Berhad.

Encik Abd Malik is currently the Chairman and Senior Independent Non-Executive Director of Amway (Malaysia) Holdings Berhad and an Independent Director of AYS Ventures Berhad and CYL Corporation Berhad. He also sits on the board of a private limited company.

He had on 5 January 2024 disclosed to the Audit Committee and the Board of the Company that CYL Corporation Berhad, a listed company that he acts as an Independent Director, had incorporated a wholly-owned subsidiary namely CYL Land Sdn Bhd ("CLSB") to deal in property development.

Although the Group and CLSB may not have direct competition with each other for the time being, there could be potential conflict of interest situations among his role as an Independent Director in the Company and CYL Corporation Berhad ("Entities") if both Entities intend to tap into a similar property development project in the same geographical location where he requires to act in the best interest of both Entities. If such circumstance arises, he will abstain from deliberation and voting on the matter.

There is no family relationship between him and any director and/or major shareholder of the Company.

Save as disclosed above, Encik Abd Malik does not have:

- (i) any other directorship of public companies and listed companies;
- (ii) any conflict of interest with the Company;
- (iii) any conviction of offences (other than traffic offences, if any) within the past 5 years; and
- (iv) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF THE BOARD OF DIRECTORS

AS AT 30 APRIL 2024



MS. HO KIM POI	
Independent Non-Executive Director	
Nationality: Malaysian	Age and Gender: 60/Female
Date of Appointment : 28 March 2019	
Member of the Audit Committee	
4/4	Attended 4/4 Board Meetings convened during the financial year

Academic/Professional Qualification(s)

Ms. Ho Kim Poi is a member of the Malaysian Institute of Accountants (MIA) and a member of CPA Australia. She holds a Bachelor of Mathematical Science from University of Adelaide, Australia, and Masters in Business Administration from University of Lincoln, United Kingdom.

Ms. Ho has more than 30 years of experience in finance, human resource, supply chain and change management through her involvement in local conglomerate and multinational companies.

She began her career in KPMG as a tax consultant. She previously held senior management positions including regional roles from her employment with multinational corporations in pharmaceutical and multi-level marketing industries.

Apart from her directorship in the Company, she is also a director of public listed companies, Senheng New Retail Berhad and Amway (Malaysia) Holdings Berhad.

There is no family relationship between her and any director and/or major shareholder of the Company.

Save as disclosed above, Ms. Ho does not have:

- (i) any other directorship of public companies and listed companies;
- (ii) any conflict of interest with the Company;
- (iii) any conviction of offences (other than traffic offences, if any) within the past 5 years; and
- (iv) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT TEAM



Appointed as Chief Executive Officer of Property Subsidiaries on 1 June 2021

Mr. Benjamin Ong Chin Yee holds a Bachelor of Science (Hons) in Quantity Surveying from the University of Reading, United Kingdom (UK), and a Masters in Business Administration from the University of Strathclyde Business School, UK. With over 10 years of work experience in China and Hong Kong, he has established himself as a distinguished Member of the Royal Institute of Chartered Surveyors (RICS) and a key figure in the Engineering Council of the International Cost Engineering Council (ICEC).

Mr. Benjamin Ong embarked on his career journey in the year 2000. Upon joining Mah Sing in 2017, he began overseeing the overall operations of projects in Johor (South), showcasing his leadership acumen followed by the successful management of Southville City and M Senyum (Central), where his effective leadership garnered noteworthy results. Subsequently, his portfolio expanded further, encompassing projects in Penang (Northern).

As Mah Sing South Sea Industrial Development Sdn Bhd's Chief Executive Officer, his leadership in industrial projects and sectors highlights his diverse skill set. Moreover, he is leading the construction arm of the Company, ensuring excellence in every facet of the operations. His ongoing efforts drive the Company forward, embodying the vision and values that define the Company.

Mr. Benjamin Ong plays a pivotal role in the Company's retail and leasing operations, showcasing a sharp understanding of market dynamics. He plays a crucial role in land acquisition to strengthen the Company's industry position, particularly leading and managing the Company's business relationships and opportunities in China and beyond.



Appointed as Chief Executive Officer of Property Subsidiaries on 1 June 2021

Mr. Yeoh Chee Beng graduated from University Sains Malaysia (USM), Malaysia, with a Master of Business Administration and Management. He also holds a Bachelor of Economics from University of Western Australia, Australia. He has over 29 years of experience in the property industry spearheading effective sales and marketing strategies, project planning, project implementation and after sales service.

He started his career with Mayban Finance Berhad prior to venturing into the property industry. After 5 years, he joined Hunza Properties Berhad and thereafter, S P Setia Berhad, where he worked almost 6 years prior to joining Mah Sing.

Mr. Yeoh joined the Company in 2011 and has widely contributed to the business through his forte, sales & marketing, project planning and project implementation. Mr. Yeoh is currently the Chief Executive Officer of Property Subsidiaries, where he is responsible for the overall projects under his portfolio, driving business performance and contributing to the Group's overall achievements.

With Mah Sing, he has been involved in planning and completing many projects such as M City, Icon Residence @ Mont Kiara One Legenda, Southbay Plaza, Legenda @ Southbay, Ferringhi Residence Phase 1, Lakeville Residence, Residensi Seri Wahyu, M Vertica, M Luna, M Adora, M Astra, M Aruna, M Panora, M Nova, M Zenya as well as the upcoming M Azura.

PROFILE OF KEY SENIOR MANAGEMENT TEAM

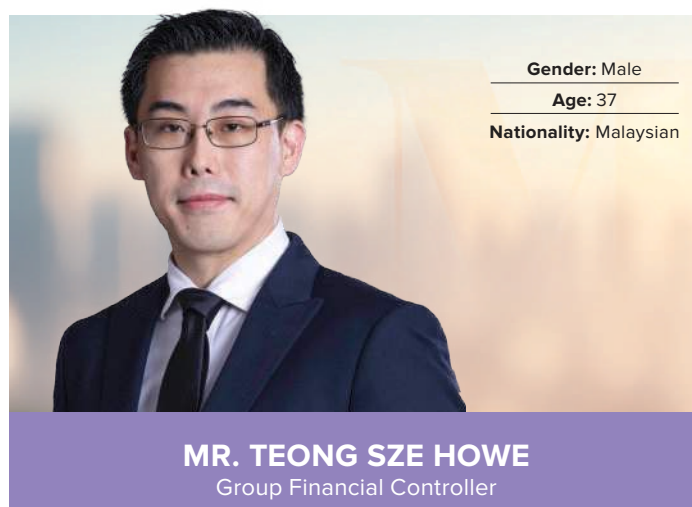


Appointed as Chief Executive Officer on 12 October 2021

Mr. Michael Ng Kim Lui graduated from London School of Economics, London, United Kingdom and obtained his MBA from Charles Sturt University, Australia. He is a member of Chartered Management Accountant (CIMA), Chartered Global Management Accountant (CGMA) and CPA Australia.

Prior to joining Mah Sing, he was the General Manager, Sales and Marketing for Global Market of Hartalega Holdings Berhad. He held numerous senior management capacities throughout his career with close to 35 years of working experience serving multinational companies, namely Kereny Norman Pte Ltd, British Telecom Plc, Fuji Xerox Asia Pacific Pte Ltd, Greif Inc USA and managing his own company, Bito Group Worldwide. He is proficient in business planning, operations management, sales management, and administration.

Mr. Michael Ng joined the Company in 2021 and is currently overseeing both the plastics and glove manufacturing operations.



Appointed as Group Financial Controller on 29 December 2020

Mr. Teong Sze Howe graduated from the University of Technology, Sydney, Australia with a Bachelor of Business majoring in Accounting and Finance. He is a member of the Malaysian Institute of Accountants (MIA) as well as a member of CPA Australia.

Mr. Teong has more than 15 years of experience in the areas of audit, corporate exercise, accounting and finance. Prior to joining Mah Sing, Mr. Teong was an Audit Director with one of the big four accounting firm (including an 18 months internal secondment to the United States), specialising in the areas of property development, manufacturing, technology, retail and trading. Throughout his career, Mr. Teong was also involved in multiple Initial Public Offerings (IPO), Reverse Take Over (RTO) and fund raising exercises.

Mr. Teong is currently responsible for the management of financial affairs of the Group.

PROFILE OF KEY SENIOR MANAGEMENT TEAM



Gender: Male

Age: 56

Nationality: Malaysian

MR. LEE FOO KEONG

Executive Director, Mah Sing Plastics Industries Sdn Bhd
President Director, P.T. Mah Sing Indonesia
President Director, P.T. Mandiri Sinergi Plastindo

Appointed as Executive Director on 1 July 2020

Mr. Lee Foo Keong graduated from University of Warwick, United Kingdom, with a Master Degree in Manufacturing Systems Engineering in 1992. After completing his studies, he returned to Malaysia and joined Mah Sing Plastics Industries Sdn Bhd ("MSPISB"). He is currently the Executive Director of MSPISB and oversees the Plastic Business's operations. He has been the key proponent of MSPISB's continued push for research and development, operational cost reduction, factory digitalisation & automation, as well as the new business and people development.

He has been holding different managerial positions in MSPISB's Research & Development, Factory Operations, Sales & Marketing and Strategic Business Development divisions. He served as the General Manager and Chief Operating Officer of MSPISB prior to his appointment as Executive Director in MSPISB.

In addition to his responsibilities at MSPISB, he was appointed as President Director at P.T. Mah Sing Indonesia in December 2022.

Throughout the years, he has accumulated various experiences in business development, operational, managerial, marketing and customer relations roles. Mr. Lee also leads the Group's venture into the gloves manufacturing industry by providing advisory services to Mah Sing Healthcare Sdn Bhd specifically on the manufacturing activities for the gloves business. In February 2024, Mr. Lee was appointed as President Director at P.T. Mandiri Sinergi Plastindo.



Gender: Male

Age: 48

Nationality: Malaysian

MR. CHRIS CHEN WENG HONG

Chief Operating Officer

Appointed as Chief Operating Officer on 1 April 2023

Mr. Chris Chen Weng Hong, a seasoned professional with a wealth of experience spanning 27 years from multi-national companies to public listed companies is a dynamic leader and an integral part of Mah Sing's team. Armed with a Master's in Business Administration from the University of Lincoln, United Kingdom and holding the title of Chartered Marketer since 2007, Mr. Chris Chen brings a blend of academic acumen and practical industry knowledge to the table.

In 2008, Mr. Chris Chen embarked on his career in the real estate sector with Mah Sing. Over the years, his expertise has encompassed a wide spectrum within the real estate industry, including landed properties, townships, integrated developments and high-rise residential projects.

He has a good track record of successfully marketing projects to both Malaysians and international buyers. His projects have garnered interest and investment from discerning buyers in Singapore, Indonesia, Taiwan, Hong Kong and China, showcasing his ability to navigate and thrive in a global business landscape.

Currently, Mr. Chris Chen oversees a comprehensive portfolio that includes project planning, sales and marketing, construction, customer service and property management. His leadership ensures a seamless integration of these critical facets, fostering a holistic approach to project success.

PROFILE OF KEY SENIOR MANAGEMENT TEAM



Appointment as Chief Experience Officer on 1 January 2024

Mr. Bernard Yong Chen Wei graduated from Staffordshire University, United Kingdom with a Bachelor of Science in Computing.

He has spent more than 17 years in the property industry and possesses experience in the areas of Sales & Marketing, Customer & Brand Experience, Strategic Marketing & Commercialisation, and Customer Service. He has a successful track record of spearheading compelling brand narratives, strategic marketing and brand strategies, customer experience building, and corporate transformation.

Mr. Bernard Yong has worked in a number of organizations ranging from privately held enterprises to public listed and government-linked corporations and has branded and marketed a variety of projects ranging from residential precincts to financial districts, and driven customer-centric transformation across his organizations.

He is currently responsible for the end-to-end customer experience for Mah Sing, starting from the brand discovery experience, all the way to post-delivery satisfaction and loyalty.



Appointment as Head of Group Strategic Communications, Sustainability, and Corporate Responsibility on 1 August 2018

Ms. Lyanna Tew Hui Si joined Mah Sing Group Berhad in 2006 and currently serves as the Head of Group Strategic Communications, Sustainability, and Corporate Responsibility.

In her current role, Ms. Lyanna Tew spearheads the development and implementation of comprehensive communication strategies and reputation management efforts. She leads the articulation of sustainability strategies and programs, driving performance across various ESG ratings and indices. Ms. Lyanna Tew is instrumental in Mah Sing's sustainability reporting and performance, fostering close collaboration with both internal teams and external partners to position Mah Sing as an industry frontrunner in sustainability practices and thought leadership.

Before joining Mah Sing, Ms. Lyanna Tew gained valuable experience at an international banking institution, a public relations consultancy specializing in luxury and financial sectors and a multinational IT company.

With a rich 24-year tenure in the field of communications, Ms. Lyanna Tew holds a Bachelor's Degree in Corporate Communications (Hons) from Universiti Putra Malaysia, Selangor complemented by a Certificate in Investor Relations (CIR) from the UK IR Society Examination Board.

Declaration by Key Senior Management:

- (i) No family relationship with any director and/or major shareholder of the Company.
- (ii) No other directorship in public companies and listed issuers.
- (iii) No conflict of interest between him/her and the Company.
- (iv) Other than traffic offences (if any), no conviction for any offences within the past 5 years; and
- (v) No public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

A modern building with a curved facade and a large tree in the foreground, with a swimming pool and lush greenery in the background.

OUR SUSTAINABILITY STATEMENT

110 Sustainability Statement



Artist's impression of the kids' pool at M Terra, Puchong.

SUSTAINABILITY STATEMENT

The inclusion of this condensed Sustainability Statement in IAR2023 is to provide condensed disclosure on Mah Sing's ESG performance for FY2023 in line with the requirements of specific sustainability reporting frameworks, notably the Bursa Malaysia SRG3.

This statement provides disclosures on mandatory topics deemed material and related indicators and also covers other aspects such as the Group's materiality assessment process, its engagement with stakeholders and other pertinent information.

A more comprehensive account of the Group's sustainability performance and related disclosures is provided in Mah Sing's standalone SR2023. Additionally, relevant disclosures aligned to TCFD have also been included accordingly. The inclusion of TCFD disclosures is to pave the way for adoption of IFRS S2 in due course.

GOVERNANCE OF SUSTAINABILITY

The governance of sustainability is overseen by the Board of Directors, which holds the highest authority within the Group. This ensures that sustainability issues, such as important topics, plans, strategies, resource allocation, and setting of performance targets, receive strategic leadership and supervision.

Placing the sustainability agenda under the Board's purview underscores its importance to the Group's ability to operate and generate value. Supporting the Board is a dedicated Board Risk and Sustainability Committee ("BRSC"), which is assisted by a cross-functional Risk and Sustainability Management Committee ("RSMC") comprising Executive Management personnel, including the Group CEO.

The RSMC meets regularly to review ESG data and assess sustainability performance against key objectives. While the Board and BRSC set broad direction and monitor performance, Executive Management is responsible for developing operational plans to achieve sustainability goals.

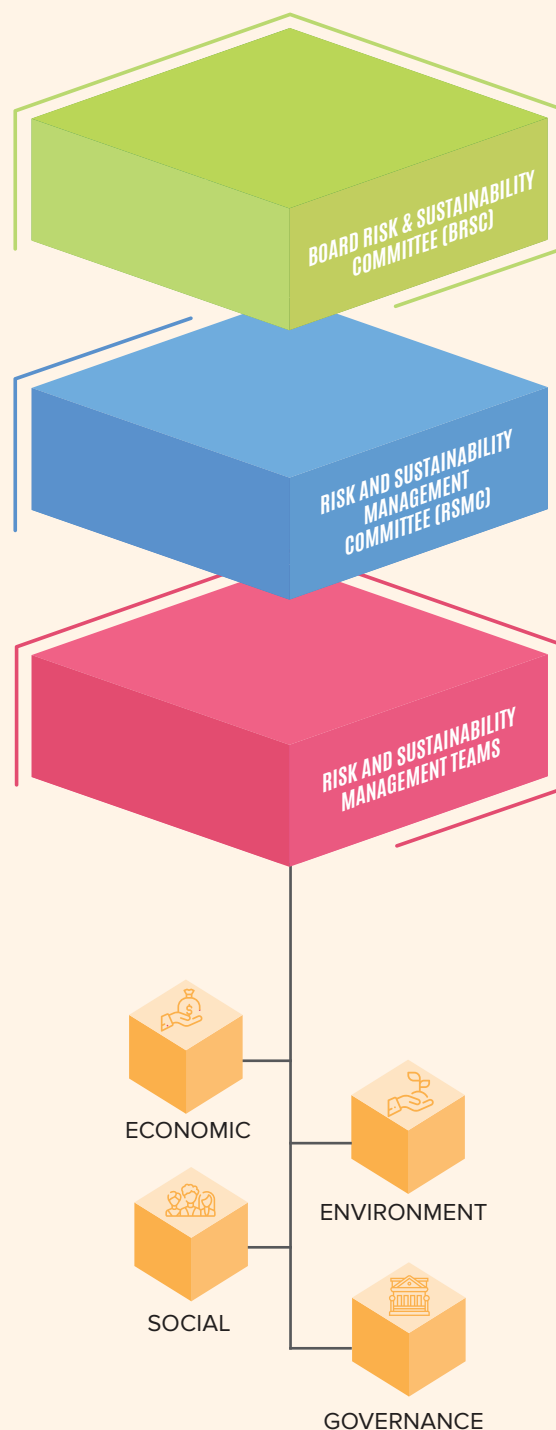
This involves creating action plans to meet targets and fostering a culture where sustainability is integrated into the organization. Executive Leadership is supported by a Risk and Sustainability Management Teams, which includes personnel from various operational functions and divisions.

The governance structure aims to emphasise the importance of ESG to financial, business, and operational performance, identify and manage risks and opportunities, and ensure the Group remains aligned with its business objectives.

SUSTAINABILITY POLICY

The Group's Sustainability Policy underpins the Group's sustainability framework and reflects the Board's and Management's commitment to prioritise sustainability as key to the Group's value creation approach and align operations across its business divisions to this commitment. Policy details can be found here: <https://www.mahsing.com.my/sustainability>.

MAH SING'S SUSTAINABILITY GOVERNANCE STRUCTURE



SUSTAINABILITY STATEMENT

STAKEHOLDER MANAGEMENT AND ENGAGEMENT

Mah Sing believes that constant back and forth engagement with its valued stakeholders remains crucial in ensuring its sustainability approach remains inclusive of the perspectives of stakeholders' regarding financial and non-financial value creation.

Understanding the needs and aspirations of stakeholders is imperative in creating and sustaining values. Values and value creation must continue to be defined based on a collective perspective where stakeholders' views are given due credence. This ensures that the business model and strategies remain aligned to market realities as well as the requirements of regulators, investors, financiers and shareholders as well as local communities.

The Group defines its stakeholders as individuals, entities or organisations that are impacted by Mah Sing's business model and business operations and conversely, individuals, entities or organisations that have the capability to impact Mah Sing's business model and its operations.

FY2023 STAKEHOLDER ENGAGEMENT TABLE

STAKEHOLDERS	ENGAGEMENT METHODS	FREQUENCY	CONCERNS & INTERESTS	MAH SING'S RESPONSE
Customers Existing and potential customers of products and services	• Social media • MY Mah Sing app • SMS communication • Newsletters • Customer service office	• Ongoing • Ongoing • Ongoing • Quarterly • Daily	• Product quality • Design efficiency • Security of development • End-to-end customer experience • Customer experience • Low-maintenance products • Social contributions	• Timely response to customer's feedback (SR2023, Page 57-62) • Customer satisfaction surveys (SR2023, Pages 58, 61) • Digitisation of customer engagement platforms (SR2023, Page 63-64) • Customer engagement activities (SR2023, Page 59-62) • Adherence to quality standards (IAR2023 Page 48-49; SR2023 Page 53-59) • Eco-friendly development features (SR2023, Page 22, 86-88)
Employees Individuals employed by Mah Sing, including Board of Directors	• Townhalls • Internal email MComm • Meetings • Health, Safety and Environment ("HSE") Meetings • Employee Handbook • Employee Engagement Survey (Our Voice) • Internal Customer Experience Survey ("ICES") • Voluntary programmes	• Quarterly • As and when required • As and when required • Monthly • As and when required • Annually • Annually • Annually	• Work-life balance • Training and development • Health and safety • Diversity and inclusion • Engagement and visibility • Job satisfaction and retention • Employee benefits and welfare • Strategy and direction • Job security • Effective leadership	• Regular updates on company strategy and performance (SR2023, Page 104-106) • HSE training and activities (SR2023, Page 124-125) • Transparent performance appraisal process and rewarding scheme (SR2023, Page 114) • Provision of training programmes (IAR2023, Page 54; SR2023 Page 108-114) • Employee engagement platforms (SR2023, Page 104-105) • "Provision of competitive" employee benefits (SR2023, Page 107)
Shareholders and Investors Retail and institutional investors	• Annual General Meeting • Corporate website • Meetings and site visits • Investor briefings • Email communication • Teleconference calls • Annual reports	• Annually • Ongoing • As and when required • As and when required • As and when required • As and when required • Annually	• Sustainable financial returns • Transparency • Operational efficiency • Company liquidity • Responsible business • Good governance • Effective leadership	• Timely updates on company strategy and performance through quarterly financial reporting and announcements on Bursa Malaysia • Timely communication on risk management and governance matters with investors (IAR2023, Page 15-17)

SUSTAINABILITY STATEMENT

STAKEHOLDERS	ENGAGEMENT METHODS	FREQUENCY	CONCERNS & INTERESTS	MAH SING'S RESPONSE
Government and Regulatory Authority Malaysian Federal and State Governments, municipal councils and regulators	- Industry workshops - Reporting - Certifications - Events	- As and when required - As and when required - As and when required - As and when required	- Compliance - Product quality - Affordable housing - Transparency - Environmental impacts - Health and safety - Tax payment - Social contributions	- Monitoring of compliance through industry requirement legal checklist (IAR2023, Page 46; SR2023 Page 32, 35, 54-55) - Transparent reporting and communications through annual reports, quarterly financial reporting and announcements on Bursa Malaysia - Adoption of Green Certifications (SR2023, Page 87) - Use of recyclable materials (IAR2023, Page 49; SR2023, Page 81-83) - Contributions to local communities (SR2023, Page 126-133)
Business Partners Joint venture partners, technical consultants and advisors	- Auditing & Assessment - Training/ Briefing - Meetings - Email notification in the event of any revision or changes in the Integrated Management System ("IMS") documents	- As and when required - As and when required - As and when required - As and when required	- Strategy and direction - Timely payment - Fair treatment - Job and business opportunities - Relationship - Knowledge sharing	- Timely updates on company strategy and performance via e-mails, meetings, quarterly financial reports and periodic announcements to the regulator - Engagement activities as part of the business agreement or collaborations
Media Online and print outlets to deliver information to the wider audience	- Press release - Conferences and media briefings - Media interviews - Product launches and corporate events - Award ceremonies	- As and when required - As and when required - As and when required - As and when required - As and when required	- Reliable and timely information - Market and industry insights - Strategy and direction - Job and business opportunities	- Proactive and timely engagements (press releases and briefings) - Social engagement such as festive get-together celebrations and property-related media events - Interviews with senior management - Participation in media property and business awards platforms
Suppliers and Contractors Local suppliers and contractors who provide materials and services	- Contractor training programmes - Email communication - Supplier and contractor evaluations - Meetings - Relationship building sessions	- Ongoing - Ongoing - Ongoing - Ongoing - Ongoing	- Contractual terms - Selection process - Sourcing of materials - Job and business opportunities - Health and safety Pricing - Environmental Management System - Design efficiency - Timely payment	- Open tender process for all procurement promotes fair and transparency. (SR2023, Page 40-44) "A high level" of contractors engaged are meeting "performance standards". (SR2023, Page 38-40) - Mandate all contractors accept and comply with Mah Sing's Group of companies Code of Conduct & Ethics (SR2023, Page 30, 36-38) - Mandate all contractors attend QCLASSIC training (SR2023, Page 55) - Mandate all contractors comply with Mah Sing site safety, health and environment rules (SR2023, Page 122-124)
Communities Local communities who are impacted directly and indirectly by operations	- Meetings - Social media - Collaborations - Community development programmes - Mah Sing Foundation ("MSF") newsletter - Mah Sing Foundation Night - Employee volunteering initiatives such as the Annual Corporate Responsibility Day	- As and when required - Ongoing - As and when required - Ongoing - Quarterly - Annually - Annually	- Job and business opportunities - Infrastructure improvements - Community development - Product quality - Health and safety - Location connectivity (accessibility) - Environmental impacts - Affordable housing	- Collaborations with NGOs (SR2023, Page 126-133) - Contributions to local communities (IAR2023, Page 59; SR2023, Page 126-133) - Infrastructure improvements around development vicinity (SR2023, Page 48-51) - Adherence to local authority and regulations, including compliance to strict operational health and safety practices at construction site and developments (SR2023, Page 120-125) - Eco-friendly development features (SR2023, Page 86-88) - Adherence to quality standards (SR2023, Page 52-55)

SUSTAINABILITY STATEMENT

OUR MATERIAL MATTERS

Mah Sing had conducted a comprehensive materiality assessment exercise (“MAE”) in FY2022 based on a double materiality approach comprising the following materiality perspectives:

How ESG topics can / will impact financial performance and to what extent (financial materiality)

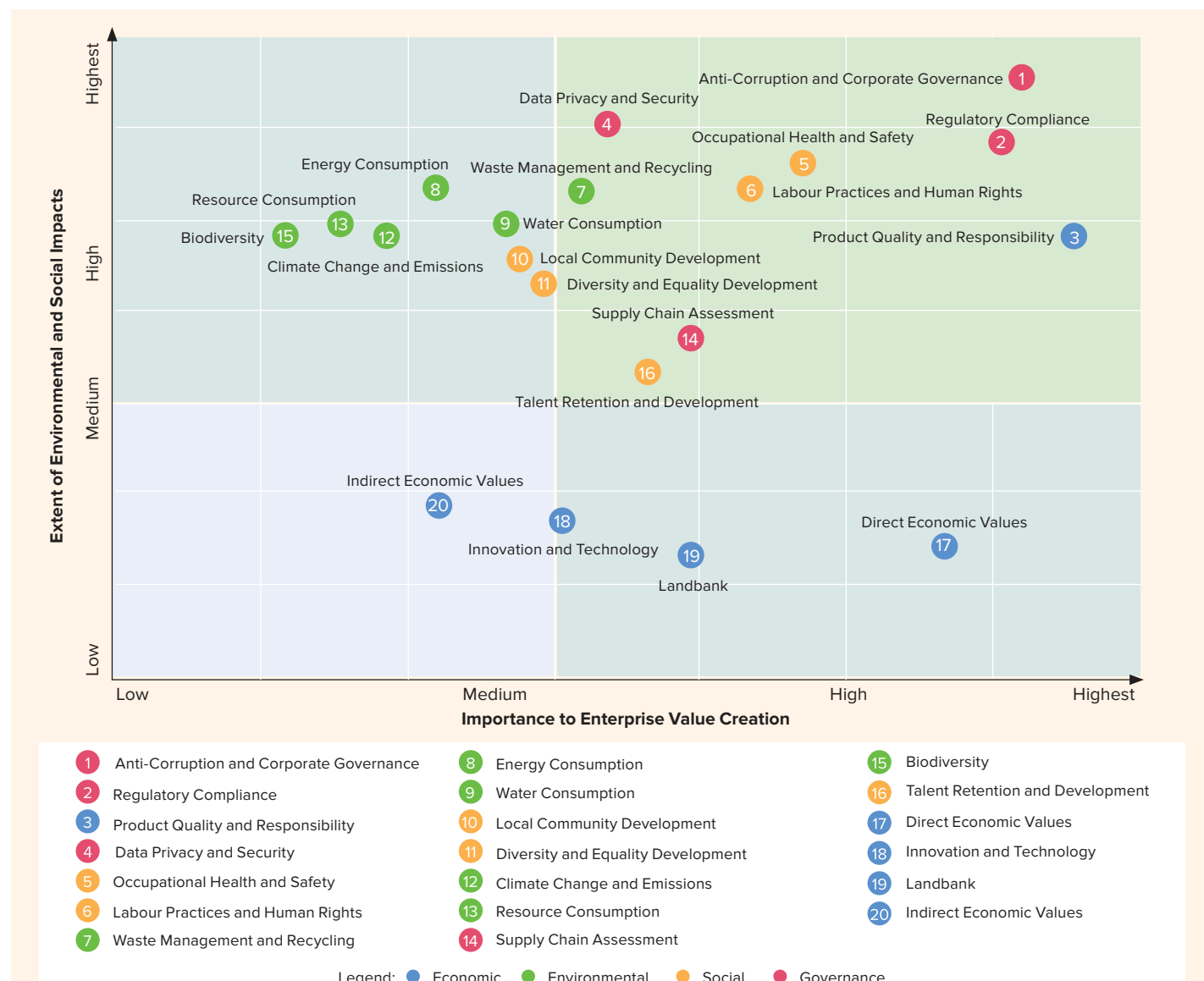
How ESG topics can / will impact society and the physical environment and possibly national agendas and to what extent (impact materiality)

Having conducted a thorough MAE in the previous year, for FY2023, Mah Sing has opted to perform an internal review of the materiality matrix and the positioning of topics deemed material.

This is in line with the best practices stipulated in the Bursa SRG3, which recommends a **limited scale review** of material matters to re-affirm that key issues remain relevant.

The internal review undertaken by the Group’s Sustainability team as well as management reconfirmed the positions and significance of topics. The review took into account present market and operating realities including trends and developments arising from the external operating environment. These included regulatory changes, evolving stakeholder requirements, supply chain issues, rising material and energy costs and human and labour rights concerns.

The materiality matrix below is a restatement of the Group’s matrix from FY2022. The review by Management was accepted and approved by the Board on 28 February 2023 and showcases how the material topics align with their respective influence on stakeholder perspectives as well as their significance to the Group’s EES impacts. Specific details on each material topic are provided in subsequent pages of SR2023.



SUSTAINABILITY STATEMENT

OUR PERFORMANCE

Full details on the Group's ESG performance is provided in SR2023. This statement provides a concise view of Mah Sing's performance against the topics listed under the Bursa Malaysia SRG3:

Topic	Indicators	FY2021	FY2022	FY2023
Common Indicators				
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category	100%	Board of Directors : 100% Senior Management : 100% Employees : 100%	Board of Directors : 100% Senior Management : 100% Employees : 100%
	Percentage of operations assessed for corruption-related risks	100%	100%	100%
	Confirmed incidents of corruption and action taken	0	0	0
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM1.398 million	RM0.872 million	RM0.812 million
	Total number of beneficiaries of the investment in communities	Benefitted > 27 Schools & NGOs Impacted > 49,000 individuals	Benefitted > 24 Schools & NGOs Impacted > 10,000 individuals	Benefitted > 20 Schools & NGOs Impacted > 900 individuals
Diversity	Percentage of employees by gender:			
	• Managerial staff	-	MSPD Male : 44.96% Female : 55.04% RWM Male : 69.23% Female : 30.77% MSPI Male : 79.49% Female : 20.51% PTMSI Male : 90% Female : 10% MSHC Male : 76% Female : 24%	GROUP-WIDE Senior Management Male : 62% Female : 38% Management Male : 52% Female : 48% Executive Male : 43% Female : 57% Non-Executive Male : 84% Female : 16%
	• Executive staff	-	MSPD Male : 48.44% Female : 51.56% RWM Male : 60% Female : 40% MSPI Male : 47.06% Female : 52.94% PTMSI Male : 92.31% Female : 7.69% MSHC Male : 42.86% Female : 57.14%	

SUSTAINABILITY STATEMENT

Topic	Indicators	FY2021	FY2022	FY2023
Common Indicators				
	• Operational staff	-	MSPD Male : 36.36% Female : 63.64% RWM Male : 66.67% Female : 33.33% MSPI Male : 92.13% Female : 7.87% PTMSI Male : 85.21% Female : 14.79% MSHC Male : 67.32% Female : 32.68%	
	Percentage of employees by age group:			
	• Managerial staff	-	MSPD < 30 : 2.22% 30-50 : 79.56% > 50 : 18.22% RMW < 30 : 30.77% 30-50 : 69.23% > 50 : 0% MSPI < 30 : 5.13% 30-50 : 58.97% > 50 : 35.90% PTMSI < 30 : 0% 30-50 : 80% > 50 : 20% MSHC < 30 : 8% 30-50 : 80% > 50 : 12%	GROUP-WIDE Senior Management <30 : 0% 30-50 : 62% >50 : 38% Management <30 : 5% 30-50 : 79% >50 : 16% Executive <30 : 30% 30-50 : 65% >50 : 5% Non-Executive <30 : 52% 30-50 : 43% >50 : 5%
	• Executive staff	-	MSPD < 30 : 30.55% 30-50 : 64.84% > 50 : 4.61% RMW < 30 : 40% 30-50 : 55% > 50 : 5% MSPI < 30 : 23.53% 30-50 : 60.78% > 50 : 15.69% PTMSI < 30 : 0% 30-50 : 76.92% > 50 : 23.08% MSHC < 30 : 36.73% 30-50 : 63.27% > 50 : 0%	

SUSTAINABILITY STATEMENT

Topic	Indicators	FY2021	FY2022	FY2023
Common Indicators				
	• Operational staff	-	MSPD < 30 : 24.79% 30-50 : 66.12% > 50 : 9.09% RMW < 30 : 66.67% 30-50 : 33.33% > 50 : 0% MSPI < 30 : 58.01% 30-50 : 34.91% > 50 : 7.09% PTMSI < 30 : 0.67% 30-50 : 48.91% > 50 : 35.90% MSHC < 30 : 81.70% 30-50 : 18.30% > 50 : 0%	
	Percentage of directors by gender	Male : 57% Female : 43%	Male : 57% Female : 43%	Male : 71% Female : 29%*
	Percentage of directors by age group	50 to 59 years old: 28.5% 60 to 69 years old: 43% 70 years old and above: 28.5%	50 to 59 years old: 28.5% 60 to 69 years old: 43% 70 years old and above: 28.5%	50 to 59 years old: 14.3% 60 to 69 years old: 57.1% 70 years old and above: 28.6%
Energy management	Total energy consumption (GJ)	194,231.45	207,062.93	511,479.27
Health and safety	Number of work-related fatalities	MSPD : 0 MSPI : 0 PTMSI : 0 MSHC : 0	MSPD : 0 MSPI : 0 PTMSI : 0 MSHC : 0	MSPD : 1 MSPI : 0 PTMSI : 0 MSHC : 0
	Lost time incident rate	MSPD : 0.31 MSPI : 10.63 MSHC : 13.37	MSPD : 0 MSPI : 10.70 MSHC : 10.76	MSPD : 1.12 MSPI : 5.57 MSHC : 1.83
	Number of employees trained on health and safety standards	1,171	1,168	1,498
Labour practices and standards	Total hours of training by employee category			GROUP-WIDE Senior Management: 701.3 Management: 4,160.5 Executive: 8,173 Non-Executive: 10,968.5
	Percentage of employees that are contractors or temporary staff	30%	32%	35%
	Total number of employee turnover by employee category	-	GROUP-WIDE Senior Management : 15 Management : 54 Executive : 155 Non-Executive : 357	GROUP-WIDE Senior Management : 4 Management : 43 Executive : 129 Non-Executive : 401
	Number of substantiated complaints concerning human rights violations	0	0	0

* Following the retirement of a women director in June 2023, the women composition on the Board has decreased marginally to 29%.

SUSTAINABILITY STATEMENT

Topic	Indicators	FY2021	FY2022	FY2023
Common Indicators				
Supply chain management	Proportion of spending on local suppliers	MSPD : 45.76% MSPI : 84.47% PTMSI : 0% MSHC : 50.14%	MSPD : 46.24% MSPI : 86.46% PTMSI : 0% MSHC : 97.85%	MSPD : 96.3% MSPI : 95.4% PTMSI : 90% MSHC : 94.33%
Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0
Water	Total volume of water used (Megalitres)	306	346	624
Waste management	Total waste generated, and a breakdown of the following:			
	(i) total waste diverted from disposal (tonnes)	2,212	2,103	1,793.8
	(ii) total waste directed to disposal (tonnes)	844.3	1,295	577
Emissions management	Scope 1 emissions in tonnes of CO ₂ e	3,529 MT CO ₂ e	3,251 MT CO ₂ e	4,351 MT CO ₂ e
	Scope 2 emissions in tonnes of CO ₂ e	24,248 MT CO ₂ e	26,377 MT CO ₂ e	28,688 MT CO ₂ e
	Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	-	1,457.86 MT CO ₂ e	1,529.09 MT CO ₂ e

OUR CORPORATE GOVERNANCE

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Bird's-eye view of Ferringhi Residence 2 in Batu Ferringhi, Penang.

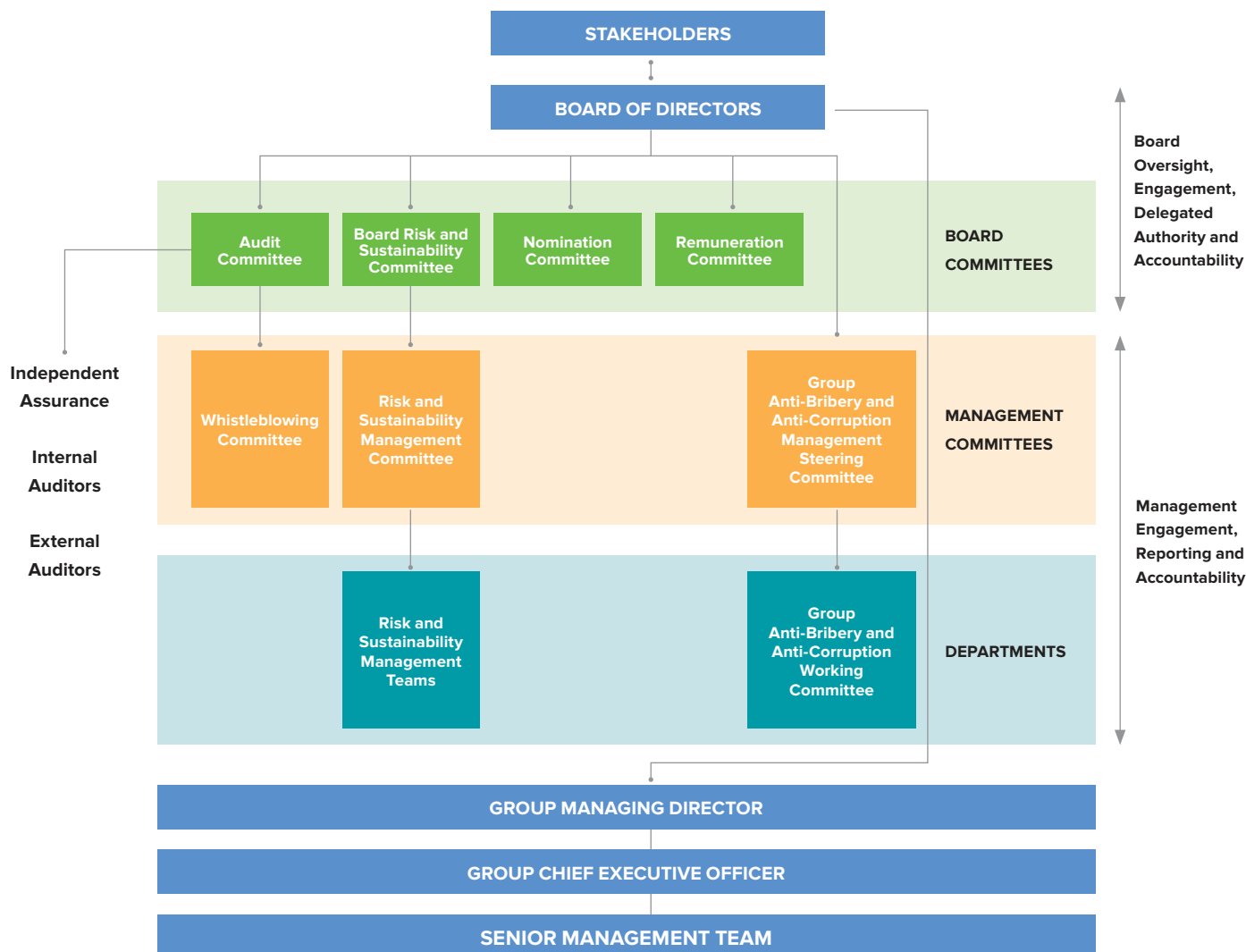
CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) and the management of Mah Sing Group Berhad (“**Mah Sing**” or “**Company**”) remain committed in promoting corporate governance culture and transparency within the Company and its subsidiaries (“**Group**”).

Good corporate governance has become a fundamental part of our corporate culture and business practices of the Group. The Board strives to ensure the continued strong performance of our businesses and maintain investors’ confidence. The sustainable, long-term growth of our business performance and stakeholders’ value is reflected by our Group performance and track record over the years.

GOVERNANCE FRAMEWORK

The governance framework of the Group as illustrated below demonstrates how the Company manages its Group’s businesses to achieve its objectives. It also explains how the organisational structure facilitates the roles and functions at each level, with two-way interaction between the Board, the Board Committees and the Group Managing Director, down to the management and operational level. The actions, execution of plans, reporting and accountability will flow back upwards to the Board for further evaluation and decision.

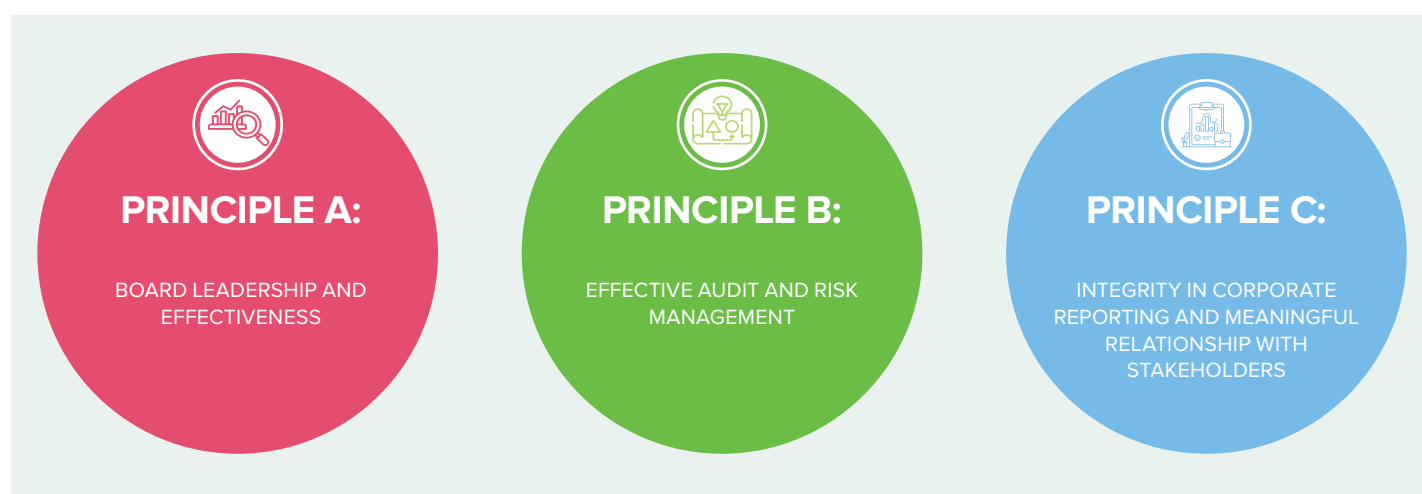


CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board has been guided by the Malaysian Code on Corporate Governance (“**MCCG**”) in implementing the corporate governance practices, while ensuring compliance with the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and the Companies Act 2016.

This Corporate Governance Overview Statement provides insights into the Board’s view of the Company’s corporate governance practices, its key focus areas and future priority with reference to the principles and practices of the MCCG.

This overview statement reports on how the Group has applied the 3 principles below set out in the MCCG, during the financial year ended 31 December 2023 (“**FY2023**”) and after consideration of the Group’s structure, business environment and industry practices:



Details on the extent the Company applies each corporate governance practice, including explanation for any departure(s), are disclosed in the Corporate Governance Report. The Corporate Governance Report is accessible on the Company’s website at <https://www.mahsing.com.my/corporate-governance/> and an announcement made by the Company on the website of Bursa Securities at www.bursamalaysia.com.

Application of corporate governance principles and practices are reviewed regularly and revised as appropriate to reflect changes in the law and developments in corporate governance, as well as the changing needs of the Group in the business environment.

The Board believes that the practices set out in the MCCG have, in all material respects, been applied to achieve their intended outcomes which are found to be suitable and appropriate to the Group as set out in this statement and the Corporate Governance Report subject to any explanations for any departure disclosed therein.

Our website contains copies of the Board Charter and Terms of Reference of the Board Committees mentioned in this Corporate Governance Overview Statement. The website is updated periodically to ensure that it reflects the Group’s current corporate governance information.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1.0 Board Leadership

1.1 Board Charter

The Board Charter sets out the composition, roles and responsibilities and processes of the Board. It provides an overview of how the Board is led by strategic guidance and effective management oversight. It also sets out the delegation of authority by the Board to various Board Committees to ensure the Board members would act in the best interest of all stakeholders in performing their responsibilities on behalf of the Group.

The Board Charter also acts as a source of reference and primary induction literature in providing insights to Board members and senior management.

The Board reviews the Board Charter as and when necessary to ensure consistency with the needs of the Group and the new regulations impacting the discharge of the Board's responsibilities. This is to ensure its relevance for good corporate governance practices within the Group.

The Board Charter is available on the Company's website at <https://www.mahsing.com.my/board-charter/>.

1.2 Roles and Responsibilities of Directors

The Board oversees the Group's businesses and its performance under its collective responsibility for the Group's long-term success, working with the senior management to achieve the Group's strategic objectives and the delivery of sustainable value to its stakeholders.

The Board is primarily responsible for the Group's overall strategic plans and directions, overseeing the conduct of the businesses, risk management, succession planning of the senior management, implementing investor relations programs and ensuring the systems of internal control and management information system are adequate and effective.

The Board assumes the following duties and responsibilities:

- (a) Objectively reviewing, approving and monitoring the implementation of the Group's strategic plans.

The Board discharges its role in leading the Group's corporate strategy and directions, having worked with senior management to continue to drive business growth that is aligned with Mah Sing's vision and mission. The strategic plan also promotes sustainability in achieving a satisfactory balance between bottom-line growth, safeguarding the welfare of people and community as well as maintaining a harmonious environment.

- (b) Overseeing the conduct of the Group's business to ensure it is being properly managed.

A Code of Conduct and Ethics is adopted providing guidance to all directors, staff, employees, contract workers, contracting parties, goods and services providers and all those who have dealings, arrangements and trading with the Group including joint venture partners and/or associates on acceptable and unacceptable behaviours.

- (c) Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures to achieve an appropriate balance between risks undertaken and potential returns to the stakeholders.

A statement featuring the Group's risk management framework and internal control system is included in the Statement on Risk Management and Internal Control contained in this Integrated Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

- (d) Reviewing the adequacy and effectiveness of the management information systems and internal control systems.

The Group's Internal Audit function which serves as a means of obtaining sufficient assurance of regular review of the adequacy and effectiveness of the internal control systems of the Group is described in the Internal Audit Function in the Audit Committee Report contained in this Integrated Annual Report.

- (e) Ensuring there is orderly succession of senior management positions by candidates of sufficient caliber.

The Board delegates its authority to the Nomination Committee and the Remuneration Committee to review succession plans and remuneration packages for the Directors and key senior executives.

The Board also ensures there are appropriate policies for continuous training, appointments and performance monitoring on senior management positions.

- (f) Overseeing the development and implementation of an appropriate investor relations and communications policy which encourages shareholders' participation at general meetings, promotes effective communication and proactive engagements with shareholders and other stakeholders.

1.3 Separation in the Roles of Chairman and Group Managing Director

In order to ensure continual effective supervision and accountability of the Board and management, there is a clear distinction and division of responsibilities between the Independent Non-Executive Chairman and the Group Managing Director, which is regularly reviewed to meet changing circumstances.

Different Directors held the positions of Chairman and the Group Managing Director. At present, Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal is the Independent Non-Executive Chairman and Tan Sri Dato' Sri Leong Hoy Kum is the Group Managing Director.

The Chairman acts independently in the best interest of Mah Sing and is responsible for ensuring Board effectiveness and standard of conduct whereas the Group Managing Director, Group Chief Executive Officer and Executive Directors oversee the management of the Group's businesses, implementation of Board policies and day-to-day running of the businesses.

The roles of the Chairman and the Group Managing Director are described in detail in the Board Charter, which is made available on the Company's website at <https://www.mahsing.com.my/board-charter/>.

1.4 Supply of Information and Support for Directors

Board papers are distributed to all Directors with sufficient notice before Board meetings to enable the Directors to peruse and have the opportunity to seek additional information, and obtain further explanation as well as clarification on the matters to be deliberated.

Directors have access to all information within the Group from the senior management, Company Secretaries and other employees of the Group and may seek independent professional advice from external consultants where necessary, in the furtherance of their duties and they may do so at the Group's cost, so as to make independent and informed decisions. The Directors may direct any investigation to fulfill their responsibilities and may retain, at the Company's expense, where appropriate, any external legal or other services that is considered necessary in carrying out their duties as Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Whenever necessary, the senior management personnel, External Auditors or advisers are invited to attend the meetings of the Board and Board Committees to report on matters within their expertise, knowledge and provide clarity on the agenda being discussed including details on recommendations to assist the Directors. This is to enable the Directors to make independent and informed decisions.

The Executive Directors (including the Group Chief Executive Officer) together with Group Financial Controller hold regular management meetings with operation heads to deliberate on the performance of the Group, sales, marketing development and strategies, operational, environmental, social and governance, risk management, internal controls, regulatory and statutory matters pertaining to the Group. Ad-hoc meetings are held when there is a need to discuss on potential new investment opportunities such as land acquisitions and joint ventures.

During the Board meetings, the Independent Non-Executive Directors are briefed on, amongst others, major operational, financial and corporate issues, activities and performance of projects, divisional performance, business outlook, acquisition of assets, potential new investment opportunities, joint ventures and changes in the requirements of regulatory bodies.

At Board meetings, the Chairman of the Board Committees would inform the Directors of any salient matters noted or recommendations of the Board Committees which may require the Board's attention, direction or decision.

Decisions of the Board and Board Committees are made unanimously or by consensus. Proceedings of the meetings and the resolutions reached have been duly minuted. Minutes of each meeting are circulated to each Director prior to confirmation of the minutes in the next meeting. The Board's decisions may also be obtained via circulation depending on the urgency and availability of the Directors as well as the nature of the proposal or the subject matter.

Directors and principal officers are notified of the restriction in dealing with the securities of the Company prior to the announcement of financial results or corporate proposals. They are also notified immediately of all corporate announcements released to Bursa Securities.

All Directors have access to the advice and services of the Company Secretaries, particularly relating to procedural and related statutory obligations, corporate governance matters as well as updates on regulatory requirements such as the listing rules, guidelines and relevant legislation.

The Company Secretaries attend and ensure that all Board, Board Committees and general meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are maintained in the statutory register at the registered office of the Company. The Company Secretaries also assist the Chairman in the preparation for and conduct of meetings.

The Company Secretaries have the requisite credentials and are qualified to act as company secretary under Section 235 of the Companies Act 2016.

The Company also engages the services of external consultant on corporate secretarial matters and to provide additional advice on issues pertaining to compliance and corporate governance.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1.5 Managing Conflict of Interest

The Board will be notified by the Company Secretaries on a quarterly basis to update their disclosure of interest.

Directors should observe the following in managing potential conflict of interest:

- Avoid improper use of information
- Avoid making secret profits
- Observe duty on disclosure to the Company Secretaries
- Making full disclosure in relation to contracts with the Group
- Comply with relevant statutory requirements in relation to related party transactions
- Refrain from deliberation and voting on the proposal where a Director has a direct or indirect interest
- Avoid any activities or transactions which may give rise to potential conflict of interest

In the event of potential conflict of interest, the Director concerned will make a declaration at the meeting or as soon as practicable after they become aware of the conflict of interest and shall abstain from deliberation and decision of the Board including Board Committees on the proposal which they have material personal interest.

In the event a corporate proposal is required to be approved by shareholders at the general meeting, interested Directors have and will continue to abstain from all Board deliberations and voting at all relevant Board meetings in relation to the corporate proposal. The interested Directors and interested major shareholder(s) shall abstain from voting in respect of their shareholdings in Mah Sing on the resolutions pertaining to the corporate proposal, and will further undertake to ensure that similarly persons connected to them shall abstain from voting on the resolutions at the general meeting.

At the 31st Annual General Meeting held on 22 June 2023, the interested Directors, interested major shareholder and persons connected to them as listed in the Circular to Shareholders dated 28 April 2023 were deemed interested in the ordinary resolution 8 on the Proposed Renewal of Shareholders' Mandate as stated in the notice of 31st Annual General Meeting. Accordingly, they have abstained from voting on ordinary resolution 8.

2.0 Board Composition and Effectiveness

2.1 Board Composition

During FY2023, the Board comprises 7 members, of which 3 are Independent Non-Executive Directors (including the Chairman) and 4 Executive Directors.

In term of gender diversity, 2 out of 7 of the Board members are women, i.e. 29%. The Board is aware that the current gender diversity of the Board is a departure of the best practice recommended by the MCCG that requires at least 30% of the Board members are women directors. The Group has its diversity initiatives and strategies in undertaking the process of reviewing and selecting potential candidates to fill in the vacancies of the Board. The Board shall be mindful of various diversity factors to maintain a balanced composition. The appointment of Datuk Seri Leong Yuet Mei and Ms Ho Kim Poi as Directors reflects that the Board recognises the value of a lady member.

The Board composition complies with the Listing Requirements, which requires a minimum of 2 Directors or 1/3 of the Board, whichever is higher, to be independent directors and at least 1 woman Director. This provides an effective check and balance in the functioning of the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

2.2 Board Balance and Independence

The Board believes that its present composition constitutes an optimal size for the Group's current business profile, which is appropriate for leading the Group effectively on its future business growth. The composition of the Board consists of qualified individuals with a broad base of industry knowledge, experience and technical skills which are essential for the sustainability and growth of the business, as well as to promote the interest of all stakeholders.

A brief description of the background of each Director is presented in the Directors' Profile in this Integrated Annual Report and the Company's website at <https://www.mahsing.com.my/board-of-directors/>.

With its diversity of qualifications and skills, and the governance structure of the Board and Board Committees, the Board has been able to provide clear and effective collective leadership to the Group and has delivered informed and independent judgment to the Group's strategy and performance to ensure that the highest standards of conduct and integrity are always at the core of the Group's undertakings.

All the Independent Non-Executive Directors have exercised their independent judgement where all issues proposed by the executive management were fully discussed and examined, after taken into account of the medium and long-term interest, not only of the shareholders, but also of other stakeholders such as the employees, customers, business associates and the community at large.

None of the Independent Non-Executive Directors participates in the day-to-day management of the Group. They are free from any business or other relationships, which could interfere with the exercise of their independent judgement or ability to act in the best interest of the Company. The Independent Non-Executive Directors also fulfil the criteria for independence as set out in the Listing Requirements.

During FY2023, the Company has held 2 private sessions between all Independent Non-Executive Directors, the External Auditors and the Internal Auditors without the presence of management personnel. These sessions provide the Independent Non-Executive Directors with the opportunity to openly share concerns about the Group, exchange views on potential improvements in corporate governance practices and to discuss issues requiring attention or significant matters arising from the audit. At these private sessions, no major concerns were highlighted and the External Auditors confirmed that they had received full cooperation from the management during the course of audit.

Currently there is no fixed term limit for the Independent Non-Executive Directors of the Company to remain on the Board. The Board believes that the suitability and ability of an Independent Non-Executive Director to carry out his/her roles and responsibilities effectively should be based on his/her caliber, qualifications, experience, personal qualities and knowledge of the Group's business operations and activities.

However, the Board would take appropriate actions as recommended by the MCCG on retention of office of an independent director who has a tenure of service beyond 9 years to seek annual shareholders' approval and abide to limit the tenure of an independent director up to a maximum of 12 years as set out in the Listing Requirements.

Currently, none of the Independent Non-Executive Directors has served more than 9 years.

The Nomination Committee has conducted its annual review on the independence of Independent Non-Executive Directors based on specific criteria, including criteria of independence as per the Listing Requirements. The Board and Nomination Committee are satisfied that the individual Director is independent of management and free from any business or other relationship which could interfere with the exercise of his/her independence and judgement, and is able to advise the Board on matters relating to existing transactions where conflict of interest may exist.

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As recommended by the MCCG, the tenure of directorship of not more than 9 years should also form part of the assessment criteria for independence of a Director in the suitability review by the Nomination Committee and the Board. The relevant processes and procedures have been provided for in the Board Charter and the Terms of Reference of the Nomination Committee.

2.3 Board Committees

The Board is assisted by 4 Board Committees, namely Audit Committee, Board Risk and Sustainability Committee, Nomination Committee and Remuneration Committee, in discharging of its oversight function. Each of these Board Committees has specific terms of reference, scope and specific authorities to review matters, as approved by the Board. The Board Committees report to the Board with their recommendations, while the ultimate responsibility for final decision on all matters rests with the entire Board.

The terms of reference of the Board Committees are available online at <https://www.mahsing.com.my/terms-of-reference/>.

The Audit Committee and Nomination Committee comprise all Independent Non-Executive Directors, while the Remuneration Committee comprises a majority of Independent Non-Executive Directors. The Board Risk and Sustainability Committee comprises an Independent Director and the Group Chief Executive Officer.

Meeting papers are distributed to the members of Board Committees with sufficient notice before meetings to enable the members to peruse and have the opportunity to seek additional information and obtain further explanation or clarification from the senior management personnel on the matters to be deliberated. All deliberations and recommendations of the Board Committees were minuted and the minutes were subsequently confirmed at the subsequent meetings of the Board Committees. During the Board meetings, the Chairman of the Board Committees would update the Board on key discussions, highlights and recommendations which require further deliberation, direction or decision from the Board. The senior management personnel were invited to brief and provide an insight into the operations of the Group to the members of the Audit Committee.

(i) Audit Committee

The composition and summary of activities of the Audit Committee are set out separately in the Audit Committee Report contained in this Integrated Annual Report.

(ii) Board Risk and Sustainability Committee

The Board Risk and Sustainability Committee comprises the following members.

Abd Malik Bin A Rahman (Chairman, Independent Non-Executive Director)	Dato' Voon Tin Yow (Member, Group Chief Executive Officer and Executive Director) (appointed on 2 February 2024)	Datuk Ho Hon Sang (Member, Executive Director) (resigned on 2 February 2024)
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The Board Risk and Sustainability Committee met thrice during FY2023 with full attendance of its members.

The Terms of Reference of the Board Risk and Sustainability Committee is available on the Company's website at www.mahsing.com.my/terms-of-reference/.

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Spearheading the Environmental, Social and Governance Agenda

The Board Risk and Sustainability Committee was established by the Board on 18 April 2023 to strengthen Board oversight, spearhead the Environmental, Social and Governance (“**ESG**”) agenda and to integrate sustainability consideration into the Group’s strategies, business plans, major plans of actions and operations for better risk management and sustainability governance.

The Board Risk and Sustainability Committee is primarily responsible for overseeing risk management and sustainability frameworks within the Group as the Board is mindful that proper risk management and internal control are important aspects of the Group’s governance, management and operations.

The Board Risk and Sustainability Committee is supported by the Risk and Sustainability Management Committee which meets quarterly to review risks and ESG data to assess the Group’s sustainability performance in reference to the key performance indicators and macro objectives. The oversight by the Board Risk and Sustainability Committee ensures that the Board stay abreast with and understand the sustainability priorities and issues that are relevant to the Group.

The Board Risk and Sustainability Committee reviewed the key risk exposure, risk treatments and risk management activities contained in the quarterly Enterprise Risk Management Report and received updates on sustainability matters on a quarterly basis.

In FY2023, the Board Risk and Sustainability Committee has updated the materiality topics and sustainability matters that are pertinent to assess business operations of the Group. The Board endorsed the following recommendations of the Board Risk and Sustainability Committee:

- (a) a revision to the Sustainability Policy wherein to update the sustainability development framework in strengthening the ESG matters. This includes a revision to ESG framework according to materiality assessment exercise on the identified material topics, setting key performance indicators that are in line with the Group’s established framework; and
- (b) adoption of the Climate Change Policy.

The Climate Change Policy sets out climate related disclosures on climate change management to align with the recommendations of Task Force on Climate-Related Financial Disclosures (“**TCFD**”) that enables management oversight, identification of climate related risk, development of mitigation strategies and plans, monitoring related key performance indicators, metrics and targets.

The Sustainability Policy and the Climate Change Policy are available online at <https://www.mahsing.com.my/sustainability/>.

Details on the risk management and internal control are set out in the Statement of Risk Management and Internal Control contained in this Integrated Annual Report. The Group’s ongoing strategic initiatives, efforts, and achievements in managing the Group’s ESG impacts can be found in the Sustainability Report 2023.

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(iii) Nomination Committee

The Nomination Committee comprises exclusively Independent Non-Executive Directors as follows:

Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal (Chairman, Independent Non-Executive Director) (appointed on 1 August 2023)	Abd Malik Bin A Rahman (Member, Independent Non-Executive Director)	Tan Sri Dato' Seri Siti Norma Binti Yaakob (Chairperson, Senior Independent Non-Executive Director) (retired on 22 June 2023)
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The main role of the Nomination Committee is to assist the Board in ensuring that the Board has an appropriate size and composition, a proper balance of executive and non-executive participation which comprises Directors with appropriate skills, knowledge and experience.

In discharging its responsibilities, the Nomination Committee has developed criteria as outlined in the Board Charter for assessment of effectiveness of the Board as a whole, performance of individual Directors, appointment and reappointment.

The Company has in place the Directors' Fit and Proper Policy which sets out the approach, guidelines and procedures to ensure a formal, rigorous and transparent process on the appointment, re-appointment and re-election of Directors. The policy serves as a guide to the Board and Nomination Committee in the review, assessment and selection of director candidates for appointments and re-elections of existing Directors, to ensure that each director candidate or Director possesses the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out his/her role and responsibility effectively in the best interest of the Group and its stakeholders.

The Terms of Reference of the Nomination Committee is available on the Company's website at www.mahsing.com.my/terms-of-reference/ and the Directors' Fit and Proper Policy can be found at www.mahsing.com.my/corporate-governance/.

The Nomination Committee met twice during FY2023 with full attendance of its members.

Performance Evaluation

The Nomination Committee has assessed and evaluated the performance and effectiveness of the Board, Board Committees and individual Directors, as well as composition, skills and diversity of the Board and Board Committees. The Nomination Committee has also reviewed the Directors' training and development needs based on annual performance assessment findings or the Directors' own professional bodies required training hours.

The Board and Board Committees evaluation comprised the followings:

- (a) annual assessment on effectiveness of the Board and Board Committees as a whole has been conducted based on specific criteria, covering areas such as Board composition and structure, the required mix of skills, experience, gender, age group, ethnic, qualifications and other qualities of the Directors and Board Committees, principal responsibilities of the Board and Board Committees, succession planning, size of non-executive participation and Board governance.
- (b) annual assessment on contribution of individual Director and Committee member has been conducted based on specific criteria including contribution to interactions, role and duties, knowledge, expertise, integrity, time commitment, assessment of independence, training and development programs in areas which the Director could improve on.

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- (c) annual review on the independence of all Independent Directors has been conducted based on specific criteria, including criteria of independence as per the Listing Requirements, tenure of service as an Independent Director, required mix of skills, knowledge of the Group's business operations and activities and, ability to ensure effective checks and balances on the Board's decision making process. The review also ascertained that Independent Directors are independent of management and free from any business or other relationships which could interfere with the ability to exercise independent judgement and act in the best interest of the Company.

From the above evaluation and assessment, the Nomination Committee concluded, among others, the followings:

- (a) the Board and the Board Committees' compositions were adequate in number and there is a right mix of skills and knowledge on the Board as well as the Board Committees for the Group's current business profile. Their respective responsibilities were well defined and set out in the Board Charter.
- (b) each Director has the requisite competence, caliber to serve on the Board and the Board Committees, and had demonstrated his or her commitment to the Company in terms of time, participation and dialogue during the current year under review.
- (c) all the Independent Non-Executive Directors of the Company continued to demonstrate conduct and behavior that were essential indicators of their independence, and that each of them continued to fulfill the definition and criteria of independence as set out in the Listing Requirements as well as meeting all other criteria set for evaluation of independence. With their knowledge of the Group's business operations and activities, the Independent Directors continue to provide check and balance, bring independent judgement and contribute objectively to the Group's conduct of business.

The Nomination Committee's recommendations were tabled at the Board meeting for the Board's consideration and approval. The Board members unanimously concurred with the above evaluation by the Nomination Committee. The Directors, with different skills and backgrounds, collectively bring a broad base of industry knowledge, experience and technical skills required for the proper running of the Group's affair.

The Nomination Committee assessed the performance and contribution of Directors who are subject to re-election at the Annual General Meeting ("AGM"). The assessment also took into consideration the criteria set out in the Directors' Fit and Proper Policy. Based on the satisfactory evaluation of each Director's performance and contribution to the Board as well as the Director's fitness and propriety, the Nomination Committee recommended to the Board on the re-election of Datuk Ho Hon Sang who was subject to retirement by rotation at the 31st AGM. Thereafter, shareholders approved the Board's recommendation on the re-election of Datuk Ho Hon Sang as Director of the Company during the 31st AGM held on 22 June 2023.

The former Chairperson, Tan Sri Dato' Seri Siti Norma Binti Yaakob was also subject to retirement by rotation at the 31st AGM but has indicated her intention not to seek re-election and hence, retired at the conclusion of the 31st AGM.

Tan Sri Dato' Seri Siti Norma Binti Yaakob has confirmed that she has no disagreement with the Board and there are no matters relating to her retirement that need to be brought to the attention of the shareholders of the Company. The Board would like to express its sincere appreciation and gratitude to Tan Sri Dato' Seri Siti Norma Binti Yaakob for her invaluable efforts and contributions to the Company during her tenure of office as Senior Independent Non- Executive Director.

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The Nomination Committee has been given the responsibilities among others, to identify, consider and recommend suitable individuals for appointment as directors to the Board and the Board Committees. With the retirement of the former Chairperson, the Nomination Committee had considered and recommended the appointment of Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal as the Chairman / Independent Non-Executive Director of the Company. The Nomination Committee had reviewed Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal's curriculum vitae and other biographical information, verifying the Board candidate's qualifications, legal and other background searches conducted by the Management and interview, as well as conducting fit and proper assessment and evaluation on the Board candidate as guided by the Directors' Fit and Proper Policy prior to his appointment.

The Board has endorsed the recommendation from the Nomination Committee on the appointment of Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal as Independent Non-Executive Director with particular reference to board diversity in skills and experience including the expected contribution to the collective skills and experience of the Board, current and prior directorships and/or roles, any existing or potential conflict of interest that could affect the independence of the Board candidate. In addition, the Board candidate is expected to contribute accordingly to the Board Committees in which he is a member of.

The Board reviews the Terms of Reference of the Nomination Committee as and when necessary, to ensure consistency with the needs of the Group and to be in line with the Listing Requirements and the MCCG. This is also to ensure its relevance for good corporate governance practices within the Group.

Membership of the Board Committee

The Nomination Committee (save for Encik Abd Malik Bin A Rahman in respect of his own nomination) has in FY2023 nominated the appointment of members to the newly established Board Risk and Sustainability Committee and recommended the same to the Board for approval. The nomination was considered based on the performance evaluation conducted in November 2022 and the skills matrix of the individual directors.

(iii) Remuneration Committee

The Remuneration Committee comprises the following members, with majority Independent Non-Executive Directors, including the Chairman.

Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal (Chairman, Independent Non-Executive Director) (appointed on 1 August 2023)	Tan Sri Dato' Sri Leong Hoy Kum (Member, Founder and Group Managing Director)	Abd Malik Bin A Rahman (Member, Independent Non-Executive Director)	Tan Sri Dato' Seri Siti Norma Binti Yaakob (Chairperson, Senior Independent Non-Executive Director) (retired on 22 June 2023)
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The Remuneration Committee met once during FY2023 with full attendance of its members.

The Level and Make-up of Remuneration for the Directors and Key Senior Executives

The objectives of the Remuneration Committee in determining the levels and components of the compensation packages are to motivate, attract and retain dedicated Directors that are deemed key to the success of the Group.

In determining the remuneration packages of the Executive Directors, the Remuneration Committee has considered the compensation and benefits which commensurate with the level of the Directors' responsibilities and performance, as well as taking into consideration of the Group's performance relative to the industry. Survey data on the remuneration practices of comparable companies were taken into consideration in determining the remuneration package.

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The Board endorsed the recommendations from the Remuneration Committee that the remuneration paid to the Executive Directors for the financial year commensurate with their expertise, working experience, knowledge, responsibilities and individual contribution to the overall performance of the Group, and also took into consideration the Group's overall performance relative to the industry. The remuneration is competitive and is in tandem with the Company's corporate objectives, culture and strategy.

In the case of Directors' fees for Non-Executive Directors, the review criteria were based on the Director's contribution, by taking into account the level of expertise, time commitment and responsibilities undertaken and the results for the assessment on independence and performance evaluation of each Non-Executive Director. Where applicable, any relevant information on Directors' fees from survey data would also be taken into consideration.

After taking into consideration the fee levels and responsibilities undertaken by the Independent Non-Executive Directors as member of various Board Committees, the complexity of the operations of the Group and time commitment required from the Independent Non-Executive Directors, the Board has revised the Directors' fees and meeting attendance allowance payable to the Independent Non-Executive Directors according to their performance and responsibilities commencing 1 January 2023.

In accordance with Section 230 of the Companies Act 2016, the Board recommended the following Directors' fees and meeting attendance allowance payable to the Independent Non-Executive Directors of the Company for shareholders' approval at the 32nd AGM of the Company:

- (a) Directors' fees for the period commencing from 28 June 2024 up to the next annual general meeting of the Company to be held in 2025; and
- (b) Meeting attendance allowance for the period commencing 28 June 2024 up to the next annual general meeting of the Company to be held in year

In the event the proposed amounts are insufficient (e.g. due to enlarged Board size and/or additional role in Board Committees), approval will be sought at the next AGM for the shortfall.

The Board is of the view that it is fair and equitable for the remuneration (Directors' fees and meeting attendance allowance) of the Independent Non-Executive Directors of the Company to be paid as and when incurred quarterly in arrears, given that the Independent Non-Executive Directors have discharged their responsibilities and provided their services to the Company for the said period.

Individual Directors do not participate in the decisions regarding their individual remuneration.

Prior to the appointment of Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal as Chairman / Independent Non-Executive Director of the Company, the Board had reviewed and approved the proposed remuneration package payable to the newly appointed director to ensure that it commensurate with his expertise, working experience, knowledge, responsibilities and his additional roles as chairman/member of several Board Committees. The remuneration package includes the director's fee and meeting attendance allowance.

The Remuneration Committee is also responsible for providing recommendations for key senior executives. In determining the remuneration packages of the Group's key senior executives, factors that were taken into consideration include their individual responsibilities, skills, expertise and contributions to the Group's performance and whether the remuneration packages are competitive and sufficient to ensure that the Group is able to attract and retain executive talents.

The remuneration of the 5 key senior executives is a combination of an annual salary, bonus and benefits in-kind and is determined in a similar manner as other management employees of the Group. The basis of determination has been applied consistently and is based on individual performance, the overall performance of the Company and benchmarked against other companies operating in the relevant industry.

The Board reviews the Terms of Reference of the Remuneration Committee as and when necessary, to ensure consistency with the needs of the Group and to be in line with the Listing Requirements and the MCCG. This is also to ensure its relevance for good corporate governance practices within the Group.

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The Company also has in place a Directors' and Officers' liability insurance which provides appropriate insurance cover for the Directors and Officers of the Company in discharging their duties.

The details of the aggregate remuneration of all the Directors of the Company on a named basis, comprising remuneration received and/or receivable from the Company and its subsidiaries during FY2023 are disclosed in the Corporate Governance Report which is available on the Company's website at <https://www.mahsing.com.my/corporate-governance/>.

2.4 Appointments and Re-election of Directors to the Board

The Nomination Committee makes independent recommendations for appointments to the Board, based on criteria which they develop, maintain and review. Sourcing of Board candidates for the appointment of Directors is facilitated through recommendations from the Directors, the management or external parties including the Company's contacts in the related industries, finance, legal and accounting professions. The Nomination Committee may consider the use of external consultants in the identification of potential Board candidates.

In the selection of suitable Board candidates for appointment as Directors, the Nomination Committee would consider the criteria set out in the Directors' Fit and Proper Policy, including character, expertise and experience, integrity, competencies and time to effectively discharge his/her role as a Director, with due regard to the benefits of diversity in skills, experience, age, gender and cultural background that would suit the Company's strategic goals to join the Board.

The nomination, assessment and evaluation processes on the proposed candidates for directors are set out in the Board Charter and the Directors' Fit and Proper Policy.

In accordance with the Company's Constitution, at least 1/3 of the Directors shall retire from office every year provided always that all Directors shall retire from office at least once in every 3 years but shall be eligible for re-election at the AGM. No Director shall remain in office for more than 3 years without being subject to re-election by shareholders. In addition, the Board would take appropriate actions as recommended by the MCGG on retention of office of an independent director who has a tenure of service beyond 9 years to seek annual shareholders' approval. Currently, none of our Independent Non-Executive Directors has served more than 9 years.

Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal, Tan Sri Dato' Sri Leong Hoy Kum, Dato' Voon Tin Yow, Mr Lionel Leong Jihn Haur and Encik Abd Malik Bin A Rahman (collectively, "**Retiring Directors**"), who are due for retirement by rotation at the 32nd AGM pursuant to Articles 100 and 107 of the Constitution and being eligible, have offered themselves for re-election at the 32nd AGM. The Nomination Committee recommended the re-election of the Retiring Directors which were subsequently endorsed by the Board based on the outcome of the annual Board assessment (including self and peer) and the satisfactory assessment of the Director's fitness and propriety based on the criteria set out in the Directors' Fit and Proper Policy.

Each Retiring Director had undergone a performance evaluation for FY2023 (except for Dato' Voon Tin Yow and Mr Lionel Leong Jihn Haur who were appointed on 2 February 2024) and had provided his declaration on his fitness and propriety to continue acting as Directors of the Company. The Independent Non-Executive Directors had also confirmed their independence to the Company.

In determining the eligibility of the Directors to stand for re-election, the Nomination Committee ("**NC**") took into consideration the performance and contribution of the Retiring Directors based on the outcome of the annual self and peer assessment, contribution to the Board deliberations, time commitment and the ability to act in the best interest of the Company as well as fit and proper assessment.

The Board had considered the Audit Committee's review of conflict of interest and based on the outcome of the annual Board assessment, the Board (save for the Retiring Directors who have abstained from deliberation on discussions relating to their own re-election at the NC/Board meetings) endorsed the recommendation by the NC that the Retiring Directors have met the Board's expectation in terms of experience, expertise, integrity, competency, commitment

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and individual contribution by continuously performing their duties diligently as Directors, and the Retiring Directors have fulfilled the fit and proper assessment that comprises character & integrity, experience & competence and time & commitment to continue acting as Directors of the Company.

The Board with the assistance of the NC conducted an independence assessment of all the Independent Directors including Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal and Encik Abd Malik Bin A Rahman and is satisfied that they have complied with the independence criteria as required by the Listing Requirements of Bursa Securities and continue to bring independent and objective judgment to the Board deliberations.

The detailed profile of the Retiring Directors including career history, competencies, experience and disclosure of conflict of interest information can be found in the Profile of the Board of Directors section of the Integrated Annual Report 2023 and the Company's website at <https://www.mahsing.com.my/board-of-directors/>. The details of their interest in the Company's shares can be found in the Statistics of Shareholdings section of the Integrated Annual Report 2023. They have abstained from deliberations and decision on their own eligibility to stand for re-election at the relevant Board meeting.

2.5 Board and Senior Management Diversity

The Board recognises the challenges in achieving the right balance of diversity on the Board. This will be done over time, taking into account the present size of the Board, the valuable knowledge and experience of the present Board members and the evolving challenges of the Company over time.

In relation to boardroom diversity, the Board believes that providing equal opportunity to candidates who have an effective blend of competencies, skills, experience and knowledge in areas identified by the Board should remain a priority so as not to compromise on gender, age and ethnicity. Nevertheless, the Board will continue to be guided by MCGG on gender diversity of 30% women representation in its Board composition and senior management.

In embracing a diverse and inclusive culture that promotes diversity and gender equality across the Group at all levels inclusive of the Board and senior management, the Group has put in place the Diversity, Equity and Inclusion Policy.

The Board, with the support from senior management continues to drive diversity, equity and inclusion across the Group and will continue to maintain the appropriate size and balance of gender diversity at the Board and senior management level. The Board currently has 2 women Directors among the 7 Directors who serve to bring value to the Board discussions from different perspectives and approaches. The Group also have a good percentage female employees at senior management level.

2.6 Meetings and Time Commitment

Each Director is expected to commit and devote sufficient time to discharge their responsibilities effectively, and to attend Board and Board Committee meetings with sufficient deliberation on the matters under their purview. All Directors are expected to attend AGM.

Board meetings are held at quarterly intervals with additional meetings convened for particular matters as necessary depending on business requirements. The Board meetings, Board Committee meetings and AGM are scheduled at the beginning of the year to facilitate the members in planning and incorporating the meetings into their schedules. Board Committee meetings are conducted separately from the Board meetings to enable objective and independent discussion during these meetings.

The Board meets quarterly to review the financial performance and business strategies. For matters requiring urgent decision from the Board, the Board's approvals are sought via circular resolutions, which are supported with adequate information required to make an informed decision. The Director is required to abstain from deliberations and voting in respect of any matter, if such participation may give rise to an actual or perceived conflict of interest situation.

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A total of 4 Board meetings were held during FY2023. The Directors' attendance was as follows:

Name of Directors	Attendance
Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal (appointed on 1 August 2023)	2/2
Tan Sri Dato' Sri Leong Hoy Kum	4/4
Dato' Steven Ng Poh Seng	4/4
Datuk Seri Leong Yuet Mei	4/4
Abd Malik Bin A Rahman	4/4
Ho Kim Poi	4/4
Dato' Voon Tin Yow (appointed on 2 February 2024)	-
Lionel Leong Jihn Haur (appointed on 2 February 2024)	-
Datuk Ho Hon Sang (resigned on 31 March 2024)	4/4
Tan Sri Dato' Seri Siti Norma Binti Yaakob (retired on 22 June 2023)	2/2

In FY2023, all Directors attended more than the minimum of 50% of Board meetings held as stipulated under Paragraph 15.05 of the Listing Requirements. The Directors also attended the relevant Board Committee meetings and AGM during FY2023. This reflects the Board members' commitment and dedication in fulfilling their duties and responsibilities.

The Audit Committee met with External Auditors and Internal Auditors on 2 private sessions on 28 February 2023 and 29 November 2023, without the presence of the Executive Directors and management personnel. These sessions provided the Independent Non-Executive Directors the opportunity to openly share concerns about the Group, discuss issues requiring attention or significant matters arising from the external and internal audit. The meetings also provided an open and unrestricted forum for the External Auditors to discuss with the Audit Committee the areas of concern and findings related to the Group's financial statements for the attention of the Audit Committee. No major concerns were highlighted at these private sessions and the External Auditors confirmed that they had received full cooperation from the management and staff during the course of audit. There were no areas of concern that required escalation to the Board.

The Directors are required to notify the Chairman of the Board before accepting any new directorships and to indicate the time expected to spend on the new appointment. In any circumstances, the Directors must not hold more than 5 directorships in public listed companies in accordance with the Listing Requirements. This is to ensure the Directors do not have competing time commitments that may impair their ability to discharge their responsibilities effectively in the Company.

All Directors are required to allocate time to attend relevant external training programs to continually develop and refresh the necessary skills and knowledge to meet the challenges of the Board. Details of the training programs attended by all Directors during the financial year are disclosed in the subsequent subsection of "Training and Development of Directors".

2.7 Training and Development of Directors

The Board, via the Nomination Committee, continues to review and assess the training needs of each Director. The Board acknowledges that the Directors' training and development is an important and ongoing process to continually develop and refresh their necessary skills and knowledge to meet the challenges of the Board. Continuous training and development is vital for the Board to gain insight into the state of the economy, changing commercial risks in our core business, latest regulatory requirements and management strategies.

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All Directors have completed the Mandatory Accreditation Program (“**MAP**”) within the stipulated timeframe as required by the Listing Requirements. Admiral (R) Tan Sri Dato’ Seri Abu Bakar Bin Abdul Jamal who was appointed on 1 August 2023, had attended the MAP subsequent to his appointment, to facilitate himself with an understanding of the roles, responsibilities and fiduciary duties of a director, the best practices and principles of good corporate governance, so as to equip himself with critical knowledge and skills required to lead effectively in a transparent and accountable manner.

Dato’ Voon Tin Yow and Mr Lionel Leong Jihn Haur were appointed as Directors on 2 February 2024. Dato’ Voon Tin Yow had attended the MAP prior to his appointment, while Mr Lionel Leong Jihn Haur will attend the MAP scheduled in April 2024.

In FY2023, based on the Nomination Committee’s annual performance assessment findings on the Directors’ training and development needs, all Directors had attended training and development programs according to the respective Director’s own training needs in carrying out their duties as Directors and members of the Board Committees.

During FY2023, the trainings attended by the Directors were, inter alia, on areas relating to finance, property market, economic trends, corporate leadership, corporate governance, risk management (including ESG related matters), latest technologies and sustainable development as well as legal, industry and regulatory development organised by the relevant regulatory authorities and professional bodies. The following is the list of training and development programs compiled that were attended by the Directors during FY2023:

- 2023 Board & Audit Committee Priorities
- 2023 Budget Webinar
- 2H2023 -Economic & Market Outlook
- AI in Accounting: Threat or Opportunity
- Asia Real Estate Leaders Masterclass & Tour, Singapore
- BOS Conference - Mid Year Global Economies Outlook
- Bursa PLCs Investor Relations Series - Series 2: FTSE4Good Bursa Malaysia Index & Centralised Sustainability Intelligence (CSI) Platform
- Can America stop China’s rise? Will ASEAN be damaged?
- Conflict of Interest and Governance of Conflict of Interest
- Corporate Disclosure and Guidance for Directors and CEOs of Main Market Listed Issuers
- Corporate Governance Monitor 2022, Bursa Malaysia Guidebook 4 and Guidebook 5
- Developing a robust Whistleblowing program
- e-Invoicing
- ESG Application on Retail Physical Stores & e-Commerce
- Financial & Debt Management Initiatives for SME’s & Individuals
- Generative AI – Making Us Smarter, Faster or Redundant?
- GHG Accounting Essentials-Measuring Your Carbon Footprint
- Green Finance: Have you got the knowledge every accountant needs?
- Hybrid Masterclass: Exploring ChatGPT & Its Implication
- Insight to Malaysia Board and Senior Management Remuneration Packages
- Integrating Sustainability into Financial Planning & Decision-Making
- Invest Malaysia - Reshaping Malaysia’s Narrative: Series 1: Strengthening Resilience & Sustaining Growth
- Invest Malaysia 2023 Special Series: Launch of the National Energy Transition Roadmap - Part 1 Flagship Catalyst Projects and Initiatives
- KLSCCCI: Governance for Growth: Rejecting Corruption for Better & More Sustainable Business
- Leadership Without a Title
- Leadership Workshop 2023 - Crucial Conversation
- Leveraging technology to fight fraud
- Malaysia’s Digital Switch to e-Invoicing
- Management of Cyber Risk
- Mandatory Accreditation Programme - Part II : Leading For Impact (LIP)
- MFRS Updates 2023

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

- Navigating AI Governance & ESG Reporting for the future
- Navigating the Rising Tide of Financial Crime
- Positioning for megatrends in Malaysia
- Powering up your risk and compliance management with data and analytics
- Second Quarter Market Outlook - UBS
- Tax and Business Summit
- The arrival of ISSB Standards and the continued relevance of Integrated Reporting
- The Board Agender Bursa Malaysia Immersive Session
- Understanding the Impact of Digital Transformation in the Financial Industry: What Board Members need to know
- Unlock the Power of Conversational AI with ChatGPT
- Unveiling ESG Insights in the Financial Statements

The Directors are updated from time to time on relevant changes in laws, regulations, the Listing Requirements, the MCCG as well as business and industry specific trends. Such updates and trainings will enable Directors to equip themselves with the relevant knowledge to discharge their responsibilities and duties more effectively.

3.0 Good Business Conduct and Corporate Culture

The Board acknowledges its role in establishing good business conduct and corporate culture. In line with this principle, the Group has in place the following policies to ensure proper and ethical conduct of business of the Group is consistently carried out by all Directors, employees and our counterparties.

3.1 Code of Conduct and Ethics

The Group has in place a Code of Conduct and Ethics which aims to promote good business conduct, ethical behaviours and maintaining a healthy corporate culture within the Group.

Code of Conduct and Ethics applies to all Directors, staff, employees, contract workers, contracting parties, goods and services providers and all those who have dealings, arrangements and trading with the Group including joint venture partners (collectively, “**Parties**”).

The Code of Conduct and Ethics sets out the standards of business ethics and conduct, which serves as a guidance to the Parties in defining ethical standards and conduct at work. This will assist them to exercise reasonable judgement when carrying out their duties and responsibilities in conducting the Group’s business.

The Board reviews the Code of Conduct and Ethics as and when necessary, to ensure that it continues to be effective. The details of the Code of Conduct and Ethics are available for reference on the Company’s website at www.mahsing.com.my/corporate-governance/.

3.2 Group Anti-Bribery and Anti-Corruption Policy

The Group strongly believes in acting professionally, fairly and with integrity in all business dealings and relationships (including its supply chain), free from acts of bribery or corruption in upholding high standards of ethics and integrity.

The Group Anti-Bribery and Anti-Corruption Policy (“**Group ABAC Policy**”) provides information and guidance to the Directors and employees on their actions and decisions made for and on behalf of the company to prevent practices against the Group ABAC Policy. It also elaborates the accepted best practice guidelines to combat bribery and corruption in furtherance of the Group’s commitment to lawful and ethical behaviour at all times.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

The Group ABAC Policy is applicable to Directors, employees, suppliers, contractors, sub-contractors, vendors, agents, consultants, representatives, joint venture partners and other representatives acting for or on behalf of the Group.

The Company continues to provide periodic communication and/or training initiatives on anti-corruption (which covers the Group ABAC Policy) to its staff and supply chain to address the prevention of bribery and corruption.

The details of the Group ABAC Policy are available on the Company's website at www.mahsing.com.my/corporate-governance/.

3.3 Group Whistleblowing Policy and Procedures

The Company recognises the importance of lawful and ethical behaviour in all its activities and requires its employees to act in accordance with all applicable laws, regulations and policies and to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

The Group is committed to professional standards of integrity and strives to assure stakeholders that the Group operates its business and operations ethically and responsibly.

The Company has in place the Group Whistleblowing Policy and Procedures as well as the Whistleblowing Investigation Manual set out the whistleblowing measures consistent with the Group ABAC Policy. The Group Whistleblowing Policy and Procedures provide an avenue for the Directors, employees and relevant stakeholders to raise genuine concerns of alleged, suspected, or known illegal activity or improper conduct within the Group through proper channel without fear of retribution or detrimental action. Any suspected violation of the Code of Conduct and Ethics and the Group ABAC Policy may be reported via the whistleblowing mechanism.

The details of the Group Whistleblowing Policy and Procedures are available online at www.mahsing.com.my/corporate-governance/.

3.4 Directors' Fit and Proper Policy

The Group strives to enhance the Board's quality, strength and integrity. With this in mind, the Board must consist of qualified individuals with diverse set of skills, experience, knowledge, integrity, competence and time that allow them to perform the duties and carry out the responsibilities required of the position in the most effective manner.

The Directors' Fit and Proper Policy sets out the approach, guidelines and procedures to ensure a formal, rigorous and transparent process on the appointment, re-appointment and re-election of Directors.

The Directors' Fit and Proper Policy serves as a guide to the Board and Nomination Committee in the review, assessment and selection of director candidates for appointments and re-elections of existing Directors, to ensure that each director candidate or Director possesses the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out his/her role and responsibility effectively in the best interest of the Group and its stakeholders.

The details of the Directors' Fit and Proper Policy are available online at www.mahsing.com.my/corporate-governance/.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

4.0 Management Teams

The Board has also established the following management teams whose functions, as well as authority, are clearly defined and are set up to assist the Board in managing the business of the Group.

4.1 Senior Management Team

The Senior Management Team comprises the Group Managing Director, Group Chief Executive Officer, Deputy Group Chief Executive Officer, Executive Directors, Group Financial Controller, C-Suites and other key executives, assuming some of the responsibilities and functions of the Board, oversees the running of the Group and the implementation of the Board's decisions and policies relating to operational, sales and marketing strategies, financials, risk management, internal controls, sustainability, human resources, compliance, credit control and legal issues.

The Senior Management Team hold regular management meetings with the operational heads to deliberate on the performance of the Group, sales, marketing development and strategies, operational, environmental, risk management, internal controls, regulatory and statutory matters pertaining to the Group.

4.2 Risk and Sustainability Management Committee

The Company has merged the Risk Management Committee and Sustainability Management Committee by establishing the Risk and Sustainability Management Committee ("**RSMC**") on 18 April 2023.

The objectives for the establishment of the RSMC are as follows:

- (a) To ensure an effective management level oversight on all risk related matters including ESG risks and to provide effective strategic support to the Board Risk and Sustainability Committee;
- (b) To ensure an integrated approach to risk management where ESG, business, operational, financial and other risks are considered and evaluated for impacts on the Group's ability to create financial and non-financial values;
- (c) To ensure the Group's Enterprise Risk Management (ERM) framework and procedures are effective in providing a comprehensive approach to risk management and governance for sustainability;
- (d) To ensure adequate procedures are in place to identify, assess and monitor key risks (both financial and non-financial) to safeguard shareholders' investment and the Group's assets; and
- (e) To advise the Board Risk and Sustainability Committee on risk-related issues as and when requested by the Board Risk and Sustainability Committee.

The RSMC is chaired by the Group Chief Executive Officer and comprises members from senior management, i.e Group Chief Executive Officer, Chief Executive Officers and Group Financial Controller.

The RSMC engages leadership across business units, regions and functions to provide further oversight and strategic guidance. The RSMC reports to and assists the Board Risk and Sustainability Committee in determining the Group's risk appetite, risk strategies and considering sustainability matters in formulating business strategy.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

The RSMC also assists the Board Risk and Sustainability Committee, among others, the following:

- (a) Coordinate and implement the approved Group's sustainability strategy and related matters which include stakeholder management, materiality assessment, policy establishment, propose sustainability targets and accessing sustainability performance of the proposed targets;
- (b) Review and recommend the appropriate risk management framework and methodology, policies for the sustainability agenda across the Group;
- (c) Supports the Board Risk and Sustainability Committee in monitoring and tracking sustainability agenda within the Group;
- (d) To ensure resources and systems are adequate for risk and sustainability management and the identified risks are managed in an effective and efficient manner; and
- (e) Review the quarterly risk ratings and evaluate the management action plans needed to address risks being rated as "significant" or "high".

The RSMC also reviews the risk registers on risk exposure, risk treatment and risk management activities presented by the Risk and Sustainability Management Teams.

The RSMC's roles and responsibilities are set out in its Terms of Reference.

The RSMC has updated the materiality topics and sustainability matters that are pertinent to assess business operations of the Group. The Board Risk and Sustainability Committee endorsed the following recommendations from the RSMC:

- (a) a revision to the Sustainability Policy wherein to update the Sustainability Development Framework in strengthening the ESG matters, setting key performance indicators ("**KPIs**") that are in line with the Group's established framework; and
- (b) adoption of the Climate Change Policy.

The Sustainability Policy and the Climate Change Policy are available online at <https://www.mahsing.com.my/sustainability/>.

4.3 Risk and Sustainability Management Teams

In FY2023, the Board has merged the Risk Management Teams with Sustainability Working Committee by establishing the Risk and Sustainability Management Teams ("**RSMT**") for better risk management and sustainability governance to support the newly formed RSMC (at Management level) and the Board Risk and Sustainability Committee (at Board level).

The RSMT comprises head of departments in the Group who are assigned with the responsibility of continuous monitoring and management of the identified risks in 4 focus areas namely Economic, Environmental, Social and Governance. The RSMT reports to RSMC.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

The RSMT implements the approved sustainability agenda. The risk management reviews are performed on a quarterly basis to assess and manage the risks faced by the Group. The reviews are carried out to address risk areas of concern from the perspectives of environmental, regulatory and legal, governance and operational controls, financial, customers, products and services, suppliers, human capital, sustainability risks, and cyber security risk.

The RSMT presents the risk registers on risk exposure, risk treatment and risk management activities to the RSMC on a quarterly basis.

4.4 Group Anti-Bribery and Anti-Corruption Committee

The Group Anti-Bribery and Anti-Corruption Committee (“**Group ABAC Committee**”) was established to oversee the development, implementation and execution of the Group ABAC Policy, procedures and framework of the Group.

The members of the Group ABAC Committee are the Board, ABAC Management Steering Committee and ABAC Working Committee. The ABAC Management Steering Committee with the support of the ABAC Working Committee will report and update the Board where changes or review is required depending on current business and legal requirements. The Group ABAC Committee’s roles and responsibilities are set out in its Terms of Reference.

4.5 Whistleblowing Committee

The Whistleblowing Committee reports to Audit Committee. The members of the Whistleblowing Committee are the Head of Group Internal Audit Department and Group Chief Executive Officer, who shall supervise the Group Whistleblowing Policy and Procedures and are responsible amongst others, to investigate any whistleblowing reports received, recommend areas of improvement to close gaps found during course of any investigation and take action pursuant to the Whistleblowing Investigation Manual.

5.0 Sustainability

The Board together with senior management are responsible for the governance of sustainability across the Group which includes setting broad ESG goals and objectives, and where relevant, specific targets.

The Board also maintains regular oversight on sustainability strategies and action plans implemented by senior management and the management of the respective subsidiaries. The Board focused on addressing material ESG matters and the ensuing risks and opportunities arising from said material matters to financial and non-financial value creation. The focus is on integrating risks originating from ESG topics such as risks arising from climate change into the existing risk management framework.

Strategic management of material ESG matters are being driven and managed on a day-to-day basis by the Senior Management Team, assisted by the RSMC and the RSMT.

The Company’s annual Sustainability Report which provides a detailed account of the Group’s sustainability strategies, performance and initiatives as well as how Mah Sing addresses stakeholder expectations across various sustainability issues is available for download at <https://www.mahsing.com.my/sustainability/>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Audit Committee

The Audit Committee assists the Board in overseeing the financial reporting processes, evaluating internal and external audit processes, reviewing the adequacy of the Group's risk management process and systems of internal control. The Audit Committee is supported by the Company's in-house internal audit function as well as Risk Management Committee (prior to the merger of the Risk Management Committee and the Sustainability Management Committee to be the RSMC) in carrying out its responsibilities. With the establishment of the Board Risk and Sustainability Committee on 18 April 2023 primarily responsible for overseeing the risk management and sustainability frameworks and processes of the Group. The oversight of risk matters will no longer be under the purview of the Audit Committee but by the Board Risk and Sustainability Committee.

The Audit Committee has an independent Chairman, Abd Malik Bin A Rahman, who is not the Chairman of the Board of Mah Sing.

The Company has not appointed any former partner of the external audit firm as a member of the Audit Committee.

The composition and summary of activities of the Audit Committee are set out separately in the Audit Committee Report contained in this Integrated Annual Report.

2. Relationship with External Auditors and its Independence

The Group maintains a transparent relationship with the External Auditors in seeking professional advice towards ensuring compliance with accounting standards.

The External Auditors attended all meetings of the Audit Committee to review the audit plan, the scope and adequacy of the audit process, audit findings and the Group's financial statements. The Audit Committee also meets up with External Auditors at least twice a year without the presence of the Executive Directors and management staff. In addition, the External Auditors attended all AGMs of the Company and are available to respond to shareholders' queries or concerns relating to the conduct of the statutory audit and the preparation and contents of their audit report.

The Company has in place the Policies and Procedures to Assess the Suitability, Objectivity and Independence of the External Auditors, which aims to safeguard the quality and reliability of audited financial statements. The Policies also serve as a guidance to the Audit Committee when performing its annual assessment of the External Auditors.

The Audit Committee and the Board place great emphasis on the suitability and independence of the External Auditors in providing relevant and transparent reports to the stakeholders.

During FY2023, the Audit Committee conducted an annual review and assessment on the performance, suitability and independence of the External Auditors. The Audit Committee was satisfied with the outcome of the assessment and recommended the re-appointment of the External Auditors for FY2023 to the Board. Thereafter, shareholders approved the Board's recommendation on the re-appointment of Deloitte PLT as the External Auditors of the Company for FY2023 during the 31st Annual General Meeting held on 22 June 2023. Details of the assessment conducted are set out in the Audit Committee report.

On 27 February 2024, the Audit Committee conducted an annual review and assessment on the performance, suitability, and independence of the External Auditors. Areas of performance review include sufficiency of resources, quality of audit processes, professionalism, independence and objectivity of the audit team, audit scope and planning, level of interaction, audit fees as well as non-audit services. In assessing suitability of the External Auditors, the Audit Committee also referred to the Annual Transparency Report issued by the External Auditors.

The External Auditors, since their appointment, have complied with the requirements of Malaysian Institute of Accountants in relation to rotation of their audit partners assigned to the Group every 7 years. The Audit Committee considered the independence of audit partner in relation to audit. The last rotation of the Group's key audit partner was for the audit for financial year 2020.

The External Auditors have provided written assurance to the Audit Committee that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Based on the outcome of the assessment, the Audit Committee was satisfied with the quality and competency of services delivered, sufficiency of the firm's resources, competency of staff assigned for the annual audit including the audit partner as well as non-audit services performed, and that the External Auditors continue to be objective and independent in relation to the Group's audit. The Audit Committee was satisfied that the provision of non-audit services did not compromise the External Auditors' independence and objectivity.

The Audit Committee recommended the re-appointment of the External Auditors for the financial year ending 31 December 2024 to the Board. The Board endorsed the recommendation by the Audit Committee and put forth a proposal for re-appointment of Deloitte PLT as External Auditors of the Company for the financial year ending 31 December 2024 at the forthcoming 32nd AGM.

3. Compliance with Applicable Financial Reporting Standards

The Board has taken reasonable steps to ensure a balanced and understandable assessment of the Group's financial position and prospects in presenting quarterly financial reports, annual audited financial statements and Integrated Annual Report to shareholders. The Audit Committee assists the Board in overseeing the Group's financial reporting processes, accuracy and quality of its financial reporting.

A statement by Directors of their responsibilities in preparing the financial statements is set out in this Integrated Annual Report.

4. Risk Management and Internal Control Framework

The Board maintains sound risk management framework and systems of internal control to safeguard shareholders' investment and the Group's assets. The Board ensures the adequacy, effectiveness, and integrity of the internal control systems through regular reviews, accompanied by ongoing risk management process.

The internal audit function is performed in-house by the Group Internal Audit Department ("GIAD") guided by its Internal Audit Charter. The GIAD reports directly to the Audit Committee on the adequacy and effectiveness of the risk management and internal control systems. Details of the internal audit function are set out in the Audit Committee Report.

The in-house internal audit function coordinates discussions and working-level risk management meetings with the RSMT comprising the respective risk owners and functional heads who are assigned with the responsibilities of continuous monitoring and management of the identified risks. On quarterly basis, the RSMT reports the updated risk registers and the proposed mitigation actions for RSMC's review.

RSMC assists the Board Risk and Sustainability Committee in identifying key strategic and business risks, determining the Group's risk appetite and ensures that risks are identified and managed in an effective and efficient manner. RSMC improved its risk assessment directory in climate change, human rights, labour practices and biodiversity to further affirm and pursue the management and mitigation of these ESG risks.

For the first quarter of FY2023, the Audit Committee evaluates and monitors the key risks in the Enterprise Risk Management report. The quarterly Enterprise Risk Management Report for the subsequent quarters were tabled to the newly established Board Risk and Sustainability Committee.

The Statement on Risk Management and Internal Control contained in this Integrated Annual Report which has been reviewed by the External Auditors, provides an overview of the risk management and state of internal controls within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. Communications with Stakeholders

The Board recognises and values the importance of effective and clear communication to its shareholders as well as to potential investors and the public. It is fully committed to ensuring the highest standards of transparency and accountability in the disclosure of pertinent information relating to the Group.

In this respect, the Group, through its Strategic Communications and Investor Relations departments and its active investor relations programme, engages with research analysts, fund managers, shareholders, financiers and the media to convey the Group's strategies, performance, products and major developments. The forms of engagements include briefing sessions and site visits as well as participation in non-deal investment road shows, one-on-one meetings or conference calls and press conferences with the media. The Group's top management which includes the Group Managing Director and/or Executive Directors also takes an active role in engaging our stakeholders through their participation in the investor relations programme or media events.

During the financial year, the Company has continued to facilitate timely communication with the investment community. In addition to meetings and briefings, the Company also conducted site visits and tour of its property projects. The management also participated in several investor conferences organised by brokerages. The Company is constantly covered by research houses where analysts are actively updated via various platforms such as dissemination of quarterly analysts' pack, briefings and regular meetings or conference calls with analysts.

Other effective channels of communication employed by the Group includes making timely and informative disclosures in interim and full year financial results announcements, Integrated Annual Report, press releases and other announcements to Bursa Securities on relevant transactions undertaken by the Group.

The Board believes that timely release of financial information and updates on other developments are important to enable shareholders and the general public to receive information on the performance and prospects of the Group on a regular basis. Shareholders, investors and members of the public are able to access

such announcements on Bursa Securities' website at www.bursamalaysia.com and other information via the Company's website at www.mahsing.com.my.

Shareholders, investors and members of the public may also forward their queries to the Company by contacting its dedicated investor relations team at Tel: 603-9221 8888, Fax: 603-9222 1288, Email: ir@mahsing.com.my.

Driven by commitment to provide more strategic reporting, beyond financial performance, the Company has adopted integrated reporting for its Integrated Annual Report based on a globally recognised framework.

The Company's annual Sustainability Report which provides a detailed account of the Group's sustainability strategies, performance and initiatives as well as how Mah Sing addresses stakeholder expectations across various sustainability issues is available for download at www.mahsing.com.my/sustainability/.

2. Conduct of General Meetings

The Board recognises that good corporate governance requires active participation of shareholders in the decision making process at AGM. The AGM is the principal forum for dialogue and interactions with shareholders as it provides shareholders with an opportunity to seek clarification from the Board and senior management on the Group's business strategies, financial performance and key developments. Extraordinary General Meetings are held as and when needed to obtain shareholders' approval on certain business or corporate proposals.

The Company conducted the 31st AGM on 22 June 2023 on a fully virtual basis through live streaming and online remote participation using Remote Participation and Voting ("RPV") facilities. The RPV allows attendance by shareholders and proxies via remote participation and voting in absentia.

The notice of the 31st AGM ("Notice"), with explanatory notes regarding the effect of the resolution proposed and the relevant recommendations, was issued to the shareholders at least 28 days before the meeting. The additional time given to shareholders allows them to make the necessary arrangements to attend and participate in person or through corporate representatives, proxies or

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

attorneys. More importantly, it enables the shareholders to have sufficient time to read the Integrated Annual Report, consider the resolutions, submit questions using RPV facilities before and during the meeting, and make an informed decision in exercising their voting rights at the meeting.

The Notice accompanied by administrative guide, form of proxy, Integrated Annual Report and circular to shareholders were issued to shareholders on 28 April 2023. The administrative guide sets out the instructions on how to participate remotely, pose questions and vote in absentia using RPV at a fully virtual general meeting. The documents were made available through the announcement to Bursa Securities and posting on the Company's website at www.mahsing.com.my. The Notice was also published in a local English newspaper.

The Board would present the macro outlook, financial highlights, business overview and key strategies of the Group or proposals for which the approval of shareholders are being sought at each general meeting. The corporate presentations would enable shareholders to gain insights on the business activities, financial performance and strategic plans of the Group, thereby, enabling them to form an informed view on the Company. At the 31st AGM, the Group Chief Executive Officer of the Company presented an overview on Mah Sing's performance, market outlook and strategy in the form of a video presentation.

The then Chairperson of the Board chaired the 31st AGM in an orderly manner. The procedures for the meeting, the remote e-voting instructions and processes using RPV, as well as the instructions to raise questions in the form of real time submission of typed texts were explained during the meeting. Shareholders and proxies were invited to pose questions using RPV before putting the resolutions to vote. All Board and Board Committees members, Group Financial Controller, senior management personnel and External Auditors attended the 31st AGM. They provided meaningful responses to the questions posed during the question and answer session concerning the Group's financial performance, general operations and other concerns on the Group.

In line with the Listing Requirements, the Company had conducted poll voting for all resolutions set out in the Notice. The poll voting was conducted using RPV at which an independent scrutineer was appointed to validate all votes cast at the 31st AGM. The outcome of all resolutions proposed at 31st AGM was announced to Bursa Securities on the same day of meeting, and was also made available on the Company's website.

The minutes of the 31st AGM, questions raised by the shareholders and proxies, the respective responses as well as the outcome of the e-voting results of all resolutions set out in the Notice were made available on the Company's website.

Shareholders and other stakeholders can also access information on the Group's background, products and financial performance through the Company's website at www.mahsing.com.my.

After each general meeting, the key management personnel conduct press conferences or issue press releases to provide the members of the media with the opportunity to receive information relating to the Group. Analyst briefings may also be conducted. Disclosures made to shareholders, investors, media and analysts are handled within the prescribed disclosure requirements under the Listing Requirements and guided by Corporate Disclosure Guide issued by Bursa Securities.

The Company continues to leverage on technology and the forthcoming 32nd AGM of the Company will be conducted fully virtual through live streaming and online remote participation using RPV facilities. The conduct of the fully virtual 32nd AGM is in line with the revised Guidance Note and Frequently Asked Questions on the conduct of General Meetings for Listed Issuers issued by Securities Commission Malaysia on 7 April 2022, to leverage technology to facilitate communication and engagement with shareholders. In addition, the conduct of a virtual general meeting is also in line with Practice 13.3 of the MCCG, to promote greater shareholder participation as it facilitates electronic voting and remote shareholders' participation.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

KEY FOCUS AREAS AND FUTURE PRIORITIES

The Board recognises the importance of diversity in deliberations and decision-making. It has escalated its efforts to establish a diverse Board with a multitude of skills, experience, age, cultural background and gender. The Board remains committed to develop a corporate culture that embraces all aspects of diversity in the Group. The stewardship of the Company under the leadership of the existing Board ensures that decisions are objective, made after taking into account diverse perspectives and insights, and are in the best interest of the Group.

The Group will continue to work towards enhancing, strengthening and improving the Company's internal governance practices and processes, and continue to build a good corporate culture by strengthening its sustainability practices to deliver sustainable growth and performance for the Group.

In an effort to promote good business conduct and corporate culture, the Company continues to provide periodic communication and training initiatives on anti-bribery and anti-corruption (which covers the Group ABAC Policy) for its staff and supply chain to address the prevention of bribery and corruption.

The Group continues to reinforce its efforts in sustaining and improving the various ESG-related initiatives and achievements made in the previous years. The Company will continue to review and enhance KPIs related to risk management and sustainability to further strengthen its governance practices from time to time.

As sustainability continues to be one of the focus areas, the Group continued and will continue to focus on building more affordable homes in strategic locations and will also enhance and accelerate action plans towards its sustainability agenda.

As part of the Group's business continuity plan, the Group continued and will continue to invest in digital transformation to drive innovation and improve operational efficiencies as well as contribute to cost competitiveness. This includes digitalisation of collection and refund processes as well as post vacant possession stage for ease and convenience of property buyers and residents to provide feedbacks concerning their properties.

DIRECTORS' RESPONSIBILITY STATEMENT IN RESPECT OF THE PREPARATION OF THE ANNUAL AUDITED FINANCIAL STATEMENTS

The Directors are responsible for ensuring that the financial statements of the Group and of the Company are drawn up in accordance with Malaysian Financial Reporting Standards issued by the Malaysian Accounting Standards Board, International Financial Reporting Standards issued by the International Accounting Standards Board, the requirements of the Companies Act 2016 in Malaysia and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and to lay the financial statements before the shareholders of the Company at the Annual General Meeting.

The Directors are also responsible for ensuring that the financial statements for each financial year present a true and fair view of the Group's and of the Company's financial performance, financial position and cash flows.

In preparing the financial statements for the financial year ended 31 December 2023, the Directors are of the opinion that the Group and the Company:

- consistently applied appropriate and relevant accounting policies in accordance with applicable accounting standards in Malaysia;
- made reasonable judgements and estimates; and
- applied going concern basis of accounting in the financial statements.

The Directors have taken reasonable steps to ensure that appropriate internal control systems to detect and prevent fraud and other irregularities, as well as to safeguard the assets of the Group and of the Company are in place. The internal control systems can provide reasonable assurance that the Group and the Company's accounting records and other relevant records, have been maintained by the Group and the Company in a manner that enables the Directors to sufficiently explain the transactions and financial position of the Group and the Company.

ADDITIONAL COMPLIANCE INFORMATION

AUDIT AND NON-AUDIT FEES PAID/PAYABLE

During the financial year ended 31 December 2023, the amount of audit and non-audit fees paid/payable by the Group and the Company to the external auditors for services rendered to the Company and its subsidiaries are as follows:

Type of fees	The Group RM'000	The Company RM'000
Audit fee	616	60
Non-audit fees	56	5

The provision of non-audit services by the external auditors to the Group is both cost effective and efficient due to their knowledge and understanding of the operations of the Group, and did not compromise their independence and objectivity. It is also the Group's policy to use the auditors in cases where their knowledge of the Group means it is neither efficient nor cost effective to employ another firm of accountants.

MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

There were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and/or its subsidiaries involving Directors' and major shareholders' interests which were still subsisting as at the end of the financial year under review or which were entered into since the end of the previous financial year.

RECURRENT RELATED PARTY TRANSACTIONS

At the Thirty-First Annual General Meeting of the Company held on 22 June 2023, the Company obtained shareholders' mandate for the Group to enter into recurrent related party transactions of revenue or trading nature ("**Shareholders' Mandate**") which is necessary for its day-to-day operations. The Shareholders' Mandate shall expire at the conclusion of the forthcoming Annual General Meeting and is subject to renewal by the shareholders at the said Annual General Meeting.

The aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year ended 31 December 2023 is disclosed in Note 39 of the financial statements contained in this Integrated Annual Report.

UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

There were no proceeds raised from corporate proposals during the financial year.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (“Board”) of Mah Sing Group Berhad (“Company”) is committed to nurture and maintain a sound risk management framework and systems of internal control throughout the Company and its subsidiaries (“Group”). The Board’s Statement on Risk Management and Internal Control (“Statement”) featuring the Group’s risk management framework and its state of internal control is outlined as follows. The Statement is made in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers and Practice 9.1 for Principle B of the Malaysian Code on Corporate Governance (MCCG).

THE BOARD’S RESPONSIBILITY

The Board affirms its overall responsibility for the Group’s systems of internal control and risk management in order to safeguard shareholders’ investment and the Group’s assets. The Board ensures the adequacy, effectiveness and integrity of the internal control systems through regular reviews, accompanied by ongoing risk management process.

It should be noted that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and therefore can provide only reasonable and not absolute assurance against material misstatement or loss.

Based on the following descriptions of the risk management framework and internal control systems, we are pleased to state that the systems of internal control and risk management processes are generally in place and adequate for its purpose. The management is expected to ensure the continual review of the Group’s risk profiles, the related business processes and the monitoring of the implementation of Management Action Plans (“MAPs”) in order to promote a balance of risk and return in daily business operations.

The Board has received reasonable assurance from Group Chief Executive Officer and Group Financial Controller primarily responsible for the financial management that the Group’s risk management framework and internal control systems are operating adequately and effectively, in all material aspects, based on the risk management framework and internal control systems of the Group.

ENTERPRISE RISK MANAGEMENT (“ERM”)

The Board confirms that the Group has in place an ERM Framework for the ongoing process of identifying, evaluating, monitoring and managing the significant risks affecting the achievement of the Group’s business objectives. The ERM Framework of the Group has been updated in accordance to the best practice of ISO 31000:2018 Risk Management – Guidelines.

Recognising the important of leadership and a clear line of responsibility in effective risk management, the Group had in the current financial year, revised and established a new risk oversight structure as showed in the Figure 1 (ERM Framework). The key aspects of the ERM Framework are: -

- The Risk and Sustainability Management Committee (“RSMC”) (formerly known as Risk Management Committee) was formed to oversee the risk management system, practices and processes. The RSMC emphasises the importance of ERM Framework and procedures, and manages the overall risk exposure of the Group. The RSMC is chaired by the Group Chief Executive Officer and comprises the Directors of Strategy and Operations, Chief Executive Officers and Group Financial Controller. The RSMC amongst others, assists the Board Risk and Sustainability Committee (“BRSC”) in identifying key strategic and business risks, determining the Group’s risk appetite, and ensures that risks are identified and managed in effective and efficient manner;
- The Risk and Sustainability Management Teams (formerly known as Risk Management Teams) comprising management staff from the Corporate, Property, Manufacturing and Other Divisions who are assigned with the responsibilities of continuous monitoring and management of the risks of the Group;
- The ERM assessment reviews are performed quarterly to identify, assess and manage the risks faced by the Group. The reviews are carried out to address major risk areas of concern, if any from the perspectives of environmental, regulatory & legal, governance & operational controls, financial, customers, products & services, suppliers, human capital and sustainability risks;

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- Likelihood of occurrence of those risk factors and magnitude of their impacts are determined based on division's level of risk tolerance defined earlier and the previously established risk matrix table;
- Key risk management strategies or MAPs to key business processes are identified based upon risk evaluation where overall risk rating and profile are determined;
- The key risks identified during the ERM assessment reviews together with the controls for managing them and the MAPs to be implemented are summarised in the Key Residual Risk Profiles and Risk Registers, serving as the supporting details for the ERM Assessment Report and as the means for assuring the BRSC that the ERM processes are effective;
- ERM compliance reviews are carried out on a continuous basis to ensure the controls / key risk management strategies for managing risks are functioning effectively. All are recorded in the Documented ERM Compliance Review including the implementation status of MAPs;
- The BRSC upon receiving the ERM Assessment Report and Documented ERM Compliance Review from Group Internal Auditors shall review and monitor the effectiveness of the Group's systems of internal control before onward submission to the Board for endorsement. The Chairman of the BRSC would inform the Directors, of any salient matters noted by the BRSC and which require the Board's notice or direction; and
- The results of the ERM Framework, i.e. the internal control procedures that are identified to address key risks, are used as one of the basis to develop risk-based internal audit plans.

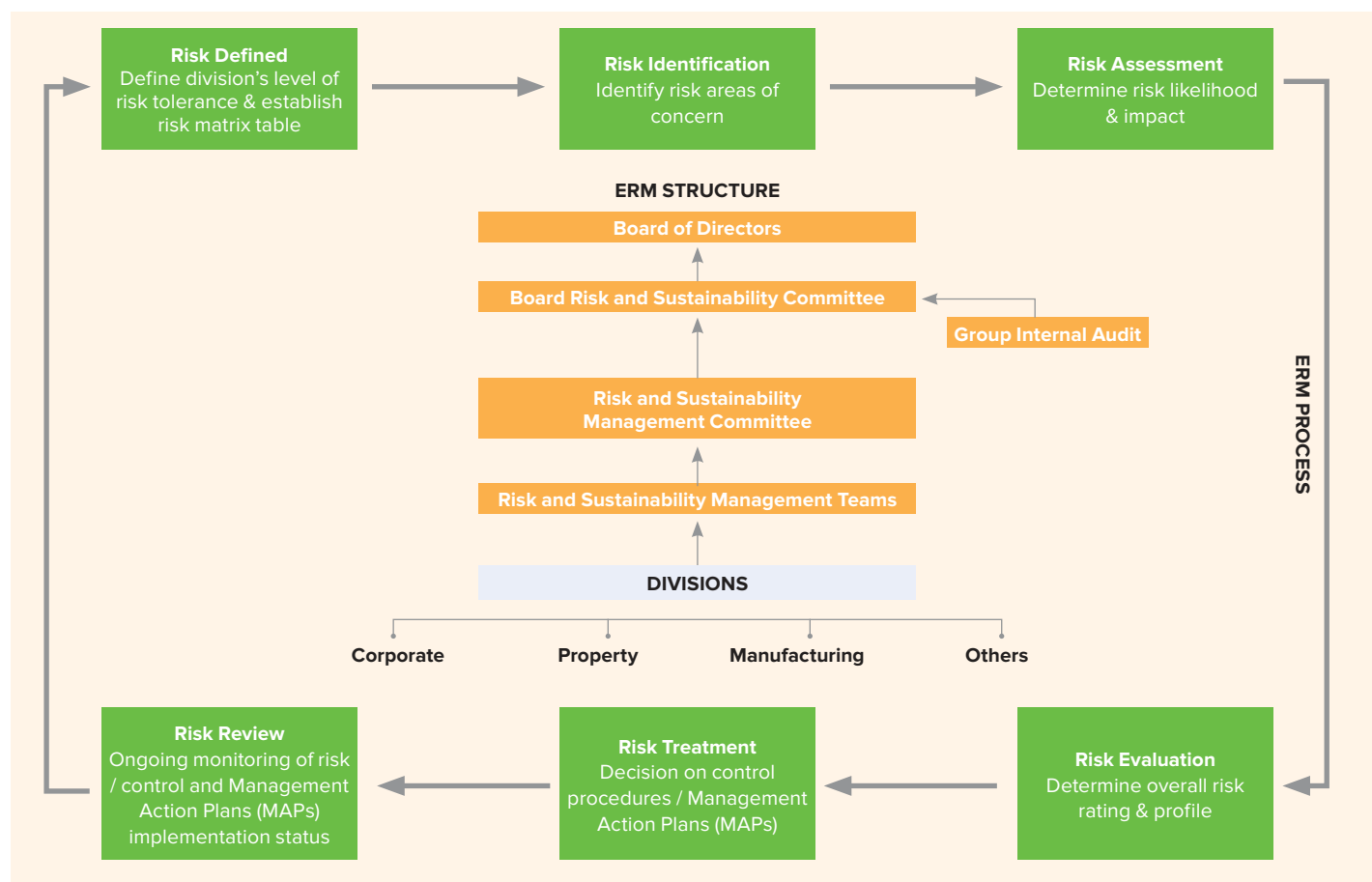


Figure 1: ERM Framework

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL

The key elements of the Group's internal control systems are:-

- Group Vision, Mission, Corporate Culture, Code of Conduct are communicated to employees through Employee Handbook which defines the conduct of work required;
- Operational structure with defined lines of responsibility and delegation of authority. A process of hierarchical reporting has been established which provides a documented and auditable trail of accountability;
- Standard operating policies and procedures are updated and in place to reflect changing risks or to resolve operational deficiencies. Instances of non-compliance with such policies and procedures are reported thereon by Group Internal Audit to the Audit Committee;
- Key functions such as business development, human resources, finance, tax, management information system, treasury, secretarial, corporate and legal matters are centralised at the head office;
- Detailed budgeting process is established requiring all business units to prepare budget and business plan on an annual basis;
- Effective reporting systems which highlight significant variances against budget and plan are in place to monitor performance. Key variances are followed up by the management and management action is taken, where necessary and reported to senior management on a regular basis. The Group Managing Director meets on a regular basis with all divisional heads to review the Group's financial performance, business developments, management and corporate issues;
- Ongoing training and educational program for Directors and relevant staff in assessing the adequacy and integrity of the Group's risk control processes;
- The professionalism and competency of staff are being emphasised through continuous training and regular performance evaluations;
- The Group's Property Division has been accorded ISO 9001:2015 Quality Management System accreditation in the year 2017, demonstrating the Group's quest in consistently improving the strength of its internal controls. As part of the requirements of the certification, scheduled audits are conducted internally by ISO function of the Quality Assurance Department as well as by auditors of the relevant certification bodies. In 2020, it has also been accorded for ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health & Safety Management System. The Group's Plastics Business of Manufacturing Division received the accreditation for both ISO 9001:2000 and ISO 9001:2008 in the year 2010. Thereafter, it has been upgraded to conform to the requirements of both ISO 9001:2015 and ISO 14001:2015 in the year 2018. In 2021, the Group's Healthcare Business of Manufacturing Division has been accorded EN ISO 13485:2016 Medical Device Quality Management System, ISO: 13485:2016 Medical Device Single Audit Program (MDSAP), 510k clearance from US Food and Drug Administration (FDA) and European Union Medical Device Regulation (EU-MDR) certifications;
- Where relevant, external certification / standards such as the Quality Assessment System in Construction (QLASSIC) was adopted to further strengthen and improve delivery processes and quality;
- Industrialised Building System (IBS) has been applied as Group construction initiative whereby building components are constructed in a controlled environment for better quality and reduce waste;
- Group Internal Audit independently reviews the internal controls to provide the Audit Committee with sufficient assurance that the systems of internal control are effective to address the risks identified. On a quarterly basis, Group Internal Audit submits reports and plan for review and approval by the Audit Committee;
- The Group strongly believes in acting professionally, fairly and with integrity in all business dealings and relationships, free of any acts of bribery or corruption in upholding high standards of ethics. The Group has set up Anti-Bribery and Anti-Corruption Policy, Whistleblowing Policy which can be accessed from the company's website; and
- The yearly Statement of Risk Management and Internal Control had been reviewed by the External Auditors.

AUDIT COMMITTEE REPORT

The Audit Committee was established by the Board of Directors (“**Board**”) of Mah Sing Group Berhad (“**Mah Sing**” or “**Company**”) in line with the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) to serve as a Board Committee to assist the Board in fulfilling its fiduciary responsibilities, overseeing the financial reporting processes, evaluating internal and external audit processes, reviewing the adequacy of the Group’s risk management process and systems of internal control. The Audit Committee is supported by the Company’s internal audit function as well as Risk Management Committee in carrying out its responsibilities.

With the establishment of the Board Risk and Sustainability Committee on 18 April 2023 primarily responsible for overseeing the risk management and sustainability frameworks and processes of Mah Sing, the oversight of risk matters will no longer be under the purview of the Audit Committee.

The Board of the Company is pleased to present the Audit Committee Report for the financial year ended 31 December 2023 (“**FY2023**”).

1. COMPOSITION

The Audit Committee comprises the following 3 members, all of whom are Independent Non-Executive Directors.

Abd Malik Bin A Rahman
(Chairman, Independent Non-Executive Director)

Admiral (R) Tan Sri Dato’ Seri Abu Bakar Bin Abdul Jamal
(Member, Independent Non-Executive Director)
(appointed on 1 August 2023)

Ho Kim Poi
(Member, Independent Non-Executive Director)

Tan Sri Dato’ Seri Siti Norma Binti Yaakob
(Member, Senior Independent Non-Executive Director)
(retired on 22 June 2023)

The composition of the Audit Committee complies with paragraph 15.09 of Listing Requirements and Practice 9.4 of the Malaysian Code on Corporate Governance (“**MCCG**”).

The Audit Committee has an independent Chairman, Abd Malik Bin A Rahman, who is not the Chairman of the Board of Mah Sing. This is in line with paragraph 15.10 of Listing Requirements and Practice 9.1 of the MCCG.

The composition of the Audit Committee is made up of members who have sound knowledge and understanding of financial reporting requirements. Abd Malik Bin A Rahman is a Chartered Accountant, member of the Malaysian Institute of Accountants, a Fellow of the Association of Chartered Certified Accountants (UK), and a member of the Malaysian Institute of Certified Public Accountants. In addition, Ho Kim Poi is a member of the Malaysian Institute of Accountants and a member of CPA Australia. Accordingly, the Audit Committee membership is in line with paragraph 15.09(1)(c)(i) of Listing Requirements of Bursa Securities which requires at least one member of the Audit Committee to be a qualified accountant.

None of the Audit Committee members is a former audit partner of the Company’s External Auditor.

2. TERMS OF REFERENCE

The Audit Committee is guided by its Terms of Reference in performing its duties and discharging its responsibilities. The Terms of Reference of the Audit Committee is available on the Company’s website at www.mahsing.com.my.

3. MEETINGS AND ATTENDANCE

The Audit Committee meetings were pre-scheduled at the beginning of the year to facilitate the members in planning and incorporating the meetings into their schedules.

The Audit Committee meets quarterly with additional meetings convened as and when necessary. During FY2023, the Audit Committee held 4 meetings with attendance tabulated below:-

Name of Members	Attendance
Abd Malik Bin A Rahman	4/4
Admiral (R) Tan Sri Dato’ Seri Abu Bakar Bin Abdul Jamal*	2/2
Ho Kim Poi	4/4
Tan Sri Dato’ Seri Siti Norma Binti Yaakob**	2/2

* *Admiral (R) Tan Sri Dato’ Seri Abu Bakar Bin Abdul Jamal was appointed as member of the Audit Committee on 1 August 2023.*

** *Tan Sri Dato’ Seri Siti Norma Binti Yaakob retired from the Board on 22 June 2023 and ceased to be a member of the Audit Committee on 22 June 2023.*

The Audit Committee meetings were conducted in accordance with the requisite quorum of 2 members as stipulated in the Terms of Reference of the Audit Committee. Aside from the meetings, urgent decisions were also approved via Audit

AUDIT COMMITTEE REPORT

Committee circular resolutions, which were supported with adequate information required to make an informed decision. All meetings were held before Board meetings to ensure that all concerns and significant findings were communicated to the Board on a timely basis.

Meeting papers were distributed to the members of Audit Committee with sufficient notice before meetings to enable the members to peruse and have the opportunity to seek additional information/obtain further explanation or clarification from senior management personnel and the Head of Group Internal Audit Department (“GIAD”) on the matters to be deliberated.

During FY2023, the External and Internal Auditors, Group Chief Executive Officer, Executive Director, Group Financial Controller and other senior management personnel attended the meetings by invitation to brief the Audit Committee on specific matters as listed below:

- (a) In FY2023, Group Financial Controller and other senior management personnel presented the quarterly financial reports for the fourth quarter of 2022, the annual audited financial statements for the financial year ended 31 December 2022 (“FY2022”) and the quarterly financial reports for the first, second and third quarters of 2023 for the Audit Committee’s deliberation and approval.
- (b) On 27 February 2024, the Management presented the quarterly financial reports for the fourth quarter of 2023 and the annual audited financial statements for FY2023 for the Audit Committee’s deliberation and approval.
- (c) The Head of GIAD presented quarterly internal audit reports and annual internal audit plan.
- (d) Risk management is addressed by the Audit Committee through the Risk Management Committee. The Enterprise Risk Management Report which sets out risk matters and status of risk monitoring for FY2023 was reported to the Audit Committee at the first quarter of FY2023. Enterprise Risk Management Report for the subsequent quarters were tabled to the newly established Board Risk and Sustainability Committee. The Chairman of the Risk Management Committee, who is also the Group Chief Executive Officer attended the meeting by invitation of the Audit Committee to provide clarification on issues raised by the Audit Committee.

The Group Chief Executive Officer and Executive Director attended the meetings by invitation to brief and provide insights into the Group’s operations, provide clarification on audit issues and the Group’s financials as well as business operations including new ventures for the Audit Committee’s deliberation, direction and approval.

In FY2023, the Audit Committee had two private sessions with External Auditors and Internal Auditors without the presence of management, following best practices to provide them with the opportunity to openly share (any) concerns about the Group. This allowed the members of the Audit Committee to openly discuss issues requiring attention or significant matters arising from both the external and internal audit. The External Auditors were also given the opportunity to openly raise any matters arising from their audit work.

The Chairman of the Audit Committee reported significant matters that were deliberated, concerns that were raised, and recommendations from the Audit Committee meetings to the Board for the Board’s direction or decision. The Chairman of the Audit Committee also conveyed matters of significant concern as and when raised by the External Auditors or Internal Auditors to the Board.

Decisions of the Audit Committee were made unanimously. All deliberations and recommendations of the Audit Committee were minuted and the minutes were subsequently confirmed at the subsequent meetings of the Audit Committee.

4. EVALUATION

The Board reviewed the terms of office of the Audit Committee and assessed the performance of the Audit Committee and its members through an annual Board Committee effectiveness evaluation.

Members undertook both self and peer evaluations on each party’s performance and contribution in discharging their duties and responsibilities. Based on the outcome of the annual assessment, the Board was satisfied that the Audit Committee and its members have effectively discharged their functions, duties and responsibilities in accordance with the Terms of Reference of the Audit Committee. In addition, the Board also agreed that the Audit Committee continued to support the Board in reviewing financial reporting and audit matters,

AUDIT COMMITTEE REPORT

contributed to the overall effectiveness of the decision-making process by the Board and played an effective role in ensuring that the Group upholds appropriate governance standards in safeguarding the Group's assets.

The Audit Committee conducted annual review and assessment of External Auditors for performance, suitability and independence, and of Internal Auditors for effectiveness of internal audit function. The Audit Committee was satisfied with the outcome of both assessments and further details are disclosed in section 6 of this report.

5. TRAINING AND DEVELOPMENT

In FY2023, all Audit Committee members attended training and development programmes on various subjects organised by external professionals, according to the respective Director's training needs in carrying out their duties as Directors and members of the Board Committees. Details are disclosed in the "Training and Development of Directors" section of the Corporate Governance Overview Statement.

6. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE FOR THE FINANCIAL YEAR

During FY2023, the Audit Committee carried out the following activities in the discharge of its functions and duties, which are in line with its responsibilities as set out in the Terms of Reference of the Audit Committee:-

(a) Financial reporting

- During FY2023, the Audit Committee reviewed the quarterly financial reports for the fourth quarter of 2022, the annual audited financial statements for FY2022 and the quarterly financial reports for the first, second and third quarters of 2023. On 27 February 2024, the Audit Committee reviewed the quarterly financial reports for the fourth quarter of 2023 and the annual audited financial statements for FY2023. Thereafter, the Audit Committee provided recommendations which were then presented to the Board for approval during the respective corresponding Board meetings.
- The reviews were to ensure and confirm with management and External Auditors, where applicable, that the financial statements have been prepared with due regard to the following:

- consistently applied appropriate and relevant accounting policies in accordance with applicable accounting standards in Malaysia;
- made reasonable judgements and estimates;
- applied going concern basis of accounting in the financial statements/reports; and
- compliance with the Listing Requirements.

In respect of the above reviews, matters discussed included the key audit matters and the implications to the Group, and how these matters were addressed in the audit.

(b) External audit

- Discussed significant accounting and audit issues in respect of the annual audited financial statements for FY2022 with the External Auditors as well as assessing the actions and audit procedures taken by the External Auditors in respect of those areas.
- Discussed with External Auditors on the adequacy and efficiency of the accounting procedures and internal controls. There were no significant deficiencies identified in the internal control.
- Conducted an annual review and assessment on the performance, suitability and independence of the External Auditors and recommended to the Board on re-appointment of the External Auditors. Areas of performance review included sufficiency of resources, quality of audit processes, professionalism, independence and objectivity of the audit team, audit scope and planning, level of interaction, audit fees as well as non-audit services.

Upon conclusion of the final audit by the External Auditors, they reconfirmed to the Audit Committee their independence in carrying out the audit of the Company's consolidated financial statements for FY2022. In the report on audit results presented at the Audit Committee meeting, the External Auditors undertake that they have complied with the relevant professional and regulatory requirements in relation to their independence.

AUDIT COMMITTEE REPORT

The Audit Committee considered the independence of the audit partner in relation to audit. The last rotation of the Group's key audit partner was at the audit for financial year 2020.

The Audit Committee was satisfied with the outcome of the assessment on the performance, suitability, and independence of the External Auditors, including the audit partner in relation to their performance, and that the External Auditors continue to be objective and independent in relation to the Group's audit. The Audit Committee recommended the re-appointment of Deloitte PLT as the External Auditors of the Company for FY2023 to the Board. Thereafter, shareholders approved the Board's recommendation on the re-appointment of Deloitte PLT as the External Auditors of the Company for FY2023 during the 31st Annual General Meeting held on 22 June 2023.

- Reviewed the amount of audit and non-audit fees paid or payable by the Group to the External Auditors, if any. The total amount of audit and non-audit fees were compared against the previous year and any changes in fees were appropriately justified by the management, taking into consideration the implementation of the MFRS framework, level of activities of the Group and reference to the fees payable by the other companies in the similar industry. The Audit Committee was satisfied with the appropriateness of the audit and non-audit fees, which commensurate with the level of services performed. The provision of non-audit services did not compromise the External Auditors' independence and objectivity.
- Had two private discussion sessions with External Auditors and the Head of GIAD on 28 February 2023 and 29 November 2023, without the presence of the Executive Directors and management personnel. The meetings provided an open and unrestricted forum for the External Auditors to discuss with the Audit Committee the areas of concern and findings related to the Group's financial statements for the attention of the Audit Committee.

No major concerns were highlighted at these private sessions and the External Auditors confirmed that they had received full cooperation from the management and staff during the course of audit. There were no areas of concern that required escalation to the Board.

- Reviewed the Group's audit plan for FY2023 with External Auditors on 29 November 2023 to ensure adequate actions were carried out to ascertain compliance with the relevant accounting standards, prior to finalising the annual audited financial statements for FY2023. This is also to ensure co-ordination of audits of the various companies within the Group which uses different external auditors. The areas of review included, among others, the adequacy of the external audit team, audit materiality, audit scope, audit focus areas, involvement of IT specialists, timing of audit and the proposed fees for audit services rendered by the External Auditors for FY2023. The Audit Committee obtained declaration on independence from the External Auditors in respect of the audit for FY2023 via the Group's audit plan for FY2023 presented at the Audit Committee meeting.

(c) Internal audit

- Reviewed and discussed the internal audit plan for FY2023.
- Reviewed the internal audit reports, considered the major findings of internal audit reviews and evaluated management's responses on a quarterly basis.
- Monitored the follow-up audits to ascertain the agreed action plans being implemented by the Management.
- Conducted an annual assessment review, evaluated the effectiveness of the internal audit function, independence and performance of the Internal Auditors, its authority, resources and scope of work.
- Obtained sufficient assurance on the systems reviews of internal control from the Internal Auditors.

AUDIT COMMITTEE REPORT

(d) Risk management and internal control

- Reviewed and discussed the Enterprise Risk Management Reports on the Group's risk profile and status of identified risk monitoring for the first quarter of FY2023. Enterprise Risk Management Report for the subsequent quarters were tabled to the newly established Board Risk and Sustainability Committee on 18 April 2023.

(e) Other matters considered

- Reviewed and recommended to the Board for approval of the Corporate Governance Overview Statement, Corporate Governance Report, Statement of Risk Management and Internal Control ("**SORMIC**") and Audit Committee Report. The SORMIC was supported by an independent review by Deloitte PLT.
- Reviewed and approved the Circular to Shareholders in respect of the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature entered into by the Group and the statement by the Audit Committee in respect of the proposed shareholders' mandate for recurrent related party transactions. The review was to ensure that the transactions were carried out on arm's length basis based on normal commercial terms that are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company, pursuant to the provisions of the Listing Requirements of Bursa Securities.
- On 27 February 2024, the Audit Committee reviewed the potential conflict of interest situations that may arise and the measures identified to resolve, eliminate or mitigate the conflict or interest.

7. INTERNAL AUDIT FUNCTION

The internal audit function is considered as an integral part of the assurance framework within the Group. The internal audit function plays an intermediary role in that it assists in the discharge of the oversight function which is delegated by the Board to the Audit Committee. It serves as a mean of obtaining sufficient assurance of regular reviews and/or appraisals of the adequacy and effectiveness of the risk, control and governance framework of the Group.

The internal audit function is performed in-house by the GIAD, guided by its Internal Audit Charter. The GIAD reports directly to the Audit Committee on the adequacy and effectiveness of the risk management and internal control systems.

GIAD is headed by Hau Wee Sin, who is a Certified Internal Auditor of the Institute of Internal Auditors, a Fellow of the Association of Chartered Certified Accountants (UK) and graduated with Master of Business Administration. GIAD is currently made up of 5 in-house qualified professionals.

Each GIAD team member confirmed that they do not have any business relationship and are not related to people across the Group, or had previously served in a management role capacity to the Group before, that could impair their objectivity and independence as internal auditors.

The internal audit's objective and approach are guided by the adoption of the Institute of Internal Auditors' International Professional Practices Framework.

The GIAD undertakes independent, regular and systematic reviews of the systems of internal control so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively. The annual internal audit plan which is designed to cover development projects and entities across all levels of operations within the Group is approved by the Audit Committee. The GIAD adopts a risk-based approach in planning the audit assignments taking into consideration the industry specific requirements.

The GIAD performs independent evaluation of the operation of the Enterprise Risk Management Framework focusing primarily on the adequacy and effectiveness of the said framework.

The GIAD also assists the Audit Committee in reviewing the extent of the Group's compliance with the provisions set out under the MCGG for the purpose of preparing the Corporate Governance Overview Statement, the Audit Committee Report, SORMIC pursuant to the Listing Requirements of Bursa Securities; and the SORMIC: Guidelines for Directors of Listed Issuers.

AUDIT COMMITTEE REPORT

8. SUMMARY OF INTERNAL AUDIT ACTIVITIES FOR THE FINANCIAL YEAR

Various independent audit reviews on the appropriateness of the instituted controls and evaluation of the acceptable levels of principal risk exposures were conducted in relation to the Group's operations and information systems as follows:-

- reliability of financial and operational information;
- effectiveness and efficiency of operations;
- safeguarding of assets; and
- compliance with policies, procedures, laws and regulations and contracts.

During FY2023, GIAD had completed and reported audit assignments covering the following projects and areas:

- M Senyum, Salak Tinggi under Oasis Garden Development Sdn Bhd
- M Astra, Setapak under Nova Century Development Sdn Bhd
- Erica Meridin East, Johor Bahru under Meridin East Sdn Bhd
- Customer Services & Property Management Department under Property Division
- Hotel operations under Meridin Hospitality Sdn Bhd
- Healthcare business under Mah Sing Healthcare Sdn Bhd
- Group Information Technology Department
- Revenue or trading nature relating to recurrent related party transactions of the Group
- Special verification on the accuracy of data categorisation in Salesforce Customer Careline System
- In-house main contractor (Enrich Property Development Sdn Bhd) for M Senyum project

At the conclusion of the various audits, weaknesses together with the recommended corrective actions were highlighted to the management. There were no material losses incurred during FY2023 as a result of the weaknesses in the internal control systems and the management is proactive in strengthening the internal control environment. Follow-up audit reviews were conducted to ensure that corrective actions are being implemented accordingly.

The Audit Committee then deliberates on the internal audit reports to ensure audit recommendations are implemented by the Management.

All the internal audit activities were performed in-house and the total costs incurred in managing the GIAD for FY2023 was RM525,000 (FY2022: RM480,000).

Further details of the activities of GIAD are set out in the Statement of Risk Management and Internal Control contained in this Integrated Annual Report.

9. ANTI-CORRUPTION AND WHISTLEBLOWING

The Internal Audit shall perform regular audits to check on the effectiveness of the integrity and internal control functions. The Head of GIAD is a member of the Whistleblowing Committee to supervise the Group Whistleblowing Policy and Procedures and responsible amongst others, to investigate any whistleblowing reports received, recommend areas of improvement to close gaps found during course of any investigation and take action pursuant to the Whistleblowing Investigation Manual.

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DIRECTORS' REPORT

The Directors are pleased to submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to subsidiary companies in the Group. The information on the name, place of incorporation, principal activities and percentage of issued share capital held by the holding company in each subsidiary is as disclosed in Note 18 to the financial statements.

RESULTS

The results of the Group and of the Company for the financial year are as follows:

	The Group RM'000	The Company RM'000
Profit for the year attributable to:		
Equity holders of the Company	215,287	155,953
Non-controlling interests	6,892	-
	222,179	155,953

In the opinion of the Directors, the results of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

On 21 September 2023, the Company paid a first and final single tier dividend of 3.00 sen per ordinary share which amounted to RM72,830,636 in respect of the financial year ended 31 December 2022 as approved by the shareholders at the last Annual General Meeting.

On 27 February 2024, the Directors declared a first and final single tier dividend of 4.00 sen per ordinary share in respect of the financial year ended 31 December 2023, which is payable on 23 May 2024. This first and final single tier dividend will be accounted for in equity as an appropriation of retained earnings during the financial year ending 31 December 2024.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

DIRECTORS' REPORT (CONT'D)

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (a) which would render the amount written off as bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen and render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year and secures the liability of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The Directors of the Company who held office during the financial year and during the period from the end of the financial year to the date of this report are:

Tan Sri Dato' Sri Leong Hoy Kum ^
 Datuk Ho Hon Sang ^
 Dato' Ng Poh Seng ^
 Datuk Seri Leong Yuet Mei ^
 Abd Malik Bin A Rahman
 Ho Kim Poi
 Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal (appointed on 1.8.2023)
 Dato' Voon Tin Yow (appointed on 2.2.2024)
 Lionel Leong Jihn Haur ^ (appointed on 2.2.2024)
 Tan Sri Dato' Seri Siti Norma Binti Yaakob (retired on 22.6.2023)

^ Director of the Company and certain subsidiaries.

DIRECTORS' REPORT (CONT'D)

DIRECTORS (continued)

The Directors of the Company's subsidiary companies (in addition to those who are also Directors of the Company as indicated above) who held office during the financial year and during the period from the end of the financial year to the date of this report are:

Jen Tan Sri Yaacob Bin Mat Zain (R)
Jane Leong Jheng-Yi
Benjamin Ong Chin Yee @ Ong Chin Yee
Yeoh Chee Beng
Lee Foo Keong
Jimmy Johannes
Chen Weng Hong
Teong Sze Howe
Bernard Yong Chen Wei
Lee Seng Song
Chong Chee Kuan
Tan Yu Keng
Lai Kok Soon
Wong Soon Chiu
Ng Kok Chor
Dato' Ab. Kadir Bin Yaacob
Dato' Ahmad Shaharuddin Bin Ahmad Baharuddin
Alias Bin Yusof
Khaw Bee Nee (appointed on 31.3.2023)
Ng Kim Lui (appointed on 18.4.2023)
Sun Jianwei (appointed on 22.9.2023)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 the interests of the Directors who held office at the end of the financial year in the ordinary shares of the Company are as follows:

Shares in the Company

	Number of ordinary shares		
	As at 1.1.2023	Acquired	Disposed
As at			As at
31.12.2023			31.12.2023
Direct interest			
Tan Sri Dato' Sri Leong Hoy Kum	10,319,007	-	-
Dato' Ng Poh Seng	708,900	-	-
Abd Malik Bin A Rahman	10,000	-	-
Indirect interest			
Tan Sri Dato' Sri Leong Hoy Kum*	842,183,198	-	-
Datuk Seri Leong Yuet Mei**	316,814	-	-

* Deemed interest by virtue of shareholdings of Mayang Teratai Sdn Bhd, Mayang Teratai Limited and his family members.

** Deemed interest by virtue of the shareholdings of her family member.

By virtue of Tan Sri Dato' Sri Leong Hoy Kum's interest in the shares of the Company, he is deemed pursuant to Section 8(4) of the Companies Act 2016 to have interests in the shares of the subsidiaries of the Company to the extent the Company's interest in the respective subsidiaries as disclosed in Note 18 to the financial statements.

Other than as disclosed above, none of the other Directors in office as at the end of the financial year held any interest in the shares of the Company and its related corporations during the financial year.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive any benefit (other than the fees, other emoluments and benefits-in-kind as disclosed below) by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which the Director is a member or with a company in which the Director has a substantial financial interest except for those benefits which may be deemed to have arisen by virtue of those transactions entered into in the ordinary course of business by the Company and its subsidiary companies with the Directors or the companies in which the Directors are deemed to have substantial financial interests as disclosed in Note 39(c) to the financial statements.

Neither during nor at the end of the financial year was the Company or any of its related corporations a party to any arrangement whose object was to enable the Directors to acquire benefits through the acquisition of shares in, or debentures of, the Company or any other body corporate.

Details of the Directors' remuneration are as follows:

	The Group RM'000	The Company RM'000
Salaries, bonus and other emoluments	20,465	974
Directors' fees	231	231
Benefits-in-kind	125	35
Total short-term employment benefits	20,821	1,240
Post employment benefits - EPF	2,453	115
	23,274	1,355

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS OR AUDITORS

The Company maintains directors' and officers' liability insurance for purposes of Section 289 of the Companies Act 2016 throughout the year, which provides appropriate insurance cover for the Directors and Officers of the Company. The amount of insurance premium paid during the financial year amounted to RM22,906.

There was no indemnity given to or insurance effected for the auditors of the Company in accordance with Section 289 of the Companies Act 2016.

SUBSIDIARIES

The details of the subsidiary companies are disclosed in Note 18 to the financial statements.

The auditors' reports on the financial statements of the subsidiary companies did not contain any qualification.

DIRECTORS' REPORT (CONT'D)

AUDITORS

The auditors, Deloitte PLT, have indicated their willingness to accept re-appointment.

AUDITORS' REMUNERATION

Details of the auditors' remuneration are as follows:

	The Group RM'000	The Company RM'000
Audit fee	616	60
Non-audit fees	56	5
	672	65

Signed on behalf of the Board in accordance with a resolution of the Board of Directors,

ADMIRAL (R) TAN SRI DATO' SERI ABU BAKAR BIN ABDUL JAMAL
Chairman

DATUK HO HON SANG
Director

Kuala Lumpur
27 February 2024

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MAH SING GROUP BERHAD
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **MAH SING GROUP BERHAD**, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of profit or loss, statements of other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 169 to 237.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MAH SING GROUP BERHAD

(Incorporated in Malaysia)(CONT'D)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the scope of our audit responded to the key audit matter
Revenue recognition from property development Revenue from property development recognised during the year as disclosed in Note 3 to the financial statements amounted to RM2.11 billion, which represents 81.2% of the Group's revenue. Revenue from the sales of properties under development is recognised over the period of the contract using the input method by reference to the property development costs incurred to date as a percentage of the estimated total costs of development. Significant judgement is required in determining the satisfaction of performance obligations as stated in the contracts with customers, transaction price allocations and costs in applying the input method to recognise revenue over time. In making the estimate, management relies on opinion/service of experts, past experience and a continuous monitoring mechanism.	Our audit procedures included, among others: • Obtained an understanding of the relevant controls put in place by the Group in respect of revenue recognition for property development activities and performed procedures to evaluate design and implementation and tested the operating effectiveness of such controls. • Verified gross development value and assessed the terms and conditions of the major sales contracts to determine that revenue recognised conforms with the Group policies and the requirements of MFRS 15 <i>Revenue from Contracts with Customers</i>. • Evaluated management prepared budgets for property development projects and ensured that budgets were appropriate and reflected current costs of operations and costs to complete. Challenged the reasonableness of management's assumptions and estimations on the budgeted total cost of development projects and performed retrospective review to establish the reliability of management-prepared total budgeted costs. • Tested samples of costs incurred to supporting documents such as contractors' claims or suppliers' invoices. Where costs have not been billed or certified, assessed the adequacy of management's accruals of such costs by reviewing subsequent contractors' claims, supplier invoices or approved architect's certificates. • Checked the mathematical accuracy of the revenue and profit based on percentage of completion calculations and considered the implications of any changes in estimate. • Performed site visit to assess the status of the development projects to arrive at an overall assessment as to whether information provided by management is reasonable.

We have determined that there are no key audit matters in the audit of the financial statements of the Company to be communicated in our auditors' report.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MAH SING GROUP BERHAD

(Incorporated in Malaysia)(CONT'D)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, except for the Profile of The Board of Directors, Investor Relations, Management Discussion and Analysis and Statistics of Shareholdings, which are expected to be made available to us after that date.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Profile of The Board of Directors, Investor Relations, Management Discussion and Analysis and Statistics of Shareholdings that is expected to be made available to us after the date of this auditors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MAH SING GROUP BERHAD

(Incorporated in Malaysia)(CONT'D)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 18 to the financial statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

DELOITTE PLT (LLP0010145-LCA)
Chartered Accountants (AF0080)

DATUK LIM CHU GUAN
Partner - 03296/03/2025 J
Chartered Accountant

27 February 2024

STATEMENTS OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

		The Group		The Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	3	2,603,212	2,317,228	233,500	182,049
Cost of sales	4	(2,007,556)	(1,804,339)	-	-
Gross profit		595,656	512,889	233,500	182,049
Other income		30,528	44,792	13,706	22,500
Selling and marketing expenses		(57,585)	(60,807)	-	-
Administrative and other expenses		(189,399)	(176,416)	(26,247)	(64,799)
Results from operating activities		379,200	320,458	220,959	139,750
Finance income	6	7,834	2,465	-	-
Finance costs	7	(59,647)	(58,799)	(45,896)	(45,801)
Net finance costs		(51,813)	(56,334)	(45,896)	(45,801)
Profit before tax	8	327,387	264,124	175,063	93,949
Income tax expense	9	(105,208)	(77,326)	(19,110)	(14,631)
Profit for the year		222,179	186,798	155,953	79,318
Attributable to:					
Equity holders of the Company		215,287	180,050	155,953	79,318
Non-controlling interests		6,892	6,748	-	-
		222,179	186,798	155,953	79,318
Earnings per ordinary share (sen):					
- Basic	10(a)	8.87	6.50		
- Diluted	10(b)	8.87	6.50		
Dividend per ordinary share:					
- Sen	11	4.00	3.00	4.00	3.00

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

		The Group		The Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit for the year		222,179	186,798	155,953	79,318
Other comprehensive income/(loss)					
<i>Item that may be reclassified subsequently to profit or loss:</i>					
Foreign currency translation differences on foreign operations		587	(395)	-	-
<i>Item that will not be reclassified subsequently to profit or loss:</i>					
Remeasurements (loss)/gain on defined benefit obligations	30(d)	(547)	85	-	-
Other comprehensive income/(loss) for the year		40	(310)	-	-
Total comprehensive income for the year		222,219	186,488	155,953	79,318
Attributable to:					
Equity holders of the Company		215,299	179,837	155,953	79,318
Non-controlling interests	18(f)	6,920	6,651	-	-
		222,219	186,488	155,953	79,318

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

		The Group		The Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	12	407,864	392,485	9	15
Right-of-use assets	13	46,874	57,576	-	-
Prepaid lease payments	14	3,151	3,196	-	-
Investment properties	15	175,880	180,880	-	-
Land held for property development	16(a)	1,766,139	1,838,717	-	-
Intangible assets	17	3,960	5,021	-	-
Investment in subsidiary companies	18	-	-	438,130	407,293
Investment in associated company	19	-	-	-	-
Deferred tax assets	20	223,377	206,754	-	-
Total Non-Current Assets		2,627,245	2,684,629	438,139	407,308
Current Assets					
Property development costs	16(b)	999,667	1,017,090	-	-
Land held for sale	16(c)	-	46,614	-	-
Inventories	21	529,659	674,322	-	-
Trade and other receivables	22	618,086	809,235	3,108,410	3,333,036
Contract assets	23	572,942	501,962	-	-
Contract cost assets	24	75,892	66,117	-	-
Current tax assets		12,027	10,140	-	-
Deposits, cash, bank balances and investment in short-term funds	25	981,261	579,580	500,009	220,826
Total Current Assets		3,789,534	3,705,060	3,608,419	3,553,862
TOTAL ASSETS		6,416,779	6,389,689	4,046,558	3,961,170

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023 (CONT'D)

		The Group		The Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	26	1,776,057	1,776,057	1,776,057	1,776,057
Reserves	27	12,004	11,637	5,754	5,754
Retained earnings		1,913,090	1,770,989	1,249,917	1,166,795
Equity attributable to ordinary equity holders of the Company					
Non-controlling interests	18	3,701,151 35,706	3,558,683 28,482	3,031,728 -	2,948,606 -
Total Equity		3,736,857	3,587,165	3,031,728	2,948,606
Non-Current Liabilities					
Medium Term Notes	28	1,003,232	1,001,136	1,003,232	1,001,136
Term loans	29	265,999	254,575	-	-
Long-term and deferred payables	30	83,597	70,643	-	-
Deferred tax liabilities	20	32,213	44,160	1,023	1,354
Total Non-Current Liabilities		1,385,041	1,370,514	1,004,255	1,002,490
Current Liabilities					
Trade and other payables	31	1,109,951	1,198,121	5,048	5,106
Contract liabilities	23	138,302	114,158	-	-
Term loans	29	1,185	74,784	-	-
Short-term borrowings	32	8,265	20,996	-	-
Current tax liabilities		37,178	23,951	5,527	4,968
Total Current Liabilities		1,294,881	1,432,010	10,575	10,074
Total Liabilities		2,679,922	2,802,524	1,014,830	1,012,564
TOTAL EQUITY AND LIABILITIES		6,416,779	6,389,689	4,046,558	3,961,170

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Non-distributable reserves		Distributable reserve		Attributable to ordinary equity		Non-controlling interests		Total equity	
	Share capital	Exchange fluctuation reserve	Equity component of Redeemable Convertible Sukuk	Retained earnings	holders of the Company	Perpetual Securities	Non-controlling interests	Total equity		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
The Group										
At 1 January 2022	1,776,057	6,151	5,754	1,682,370	3,470,332	645,212	21,831	4,137,375		
Profit for the year	-	-	-	180,050	180,050	-	6,748	186,798		
Other comprehensive (loss)/income for the year	-	(268)	-	55	(213)	-	(97)	(310)		
Total comprehensive (loss)/income for the year	-	(268)	-	180,105	179,837	-	6,651	186,488		
Dividend paid (Note 11)	-	-	-	(64,334)	(64,334)	-	-	(64,334)		
Distribution paid to holders of Perpetual Securities	-	-	-	(22,364)	(22,364)	-	-	(22,364)		
Redemption of Perpetual Securities	-	-	-	(4,788)	(4,788)	(645,212)	-	(650,000)		
At 31 December 2022 / At 1 January 2023	1,776,057	5,883	5,754	1,770,989	3,558,683	-	28,482	3,587,165		
Profit for the year	-	-	-	215,287	215,287	-	6,892	222,179		
Other comprehensive income/(loss) for the year	-	367	-	(355)	12	-	28	40		
Total comprehensive income for the year	-	367	-	214,932	215,299	-	6,920	222,219		
Dividend paid (Note 11)	-	-	-	(72,831)	(72,831)	-	-	(72,831)		
Issue of shares by subsidiaries to non-controlling shareholders	-	-	-	-	-	-	304	304		
At 31 December 2023	1,776,057	6,250	5,754	1,913,090	3,701,151	-	35,706	3,736,857		
The Company										
At 1 January 2022	1,776,057	-	5,754	1,178,963	2,960,774	645,212	-	3,605,986		
Profit for the year	-	-	-	79,318	79,318	-	-	79,318		
Other comprehensive income for the year	-	-	-	-	-	-	-	-		
Total comprehensive income for the year	-	-	-	79,318	79,318	-	-	79,318		
Dividend paid (Note 11)	-	-	-	(64,334)	(64,334)	-	-	(64,334)		
Distribution paid to holders of Perpetual Securities	-	-	-	(22,364)	(22,364)	-	-	(22,364)		
Redemption of Perpetual Securities	-	-	-	(4,788)	(4,788)	(645,212)	-	(650,000)		
At 31 December 2022 / At 1 January 2023	1,776,057	-	5,754	1,166,795	2,948,606	-	-	2,948,606		
Profit for the year	-	-	-	155,953	155,953	-	-	155,953		
Other comprehensive income for the year	-	-	-	-	-	-	-	-		
Total comprehensive income for the year	-	-	-	155,953	155,953	-	-	155,953		
Dividend paid (Note 11)	-	-	-	(72,831)	(72,831)	-	-	(72,831)		
At 31 December 2023	1,776,057	-	5,754	1,249,917	3,031,728	-	-	3,031,728		

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	The Group		The Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Operating activities				
Profit before tax	327,387	264,124	175,063	93,949
Adjustments for:				
Allowance for impairment loss on financial assets:				
- trade and other receivables	1,366	1,853	-	372
- amounts due from subsidiary companies	-	-	7,581	56,622
Amortisation of prepaid lease payments	228	316	-	-
Bad debts written off	-	32	-	-
Depreciation of:				
- property, plant and equipment	34,784	33,049	6	15
- right-of-use assets	6,449	7,355	-	-
Dividend income from subsidiary companies	-	-	(112,500)	(66,500)
Fair value loss on investment properties	5,000	5,000	-	-
Finance costs	62,017	61,533	45,896	45,801
Fair value gain on investment in short-term funds	(4,551)	(1,064)	(3,808)	(933)
Gain on disposal of property, plant and equipment	(664)	(202)	-	-
Gain on lease modification	(103)	-	-	-
Impairment of:				
- intangible asset	1,061	98	-	-
- investment in subsidiary companies	-	-	14,720	5,000
- property plant and equipment	856	-	-	-
Interest income	(12,413)	(4,560)	(121,000)	(115,549)
Inventories written off	632	9,029	-	-
Property, plant and equipment written off	1,749	6,758	-	-
Provision/(Reversal) for post-employment benefits	1,905	(952)	-	-
Reversal of allowance for impairment loss on financial assets:				
- trade and other receivables	(1,796)	(1,289)	-	-
- amounts due from subsidiary companies	-	-	(1,705)	(14,739)
Reversal of impairment of:				
- investment in a subsidiary company	-	-	(2,557)	(2,500)
- right-of-use assets	(1,687)	-	-	-
Unrealised loss/(gain) on foreign exchange	207	(47)	-	-
Write down of inventories	1,742	3,092	-	-
Operating cash flows before changes in working capital	424,169	384,125	1,696	1,538
Changes in working capital				
Change in property development costs	365,745	478,583	-	-
Change in land held for sale	46,614	-	-	-
Change in inventories	155,037	173,739	-	-
Change in receivables	245,628	(144,861)	116,451	113,400
Change in contract assets	(70,980)	(95,429)	-	-
Change in contract cost assets	(9,775)	(9,230)	-	-
Change in payables	42,492	(6,754)	(30)	21
Change in contract liabilities	24,144	40,767	-	-
Total changes in working capital	798,905	436,815	116,421	113,421
Cash from operations	1,223,074	820,940	118,117	114,959
Interest received	12,413	4,560	4,579	2,095
Interest paid	(23,016)	(23,218)	-	-
Income tax paid	(123,002)	(88,082)	(18,882)	(12,617)
Income tax refunded	592	1,469	-	-
Net cash from operating activities	1,090,061	715,669	103,814	104,437

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

	Note	The Group		The Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Investing activities					
Additions to land held for property development		(46,387)	(49,893)	-	-
Acquisition of land		(389,294)	(75,129)	-	-
Advances to an associated company		-	(5)	-	-
Dividends received from subsidiary companies		-	-	112,500	66,500
Net repayment from subsidiary companies		-	-	175,692	223,798
Payments for acquisition of property, plant and equipment	A	(53,260)	(76,291)	-	(5)
Payment of balance consideration on acquisition of a subsidiary company		(7,500)	(7,500)	-	-
Proceeds from disposal of property, plant and equipment		762	204	-	-
Subscription of shares in an associated company		-	-*	-	-
Net cash (used in)/from investing activities		(495,679)	(208,614)	288,192	290,293
Financing activities					
Dividends paid		(72,831)	(64,334)	(72,831)	(64,334)
Distribution paid to holders of Perpetual Securities		-	(22,364)	-	(22,364)
Withdrawal/(Placement) of deposits with licensed banks pursuant to banking facilities		10,631	(9,554)	-	-
(Placement)/Withdrawal of deposits in Sinking Fund Account, Security and Principal Accounts, Finance Service Reserve Accounts and Escrow Account		(111,934)	408,002	(111,934)	408,002
Withdrawal of deposits in Project Accounts		329	6,415	-	-
Withdrawal of deposits in Trustees' Reimbursement Accounts		29	2	29	2
Payment of Medium Term Notes interest		(43,800)	(43,800)	(43,800)	(43,800)
Proceeds from issuance of ordinary shares by subsidiaries to non-controlling shareholders		304	-	-	-
Proceeds from short-term borrowings	C	11,011	56,900	-	-
Proceeds from term loans	C	280,922	205,286	-	-
Repayment of hire purchase liabilities	C	(653)	(1,108)	-	-
Repayment of lease liabilities	C	(5,038)	(7,863)	-	-
Repayment of short-term borrowings	C	(24,097)	(39,921)	-	-
Repayment of term loans	C	(343,276)	(377,761)	-	-
Redemption of Perpetual Securities		-	(650,000)	-	(650,000)
Net cash used in financing activities		(298,403)	(540,100)	(228,536)	(372,494)
Net increase/(decrease) in cash and cash equivalents		295,979	(33,045)	163,470	22,236
Currency translation differences		38	261	-	-
Fair value gain on investment in short-term funds		4,551	1,064	3,808	933
Cash and cash equivalents at beginning of the financial year		480,370	512,090	135,186	112,017
Cash and cash equivalents at end of the financial year		780,938	480,370	302,464	135,186

* Represents subscription of shares in an associated company of RM49.

The Group and the Company adopt the indirect method in the preparation of statements of cash flows. Cash and cash equivalents are short-term, highly liquid investments with maturities of three months or less from the date of acquisition. They are readily convertible to cash with insignificant risk of changes in value, excluding overdrafts.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

Cash and cash equivalent included in the statements of cash flows comprise the following amounts:

	The Group		The Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	96,675	108,015	17,840	33,207
Project accounts	356,902	252,831	-	-
Deposits with licensed banks	6,524	15,675	-	30
Investment in short-term funds	521,160	203,059	482,169	187,589
Bank overdrafts	(1,113)	(945)	-	-
	980,148	578,635	500,009	220,826
Less: Deposits in Security and Principal Accounts and Finance				
Service Reserve Accounts	(197,513)	(85,579)	(197,513)	(85,579)
Deposits in Project Accounts	-	(329)	-	-
Deposits with licensed banks pursuant to banking facilities	(1,665)	(12,296)	-	-
Deposits in Trustees' Reimbursement Accounts	(32)	(61)	(32)	(61)
	780,938	480,370	302,464	135,186

NOTES TO THE STATEMENTS OF CASH FLOWS

A. PAYMENTS FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

		The Group		The Company	
	Note	2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
Additions of property, plant and equipment	12	51,750	54,924	-	5
Hire purchase financing		(2,224)	-	-	-
Deposit paid in prior year		(9,580)	(7,555)	-	-
Deposit paid in current year	22	8,313	9,580	-	-
Cash paid in respect of prior year acquisition	31	11,161	31,284	-	-
Unpaid balances included under trade and other payables	31	(6,131)	(11,161)	-	-
Interest expenses capitalised	7	(30)	(781)	-	-
Currency translation differences		1	-	-	-
		53,260	76,291	-	5

B. CASH OUTFLOWS FOR LEASES AS A LESSEE

		The Group		The Company	
	Note	2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
Included in net cash from operating activities:					
Payment relating to:					
- short-term leases	8	573	649	-	-
- leases of low value assets	8	302	355	-	-
- variable leases	8	438	-	-	-
Included in net cash from financing activities:					
Repayment of lease liabilities		5,038	7,863	-	-
Interest paid in relation to lease liabilities	7	3,369	3,265	-	-
		9,720	12,132	-	-

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

NOTES TO THE STATEMENTS OF CASH FLOWS (continued)

C. CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details the changes in liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified as financing activities in the statements of cash flows of the Group and of the Company.

	Term loans (Note 29) RM'000	Short-term borrowings (excluding bank overdrafts) (Note 32) RM'000	Long-term and deferred payables (Note 30) RM'000	Medium Term Notes (Note 28) RM'000
2023				
The Group				
At beginning of year	329,359	20,051	70,643	1,001,136
Proceeds	280,922	11,011	-	-
Repayments	(343,276)	(24,097)	(5,691)	-
Interest payment	-	-	-	(43,800)
Acquisition of new leases	-	-	3,515	-
Payment of retirement benefits	-	-	(494)	-
Deferred joint venture consideration	-	-	19,514	-
Non-cash changes	-	-	(4,493)	45,896
Currency translation differences	179	187	603	-
At end of year	267,184	7,152	83,597	1,003,232
The Company				
At beginning of year	-	-	-	1,001,136
Interest payment	-	-	-	(43,800)
Non-cash changes	-	-	-	45,896
At end of year	-	-	-	1,003,232
2022				
The Group				
At beginning of year	501,822	3,212	75,470	999,135
Proceeds	205,286	56,900	-	-
Repayments	(377,761)	(39,921)	(8,971)	-
Interest payment	-	-	-	(43,800)
Acquisition of new leases	-	-	15,448	-
Payment of retirement benefits	-	-	(647)	-
Non-cash changes	102	-	(10,291)	45,801
Currency translation differences	(90)	(140)	(366)	-
At end of year	329,359	20,051	70,643	1,001,136
The Company				
At beginning of year	-	-	-	999,135
Interest payment	-	-	-	(43,800)
Non-cash changes	-	-	-	45,801
At end of year	-	-	-	1,001,136

The accompanying Notes form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal activities of the Company are investment holding and provision of management services to subsidiary companies in the Group. The information on the name, place of incorporation, principal activities and percentage of issued share capital held by the holding company in each subsidiary is as disclosed in Note 18.

The registered office and principal place of business of the Company is located at Penthouse Suite 1, Wisma Mah Sing, 163, Jalan Sungai Besi, 57100 Kuala Lumpur.

The financial statements of the Group and of the Company have been approved by the Board of Directors and were authorised for issuance on 27 February 2024.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements are presented in Ringgit Malaysia ("RM") which represents the functional currency of the Group and of the Company and all financial information presented in RM are rounded to the nearest thousand ("RM'000"), unless otherwise stated.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

(a) Adoption of new and amendments to Malaysian Financial Reporting Standards

In the current financial year, the Group and the Company have adopted all the new and amendments to MFRSs issued by Malaysian Accounting Standards Board ("MASB") that are effective for annual periods beginning on or after 1 January 2023.

MFRS 17	Insurance Contracts
Amendments to:	
MFRS 17	Insurance Contracts
MFRS 17	Initial Application of MFRS 9 and MFRS 17 – Comparative Information
MFRS 101	Disclosure of Accounting Policies
MFRS 108	Definition of Accounting Estimates
MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
MFRS 112	International Tax Reform - Pillar Two Model Rules

The adoption of the new and amendments to MFRSs did not result in significant changes in the accounting policies of the Group and of the Company and has no significant effect on the financial performance or position of the Group and of the Company, except for the adoption of Amendments to MFRS 101 *Presentation of Financial Statements* and MFRS Practice Statement 2, which led to the disclosure of only material accounting policies information. This disclosure includes the measurement bases used in preparing the financial statements and other accounting policies relevant to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

(b) Amendments to MFRSs in Issue But Not Yet Effective

At the date of authorisation for issue of these financial statements, the amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

Amendments to:

MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
MFRS 16	Lease Liability in a Sale and Leaseback ¹
MFRS 101	Classification of Liabilities as Current or Non-current ¹
MFRS 101	Non-current Liabilities with Covenants ¹
MFRS 107 and MFRS 7	Supplier Finance Arrangements ¹
MFRS 121	Lack of Exchangeability ²

¹ Effective for annual periods beginning on or after 1 January 2024, with earlier application permitted.

² Effective for annual periods beginning on or after 1 January 2025, with earlier application permitted.

³ Effective date deferred to a date to be determined and announced, with earlier application still permitted.

The Directors anticipate that the abovementioned amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these amendments to MFRSs will have no material impact on the financial statements of the Group and of the Company in the period of initial application.

(c) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 3 - Revenue from property development
- Note 12 and 13 - Impairment assessment of property, plant and equipment, and right-of-use assets
- Useful lives of depreciation assets
- Note 13 - Extension options and incremental borrowing rate in relation to leases entered into during the year
- Note 15 - Valuation of investment properties
- Note 18 - Impairment of investment in subsidiary companies
- Note 20 - Deferred tax assets
- Note 21 - Net realisable value of unsold completed properties
- Note 22 - Measurement of expected credit losses ("ECL")

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

3. REVENUE

	Note	The Group		The Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue from contracts with customers:					
Property development revenue:					
- sales of properties under development		1,869,313	1,552,329	-	-
- sales of completed properties and land		243,819	285,233	-	-
	23	2,113,132	1,837,562	-	-
Sales of goods		466,064	461,282	-	-
Hotel room rental and other hotel related income		11,217	8,561	-	-
Others		6,470	5,310	-	-
		2,596,883	2,312,715	-	-
Revenue from other sources:					
Dividend income from subsidiary companies	39(b)	-	-	112,500	66,500
Interest income from:					
- advances to subsidiary companies	39(b)	-	-	116,421	113,454
- bank deposits		2,502	1,734	2,503	1,734
- investment in short-term funds		2,076	361	2,076	361
Rental income	15	1,751	2,418	-	-
		2,603,212	2,317,228	233,500	182,049
Timing of revenue recognition:					
- at a point in time		727,570	760,386	-	-
- over time		1,869,313	1,552,329	-	-
Revenue from contracts with customers		2,596,883	2,312,715	-	-

(a) Revenue from property development

Contracts with customers may include multiple promises to customers and are therefore accounted for as separate performance obligations. Where the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus margins.

Revenue is recognised as and when control of the property is transferred to the customer and it is probable that the Group would collect the consideration to which it will be entitled in exchange for the property that would be transferred to the customer. The Group measures revenue after adjusting the effects of any variable consideration and consideration payable to customer.

Based on the terms of the contract and applicable laws, control is transferred over time as the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to-date.

Revenue from the sales of properties under development is recognised over the period of the contract using the input method by reference to the property development costs incurred to date as a percentage of the estimated total costs of development.

Significant judgement is required in determining the satisfaction of performance obligations as stated in the contracts with customers, transaction price allocations and costs in applying the input method to recognise revenue over time. In making the estimate, management relies on opinion/service of experts, past experience and a continuous monitoring mechanism.

The Group identifies performance obligations that are distinct and material, which are judgmental in the context of contracts. Transaction prices are determined based on estimated profit margins prior to its allocation to the identified performance obligations. The Group also estimates total contract costs in applying the input method to recognise revenue over time. In estimating the total costs to complete, the Group considers the completeness and accuracy of its costs estimation, including its obligations to contract variations, claims and cost contingencies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

3. REVENUE (continued)

(a) Revenue from property development (continued)

There is no significant financing component in the revenue generated from the sales of properties under development, completed properties and land as the sales contracts are made on normal credit terms not exceeding twelve months.

Revenue from the sales of completed properties and land is recognised at a point in time when control of the properties have been transferred to the customer and it is probable that the Group will collect the consideration to which it is entitled.

(b) Sales of goods

Revenue from the sales of goods is recognised at a point in time when control over the goods have been passed to the customers, net of sales and service taxes and discounts.

There is no significant financing component in the revenue arising from the sales of goods as the sales is made on the normal credit terms not exceeding twelve months.

(c) Hotel room rental and other hotel related income

Hotel room rental is recognised upon room occupancy while revenue from the sales of goods and services are recognised upon delivery of products and when services are rendered, net of sales and service tax.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

(e) Interest income

Interest income is recognised based on a time proportion basis that reflects the effective yield on asset.

(f) Rental income

Rental income, net of lease incentives granted, is recognised on a straight-line basis over the term of the lease.

4. COST OF SALES

		The Group	
	Note	2023 RM'000	2022 RM'000
Property development costs		1,353,600	1,086,321
Cost of completed properties and land sold		211,763	253,018
Cost of goods sold		412,957	441,551
Maintenance fees	15	16,272	9,951
Cost of hotel operation		5,768	5,266
Others		5,454	5,140
		2,005,814	1,801,247
Write down of inventories	21	1,742	3,092
		2,007,556	1,804,339
Included in cost of goods sold are the following:			
Raw materials used		238,110	304,235
Changes in inventories of work-in-progress and finished goods		8,900	1,502
		247,010	305,737

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

5. STAFF COSTS

	Note	The Group		The Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Wages, salaries and bonus	5(a)	150,467	138,037	1,596	1,476
Employees Provident Fund and social security costs	5(a)/(b)	16,004	15,169	193	179
Provision/(Reversal) for post-employment benefits	30(d)	1,905	(952)	-	-
Other staff related expenses		10,372	8,953	38	39
		178,748	161,207	1,827	1,694

(a) Short-term employee benefits

Wages, salaries, bonuses, social security contributions and short-term accumulating compensated absences for paid annual leave are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group and of the Company.

(b) Defined contribution plan

The Group and the Company are required by law to make monthly contributions to the Employees Provident Fund ("EPF"), which is a statutory defined contribution plan for all their eligible employees based on certain prescribed rates of the employees' salaries. Contributions to EPF are recognised as an expense in the financial year in which they relate.

(c) Defined benefit plan

A foreign subsidiary company operates an unfunded defined Retirement Benefit Scheme ("RBS") for its eligible employees. The RBS is determined based on external actuarial valuation where the amount of the benefits that eligible employees have earned in return for their services in the current and prior financial periods are estimated.

The liabilities in respect of the defined benefit pension plans are the present value of the defined benefit obligations at the end of the reporting period, adjusted for actuarial gains and losses and past service costs, and reduced by the fair value of the plan assets. The defined benefit obligations, calculated using the Projected Unit Credit Method, are determined by independent actuaries, considering the estimated future cash outflows.

The current service cost of the defined benefit plan reflects the increase in the defined benefit obligation resulting from employee service in the current financial year. It is recognised in profit or loss in employee benefit expense, except where included in the cost of an asset.

Actuarial gains or losses arising from market adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

(d) Included in staff costs are directors' remuneration of the Group and of the Company as further disclosed in Note 39(c).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

6. FINANCE INCOME

	The Group	
	2023 RM'000	2022 RM'000
Interest income from:		
- bank deposits	2,099	781
- investment in short-term funds	246	38
- project accounts	5,489	1,646
	7,834	2,465

Interest income

Interest income from bank deposits and project accounts is recognised on the accrual basis.

7. FINANCE COSTS

		The Group		The Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Amortised cost adjustments on trade and other payables		781	1,797	-	-
Interest expense on:					
- bank overdrafts		59	49	-	-
- hire purchase		75	65	-	-
- revolving credits		1,291	790	-	-
- term loans		14,843	17,255	-	-
- medium term notes	28	45,896	45,801	45,896	45,801
- lease liabilities		3,369	3,265	-	-
- advances from non-controlling interests	31(d)	170	126	-	-
- others		3,379	1,868	-	-
		69,863	71,016	45,896	45,801
Less: Interest expense capitalised in land held for property development	16(a)ii	(10,186)	(11,436)	-	-
Less: Interest expense capitalised in property, plant and equipment	12(b)	(30)	(781)	-	-
		59,647	58,799	45,896	45,801

- (a) Borrowing costs incurred to finance the land held for property development and acquisition of property, plant and equipment are capitalised during the substantial period of time that is required to complete and prepare the assets for its intended sale or use.
- (b) All other borrowing costs are recognised as finance costs in profit or loss in the financial year in which they are incurred.
- (c) Included in the cost of sales is interest expense in property development costs recognised in profit or loss amounting to RM2,369,685 (2022: RM2,733,940).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

8. PROFIT BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit before tax:

	The Group		The Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration:				
Statutory:				
- current financial year	616	559	60	55
- under provision in prior financial years	54	50	5	10
Others:				
- current financial year	56	49	5	5
- under provision in prior financial years	9	2	-	-
Bad debts (recovered)/written off	(5)	32	-	-
Expenses relating to leases:				
- short-term leases	573	649	-	-
- low value assets	302	355	-	-
- variable leases	438	-	-	-
Fire damage restoration costs	-	4,784	-	-
Impairment of investment in subsidiary companies	-	-	14,720	5,000
Inventories written off	632	9,029	-	-
Property, plant and equipment written off	1,749	6,758	-	-
Waiver on late payment charges	-	38	-	-
Foreign exchange (gain)/loss:				
- realised	(1,564)	(580)	-	-
- unrealised	207	(47)	-	-
Fair value gain on investment in short-term funds	(4,551)	(1,064)	(3,808)	(933)
Forfeiture income	(719)	(404)	-	-
Gain on disposal of property, plant and equipment	(664)	(202)	-	-
Gain on lease modification	(103)	-	-	-
Gain on redemption of investment in short-term funds	(5,310)	(4,218)	(5,302)	(3,996)
Government grants [#]	(206)	(826)	-	-
Lease rental income [*]	(3,455)	(5,024)	-	-
Insurance income	(106)	(23,736)	-	-
Reversal of impairment of investment in a subsidiary	-	-	(2,557)	(2,500)

* Excluding those classified as revenue in Note 3. Lease rental income, net of lease incentives granted, is recognised on a straight-line basis over the term of the lease.

Represent financial assistance received from the Government for the implementation of certain development projects. The Government grants were recognised as a deduction from the related property development costs in Note 4.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

9. INCOME TAX EXPENSE

	Note	The Group		The Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Estimated income tax payable:					
Current financial year		128,574	89,444	19,462	14,947
Under/(Over) provision in prior financial year		5,204	31	(21)	1
		133,778	89,475	19,441	14,948
Deferred tax:	20				
Current financial year		(21,834)	(10,640)	(331)	(317)
Under provision in prior financial year		(6,736)	(1,509)	-	-
		(28,570)	(12,149)	(331)	(317)
Income tax expense		105,208	77,326	19,110	14,631

Income tax is calculated at the Malaysian statutory tax rate of 24% (2022: 24%) of the estimated assessable profit for the year.

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	The Group		The Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit before tax	327,387	264,124	175,063	93,949
Tax expense at Malaysian statutory tax rate of 24% (2022: 24%)	78,573	63,390	42,015	22,548
Tax effects of:				
Income exempted from tax	-	-	(27,000)	(15,960)
Non-taxable income	(2,250)	(649)	(1,937)	(4,361)
Expenses not deductible for tax purposes	8,367	10,219	6,053	15,176
Perpetual Securities distribution	-	(2,773)	-	(2,773)
Utilisation of deferred tax assets not previously recognised	(1,468)	(12,683)	-	-
Utilisation of reinvestment allowance	(3,761)	(3,745)	-	-
Deferred tax assets not recognised	36,036	26,291	-	-
Recognition of previously unrecognised deferred tax assets	(8,757)	(7,336)	-	-
Effect of prosperity tax*	-	6,090	-	-
Under/(Over) provision of estimated tax payable in prior financial year	5,204	31	(21)	1
Under provision of deferred tax in prior financial year	(6,736)	(1,509)	-	-
Income tax expense	105,208	77,326	19,110	14,631

* The Finance Act 2022 gazetted on 31 December 2021 enacts the Prosperity Tax on companies that generate high income during the Covid-19 pandemic period for Year of Assessment 2022 only with chargeable income up to first RM100 million will be taxed at 24% and the remaining chargeable income will be taxed at a one-off rate of 33%.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

10. EARNINGS PER ORDINARY SHARE

(a) Basic

The basic earnings per ordinary share for the financial year has been calculated based on the net profit attributable to ordinary equity holders of the Company divided by the weighted average number of ordinary shares in issue.

	The Group	
	2023	2022
Profit attributable to equity holders of the Company (RM'000)	215,287	180,050
Distribution paid to holders of Perpetual Securities (RM'000)	-	(22,364)
Net profit attributable to ordinary equity holders of the Company (RM'000)	215,287	157,686
Weighted average number of ordinary shares in issue (Unit'000)	2,427,688	2,427,688
Basic earnings per ordinary share (sen)	8.87	6.50

(b) Diluted

The diluted earnings per share has been calculated by dividing the Group's net profit attributable to ordinary equity holders of the Company for the financial year by the weighted average number of ordinary shares assuming full conversion of Redeemable Convertible Sukuk, adjusted for the number of such ordinary shares that would have been issued at fair value.

	The Group	
	2023	2022
Net profit attributable to ordinary equity holders of the Company (RM'000)	215,287	157,686
Weighted average number of ordinary shares in issue (Unit'000)	2,427,688	2,427,688
Weighted average number of ordinary shares deemed issued at no consideration (Unit'000)	-*	-*
- Redeemable Convertible Sukuk		
Adjusted weighted average number of ordinary shares (Unit'000)	2,427,688	2,427,688
Diluted earnings per ordinary share (sen)	8.87	6.50

* The effects of potential ordinary shares arising from the conversion of Convertible Sukuk is anti-dilutive and accordingly is excluded from the diluted earnings per share computation above.

11. DIVIDENDS

	The Group and The Company	
	2023 RM'000	2022 RM'000
Recognised during the financial year:		
Dividends on ordinary shares		
- First and final single tier dividend of 3.00 sen per ordinary share in respect of the financial year ended 31 December 2022, paid on 21 September 2023	72,831	-
- First and final single tier dividend of 2.65 sen per ordinary share in respect of the financial year ended 31 December 2021, paid on 29 September 2022	-	64,334
	72,831	64,334

On 27 February 2024, the Directors declared a first and final single tier dividend of 4.00 sen per ordinary share in respect of the financial year ended 31 December 2023, which is payable on 23 May 2024. This first and final single tier dividend will be accounted for in equity as an appropriation of retained earnings during the financial year ending 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

12. PROPERTY, PLANT AND EQUIPMENT

The Group	Long term leasehold land RM'000	Buildings RM'000	Renovations RM'000	Plant, machinery and factory equipment RM'000	Motor vehicles RM'000	Furniture, fittings, office and IT related equipment RM'000	Capital work-in-progress RM'000	Total RM'000
Cost								
At 1 January 2022	40,548	130,584	25,624	359,349	13,372	49,110	47,456	666,043
Currency translation differences	-	(685)	-	(2,512)	(35)	4	-	(3,228)
Additions	-	6,332	445	31,641	-	1,200	15,306	54,924
Reclassification	-	6,676	-	(639)	-	-	(6,037)	-
Disposals	-	-	-	(1,454)	(420)	(1,667)	-	(3,541)
Written off	-	(3,575)	(131)	(16,314)	-	(63)	(354)	(20,437)
At 31 December 2022/ 1 January 2023	40,548	139,332	25,938	370,071	12,917	48,584	56,371	693,761
Currency translation differences	-	1,093	-	3,951	56	23	-	5,123
Additions	-	3,500	1,881	36,699	3,025	1,287	5,358	51,750
Reclassification	-	1,153	696	2,594	-	-	(4,443)	-
Disposals	-	-	-	(363)	(2,181)	(109)	-	(2,653)
Written off	-	-	(90)	(471)	-	(221)	(1,654)	(2,436)
At 31 December 2023	40,548	145,078	28,425	412,481	13,817	49,564	55,632	745,545
Accumulated depreciation								
At 1 January 2022	2,498	39,222	11,331	184,165	10,075	31,576	-	278,867
Currency translation differences	-	(502)	-	(1,991)	(31)	6	-	(2,518)
Charge for the financial year	530	5,083	1,985	21,156	1,452	2,843	-	33,049
Disposals	-	-	-	(1,454)	(420)	(1,665)	-	(3,539)
Written off	-	(3,519)	(96)	(10,032)	-	(32)	-	(13,679)
At 31 December 2022/ 1 January 2023	3,028	40,284	13,220	191,844	11,076	32,728	-	292,180
Currency translation differences	-	787	-	3,149	49	22	-	4,007
Charge for the financial year	531	5,651	2,001	23,381	1,096	2,124	-	34,784
Disposals	-	-	-	(364)	(2,164)	(27)	-	(2,555)
Written off	-	-	(84)	(414)	-	(189)	-	(687)
At 31 December 2023	3,559	46,722	15,137	217,596	10,057	34,658	-	327,729
Accumulated impairment loss								
At 1 January 2022/ 31 December 2022/ 1 January 2023	-	-	2,012	41	-	7,043	-	9,096
Impairment loss for the year	-	-	-	-	-	856	-	856
At 31 December 2023	-	-	2,012	41	-	7,899	-	9,952
Net book values								
At 31 December 2022	37,520	99,048	10,706	178,186	1,841	8,813	56,371	392,485
At 31 December 2023	36,989	98,356	11,276	194,844	3,760	7,007	55,632	407,864

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

12. PROPERTY, PLANT AND EQUIPMENT (continued)

Analysis of buildings

The Group	Leasehold RM'000	Freehold RM'000	Total RM'000
Cost			
At 1 January 2022	104,231	26,353	130,584
Currency translation differences	(685)	-	(685)
Additions	6,332	-	6,332
Written off	(3,575)	-	(3,575)
Reclassification	6,676	-	6,676
At 31 December 2022/1 January 2023	112,979	26,353	139,332
Currency translation differences	1,093	-	1,093
Additions	946	2,554	3,500
Reclassification	1,153	-	1,153
At 31 December 2023	116,171	28,907	145,078
Accumulated depreciation			
At 1 January 2022	31,309	7,913	39,222
Currency translation differences	(502)	-	(502)
Charge for the financial year	4,631	452	5,083
Written off	(3,519)	-	(3,519)
At 31 December 2022/1 January 2023	31,919	8,365	40,284
Currency translation differences	787	-	787
Charge for the financial year	4,861	790	5,651
At 31 December 2023	37,567	9,155	46,722
Net book values			
At 31 December 2022	81,060	17,988	99,048
At 31 December 2023	78,604	19,752	98,356

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

12. PROPERTY, PLANT AND EQUIPMENT (continued)

The Company	Furniture and fittings RM'000	Office equipment RM'000	Total RM'000
Cost			
At 1 January 2022	103	1,395	1,498
Additions	-	5	5
At 31 December 2022/1 January 2023	103	1,400	1,503
Additions	-	-	-
At 31 December 2023	103	1,400	1,503
Accumulated depreciation			
At 1 January 2022	97	1,376	1,473
Charge for the financial year	5	10	15
At 31 December 2022/1 January 2023	102	1,386	1,488
Charge for the financial year	-	6	6
At 31 December 2023	102	1,392	1,494
Net book values			
At 31 December 2022	1	14	15
At 31 December 2023	1	8	9

- (a) Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The costs of property, plant and equipment comprise their purchase costs and any expenditure that is directly attributable to the acquisition of the assets.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are recognised in profit or loss.

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use. Depreciation of other property, plant and equipment is calculated on a straight-line basis over the expected useful economic lives of the assets as follows:

Long term leasehold land	75 - 78 years
Buildings	2.00% - 6.67%
Renovations	8.00% - 10.00%
Plant, machinery and factory equipment	5.00% - 20.00%
Motor vehicles	12.50% - 20.00%
Furniture, fittings, office and IT related equipment	8.00% - 33.33%

Certain moulds of a foreign subsidiary company for specific projects are depreciated over the respective project life time of 10 years.

At the reporting date, management assesses that the useful lives represent the expected utility of the assets to the Group and the Company. Actual results, however, may vary due to change in the expected level of usage, physical wear and tear and technological developments, which may result in adjustments to the Group's and the Company's assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

12. PROPERTY, PLANT AND EQUIPMENT (continued)

- (b) Included in additions of property, plant and equipment during the financial year are borrowing costs of RM29,734 (2022: RM780,951) as disclosed in Note 7. The interest rate for the borrowing costs is 4.67% (2022: 4.41% to 4.92%) per annum.
- (c) During the financial year, the property, plant and equipment and right-of-use assets of the glove manufacturing business were tested for impairment as a result of lower rate of utilisation and lower average selling price of gloves. The recoverable amount is determined from the value in use calculation by discounting future cash flows using pre-tax discount rate. The cash flow projections included specific estimates for 5 years and a terminal growth rate thereafter.

Based on management's assessment, no impairment charge is required as the recoverable amount of these assets was higher than the carrying amounts. Management believes that no reasonable possible change in any of the below key assumptions would cause the carrying amounts to materially exceed their recoverable amounts.

The key assumptions used in the estimation of value in use calculations are as follows:

	2023 %	2022 %
Pre-tax discount rate	11.4	12.00
Annual revenue growth rate	14.6	3.00
Terminal value growth rate	2.4	-

(d) Assets with restricted title

At the end of the reporting period, the net book values of property, plant and equipment of the Group pledged to financial institutions as security for term loans and short-term borrowings as disclosed in Notes 29 and 32, respectively are as follows:

	The Group 2023 RM'000	2022 RM'000
Net book values		
Freehold buildings	2,674	2,803
Leasehold buildings	4,838	5,291
Long term leasehold land	36,989	37,520
	44,501	45,614

(e) Assets held under hire purchase arrangements

At the end of the reporting period, the net book value of property, plant and equipment of the Group held under hire purchase arrangements as disclosed in Note 30 (b) is as follows:

	The Group 2023 RM'000	2022 RM'000
Net book values		
Motor vehicles	2,751	1,045

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

13. RIGHT-OF-USE ASSETS

The Group	Land and buildings RM'000	Hotel properties RM'000	Business premises and hostels RM'000	Motor vehicles RM'000	Plant, machinery and office equipment RM'000	Total RM'000
Cost						
At 1 January 2022	37,346	41,421	25,066	744	1,587	106,164
Additions	787	-	13,879	782	-	15,448
Derecognition	-	(26,405)	(5,965)	(611)	(604)	(33,585)
Effect of remeasurement of lease liabilities	(2,010)	-	(1,150)	(7)	(12)	(3,179)
Currency translation difference	-	-	(1)	(4)	(6)	(11)
At 31 December 2022/1 January 2023	36,123	15,016	31,829	904	965	84,837
Additions	-	-	2,734	697	84	3,515
Derecognition	-	-	(3,536)	-	(369)	(3,905)
Effect of remeasurement of lease liabilities	(1,205)	(3,226)	(2,858)	(8)	(2)	(7,299)
Currency translation difference	-	-	1	6	9	16
At 31 December 2023	34,918	11,790	28,170	1,599	687	77,164
Accumulated depreciation						
At 1 January 2022	2,905	23,348	9,729	556	771	37,309
Charge for the financial year	2,347	342	4,196	178	292	7,355
Derecognition	-	(19,807)	(5,965)	(611)	(604)	(26,987)
Currency translation difference	-	-	(1)	(4)	(5)	(10)
At 31 December 2022/1 January 2023	5,252	3,883	7,959	119	454	17,667
Charge for the financial year	2,297	-	3,654	337	161	6,449
Derecognition	-	-	(1,583)	-	(164)	(1,747)
Currency translation difference	-	-	2	5	7	14
At 31 December 2023	7,549	3,883	10,032	461	458	22,383
Accumulated impairment loss						
At 1 January 2022/ 31 December 2022/ 1 January 2023	-	9,594	-	-	-	9,594
Reversal of impairment loss	-	(1,687)	-	-	-	(1,687)
At 31 December 2023	-	7,907	-	-	-	7,907
Net book values						
At 31 December 2022	30,871	1,539	23,870	785	511	57,576
At 31 December 2023	27,369	-	18,138	1,138	229	46,874

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

13. RIGHT-OF-USE ASSETS (continued)

- (a) The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received.
- (b) After initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any remeasurement of the lease liabilities.
- (c) The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determine the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

- (d) The right-of-use assets are depreciated on the straight-line basis over the periods of the lease terms. The principal depreciation periods are as follows:
 - (i) Land and buildings The Group has entered into a non-cancellable operating lease agreement for the use of land and buildings. The tenure of this lease is 3 years, with option to renew for 4 terms with 3 years each upon expiry.
 - (ii) Hotel properties The Group leased back hotel properties sold by entering into Leaseback and Guarantee Rental Return Agreements with the property purchasers pursuant to Group's property development activities. The tenure of these leases is 9 years (2022: 9 years). Whilst certain of these lease arrangements are based on yearly fixed payments, there are some lease arrangements which are not fixed and where the payment of these lease amounts, contingent upon operating profits being generated by the business, are based on a certain percentage of such profits.
 - (iii) Business premises and hostels The Group has leased a number of business premises and hostels from various parties under non-cancellable operating leases. The tenure of these leases ranges between 2 to 10 years (2022: 2 to 10 years), with option to renew upon expiry.
 - (iv) Motor vehicles The Group has leased a number of motor vehicles from various parties under non-cancellable operating leases. The tenure of these leases ranges between 2 to 5 years (2022: 2 to 5 years), with option to renew upon expiry.
 - (v) Plant, machinery and office equipment The Group has leased a number of plant, machinery and office equipment from various parties under non-cancellable operating leases. The tenure of these leases ranges between 2 to 5 years (2022: 2 to 5 years), with option to renew upon expiry.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

14. PREPAID LEASE PAYMENTS

	The Group	
	2023 RM'000	2022 RM'000
Leasehold land		
Cost		
At 1 January	10,481	10,852
Currency translation differences	595	(371)
At 31 December	11,076	10,481
Accumulated amortisation		
At 1 January	7,285	7,231
Amortisation for the financial year	228	316
Currency translation differences	412	(262)
At 31 December	7,925	7,285
Net book values		
At 31 December	3,151	3,196

- (a) The upfront payments for right to use the leasehold land over a predetermined period are accounted for as prepaid lease payments and are stated at cost and amortised on a straight-line basis over the respective lease periods.
- (b) The leasehold land has an indefinite economic life and title that is not expected to be passed to the Group by the end of the lease period. The unexpired portions of the leasehold land as at 31 December 2023 are between 14 to 18.5 years (2022: 15 to 19.5 years).
- (c) Leasehold land of the Group amounting to RM3,151,021 (2022: RM3,195,591) is pledged to financial institutions as security for term loans and short-term borrowings as disclosed in Notes 29 and 32, respectively.

15. INVESTMENT PROPERTIES

	The Group	
	2023 RM'000	2022 RM'000
At 1 January	180,880	185,880
Loss on changes in fair value	(5,000)	(5,000)
At 31 December	175,880	180,880

Included in the above are:

	The Group	
	2023 RM'000	2022 RM'000
At fair value:		
Freehold commercial properties	3,313	3,313
Leasehold commercial properties	130,000	135,000
	133,313	138,313
At cost:		
Investment properties under construction	42,567	42,567
	175,880	180,880

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

15. INVESTMENT PROPERTIES (continued)

- (a) Investment properties are measured initially at cost and subsequently at fair value except for properties under construction which are measured at cost until either the fair value becomes reliably determinable or when construction is completed, whichever is earlier.
- (b) Leasehold commercial properties are leased to third parties. Each of the lease contains an initial non-cancellable lease period of 1 to 3 years (2022: 1 to 3 years). Subsequent renewals are negotiated with the lessee and average renewal periods are 1 to 3 years (2022: 1 to 3 years).

Rental income and direct operating expenses recognised in profit and loss in relation to investment properties are as follows.

		The Group 2023 RM'000	2022 RM'000
	Note		
Rental income	3	1,751	2,418
Direct operating expenses	4	(16,272)	(9,951)

(c) Fair value information

The table below analyses fair value measurement of investment properties which are categorised into Levels 1 to 3.

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
At 31 December 2022	-	3,313	135,000	138,313
At 31 December 2023	-	3,313	130,000	133,313

The fair value of the Group's freehold commercial properties was determined in reference to the selling price of recent transactions of similar properties of nearby location. The fair values of freehold commercial properties fall under Level 2 of the fair value hierarchy.

The fair value of the Group's leasehold investment properties has been arrived at on the basis of a valuation carried out by an independent valuer not related to the Group. The fair values were determined in reference to the selling price of recent transactions of similar properties of nearby location.

The fair value of leasehold commercial properties falls under Level 3 of the fair value hierarchy.

- (d) Description of valuation technique used and key inputs to valuation on investment properties measured at Level 3 are as follows:

Property category	Valuation technique	Key inputs	The Group 2023 RM	2022 RM
Commercial properties	Direct comparison method	Market value per square foot Market value per car park	450 30,000	477 30,000

Direct Comparison method

Under the direct comparison method, a property's fair value is estimated based on comparison of current prices in an active market for similar properties in the same location and condition and where necessary, adjusting for tenure, location, development concept and size. Fair value of investment properties derived using direct comparison method have been generally included in Level 3 fair value hierarchy due to the adjustments mentioned above. The most significant input into this valuation approach is price per square foot and price per car park of comparable properties. The management believes that the chosen valuation techniques and assumptions used are appropriate in determining the fair value of the Group's investment properties.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

15. INVESTMENT PROPERTIES (continued)

(e) Valuation processes applied by the Group

The fair value of investment properties was determined by external, independent property valuers not related to the Group, having appropriate professional qualifications and recent experience in the location and category of properties being valued. A reasonable increase or decrease as a result of changes in key inputs to the market value would not give a material impact to the Group.

(f) Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

There was no transfer between Level 1 and 2 fair values during the financial year.

16. PROPERTY DEVELOPMENT ACTIVITIES

(a) Land held for property development

		The Group 2023 RM'000	2022 RM'000
	Note		
At 1 January		1,838,717	1,870,605
Cost incurred during the financial year		97,680	195,616
Transferred to:			
- property development costs	16(b)	(170,258)	(180,890)
- land held for sale	16(c)	-	(46,614)
At 31 December		1,766,139	1,838,717

Land held for property development is analysed as follows:

	The Group 2023 RM'000	2022 RM'000
Freehold land, at cost	792,067	862,144
Leasehold land, at cost	118,343	113,559
Development costs	855,729	863,014
At 31 December	1,766,139	1,838,717

- (i) Land held for property development consists of land on which no significant development work has been undertaken other than earthwork, infrastructure work and professional fees incurred to put the land ready for development or where development activities are not expected to be completed within the normal operating cycle. Such land is stated at the lower of cost and net realisable value.
- (ii) Included under development costs incurred during the financial year are borrowing costs of RM10,185,602 (2022: RM11,435,984) as disclosed in Note 7. The interest rates for the borrowing costs range from 3.96% to 5.01% (2022: 2.88% to 4.92%) per annum.
- (iii) Included in land held for property development are freehold land of RM748,230,355 (2022: RM763,803,537) and leasehold land of RM50,524,401 (2022: RM46,851,922) respectively, which are pledged to financial institutions as security pursuant to the Medium Term Notes and term loan facilities as disclosed in Notes 28 and 29, respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

16. PROPERTY DEVELOPMENT ACTIVITIES (continued)

(b) Property development costs

		The Group	
	Note	2023 RM'000	2022 RM'000
At 1 January		1,017,090	1,448,586
Cost incurred during the financial year		1,121,606	619,746
Cost recognised during the financial year		(1,296,944)	(1,101,062)
Transferred from/(to):			
- land held for property development	16(a)	170,258	180,890
- inventories		(12,343)	(131,070)
At 31 December		999,667	1,017,090

Property development costs is analysed as follows:

		The Group	
		2023 RM'000	2022 RM'000
Freehold land, at cost		334,763	133,308
Leasehold land, at cost		242,700	382,324
Development costs		422,204	501,458
At 31 December		999,667	1,017,090

- (i) Property development costs is stated at the lower of cost and net realisable value.
- (ii) Included in property development costs are freehold land of RM61,275,268 (2022: RM201,786,079) and leasehold land of RM206,688,125 (2022: RM223,096,546) respectively, which are pledged to financial institutions as security pursuant to the Medium Term Notes and term loan facilities as disclosed in Notes 28 and 29, respectively.
- (iii) The title deeds in respect of leasehold land totalling RM79,657,031 (2022: RM Nil) are not registered under the subsidiary company's name as these title deeds will be transferred directly to purchasers upon completion of the properties.

(c) Land held for sale

		The Group	
	Note	2023 RM'000	2022 RM'000
At 1 January		46,614	-
Cost incurred during the financial year		27	-
Cost recognised during the financial year		(46,641)	-
Transferred from land held for property development	16(a)	-	46,614
At 31 December		-	46,614

- (i) Land held for sale is stated at the lower of cost and net realisable value.
- (ii) Land held for sale of the Group amounting to RM Nil (2022: RM46,613,594) is pledged to a financial institution as security for term loan facility as disclosed in Note 29.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

17. INTANGIBLE ASSET

The Group	Goodwill RM'000
Cost	
At 1 January 2022/31 December 2022/31 December 2023	12,968
Accumulated impairment	
At 1 January 2022	7,849
Charge for the financial year	98
At 31 December 2022/1 January 2023	7,947
Charge for the financial year	1,061
At 31 December 2023	9,008
Net book values	
At 31 December 2022	5,021
At 31 December 2023	3,960

Goodwill arose in the previous financial years relates to a premium paid over the fair value of identifiable net assets, at the acquisition date, of a subsidiary company due to the expected high revenue and profitability growth following development of the freehold land owned by the subsidiary company into a planned mix development township.

The impairment is provided based on the value in use calculation by estimating the future cash flows reflected by the remaining proportion of the gross development value of unrecognised revenue from the related property development project from which the goodwill arises.

18. INVESTMENT IN SUBSIDIARY COMPANIES

	The Company	
	2023 RM'000	2022 RM'000
At cost		
Unquoted ordinary shares	225,126	225,126
Unquoted redeemable convertible non-cumulative preference shares ("RCNPS")	249,000	206,000
Less: Accumulated impairment losses	(35,996)	(23,833)
	438,130	407,293

(a) Investment in subsidiaries are stated at cost less accumulated impairment losses.

(b) At the reporting date, the Company conducted an impairment review of its investment in subsidiary companies where indications of impairment were noted. Consequently, the Company has recognised impairment losses in respect of its investment in subsidiaries where their respective recoverable amounts are lower than their carrying amounts.

Accordingly, an impairment loss of RM14,720,000 (2022: RM5,000,000) was recognised in profit or loss.

The Company noted increases in recoverable value of certain subsidiaries which enabled it to reverse previously recognised impairment losses of RM2,557,000 (2022: RM2,500,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

18. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

(b) Movements of accumulated impairment losses are as follows:

	The Company 2023 RM'000	2022 RM'000
At 1 January	23,833	21,333
Impairment loss during the financial year	14,720	5,000
Reversal of impairment during the financial year	(2,557)	(2,500)
	35,996	23,833

(c) On 18 December 2023, the Company had subscribed 43,000 (2022: 206,000) RCNPS of RM1,000 each in an existing indirect subsidiary company by capitalising part of the amounts due from the subsidiary company.

(d) Details of the subsidiary companies are as follows:

Name of company	Place of operation/ country of incorporation	Proportion of ownership interest and voting power		Principal activities
		held by the Group		
		2023 %	2022 %	
Subsidiary companies of Mah Sing Group Berhad				
Capitol Avenue Development Sdn Bhd	Malaysia	100	100	Property development
Dsara Sentral Sdn Bhd	Malaysia	100	100	Property development
Elite Park Development Sdn Bhd	Malaysia	100	100	Property development
Enchanting Heights Sdn Bhd	Malaysia	100	100	Property development
Enchanting View Development Sdn Bhd	Malaysia	100	100	Property development
Enrich Property Development Sdn Bhd	Malaysia	100	100	Construction of building works
Fusion Heights Development Sdn Bhd	Malaysia	100	100	Dormant
Garden Vista Development Sdn Bhd	Malaysia	100	100	Dormant
Gentali Motor Corpn. Sdn Bhd	Malaysia	60.5	60.5	Inactive
Golden Venice Development (MM2H) Sdn Bhd	Malaysia	100	100	Property development
Grand Prestige Development Sdn Bhd	Malaysia	100	100	Property development
Icon City Development Sdn Bhd	Malaysia	100	100	Property development and property investment
Jastamax Sdn Bhd	Malaysia	100	100	Property development
Klassik Tropika Development Sdn Bhd	Malaysia	100	100	Property development
Konsortium Lingkaran Lembah Kinta Sdn Bhd	Malaysia	51	51	Dormant
Legend Grand Development Sdn Bhd	Malaysia	100	100	Property development
Liberty Property Management Sdn Bhd	Malaysia	100	100	Inactive
Loyal Sierra Development Sdn Bhd	Malaysia	100	100	Property development
Mah Sing Development Sdn Bhd	Malaysia	100	100	Provision of money lending service
Mah Sing Enterprise Sdn Bhd	Malaysia	100	100	Inactive
Mah Sing International (HK) Limited*	Hong Kong	100	100	Investment holding
Mah Sing International Ltd^	British Virgin Islands	100	100	Investment holding
Mah Sing Investment Singapore Pte Ltd*	Singapore	100	100	Inactive
Mah Sing Plastics Industries Sdn Bhd	Malaysia	100	100	Manufacturing, marketing and trading of plastic and other related products and investment holding

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

18. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

(d) Details of the subsidiary companies are as follows: (continued)

Name of company	Place of operation/ country of incorporation	Proportion of ownership interest and voting power		Principal activities
		held by the Group		
		2023 %	2022 %	
Subsidiary companies of Mah Sing Group Berhad				
Mah Sing Properties Sdn Bhd	Malaysia	100	100	Property development and investment holding
Mah Sing Trading Sdn Bhd	Malaysia	100	100	Trading of building materials
Mah Sing Utilities Sdn Bhd	Malaysia	100	100	Provision of utilities and management services
Major Land Development Sdn Bhd	Malaysia	100	100	Property development
Marvellous Vantage Sdn Bhd	Malaysia	100	100	Property investment
Maxim Heights Sdn Bhd	Malaysia	100	100	Property development
Mediterranean View Development Sdn Bhd	Malaysia	100	100	Property development
Meridin East Sdn Bhd	Malaysia	100	100	Property development
Meridin Hospitality Sdn Bhd	Malaysia	100	100	Provision of hospitality management services
Mont Meridian Development Sdn Bhd	Malaysia	100	100	Dormant
Multi Synergy Group Sdn Bhd	Malaysia	100	100	Property development
Myvilla Development Sdn Bhd	Malaysia	100	100	Property development
MS Lakecity Sdn Bhd	Malaysia	100	100	Property development
MSGB (Australia) Sdn Bhd	Malaysia	100	100	Investment holding
Nature Legend Development Sdn Bhd	Malaysia	100	100	Property development and investment holding
Nova Century Development Sdn Bhd	Malaysia	100	100	Property development
Nova Indah Development Sdn Bhd	Malaysia	100	100	Project management services
Nova Legend Development Sdn Bhd	Malaysia	100	100	Property development and investment holding
Oasis Garden Development Sdn Bhd	Malaysia	100	100	Property development
Peninsular Connection Sdn Bhd	Malaysia	100	100	Inactive
Pleasant Network Sdn Bhd	Malaysia	100	100	Inactive
Semai Meranti Sdn Bhd	Malaysia	100	100	Property development
Star Residence Sdn Bhd	Malaysia	100	100	Property development
Southville City Sdn Bhd	Malaysia	100	100	Property development
Superior Focus Sdn Bhd	Malaysia	80	80	Inactive
Supreme Springs Sdn Bhd	Malaysia	100	100	Property development
Suria Lagenda Development Sdn Bhd	Malaysia	100	100	Dormant
Tanda Klasik Development Sdn Bhd	Malaysia	100	100	Dormant
Tropika Istimewa Development Sdn Bhd	Malaysia	100	100	Property development
Uptrend Housing Development Sdn Bhd	Malaysia	100	100	Property development
Venice View Development Sdn Bhd	Malaysia	100	100	Property development
Vienna Home Sdn Bhd	Malaysia	100	100	Property development
Vienna View Development Sdn Bhd	Malaysia	100	100	Property development
Vital Roles Sdn Bhd	Malaysia	90	90	Inactive
Vital Routes Sdn Bhd	Malaysia	100	100	Investment holding
Mah Sing International Limited®	Cayman Islands	100	100	Investment holding

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

18. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

(d) Details of the subsidiary companies are as follows: (continued)

Name of company	Place of operation/ country of incorporation	Proportion of ownership interest and voting power held by the Group		Principal activities
		2023 %	2022 %	
Subsidiary companies of Mah Sing Properties Sdn Bhd				
Acacia Springs Management Sdn Bhd	Malaysia	100	100	Property management
Mestika Bistari Sdn Bhd	Malaysia	100	100	Property development and property investment
Mestika Kenangan Sdn Bhd	Malaysia	100	100	Property management
MS Icon Property Services Sdn Bhd	Malaysia	100	100	Property management
Prima Peninsular Development Sdn Bhd	Malaysia	100	100	Inactive
Quantum Noble Development Sdn Bhd	Malaysia	100	100	Property management
Subsidiary companies of Vital Routes Sdn Bhd				
P.T. Mah Sing Indonesia*	Indonesia	65	65	Manufacturing of plastic moulded products
Grow Innovations Sdn Bhd	Malaysia	60	-	Research and development on other natural science and engineering
Subsidiary company of Mah Sing Plastics Industries Sdn Bhd				
Mah Sing Healthcare Sdn Bhd	Malaysia	100	100	Manufacturing, marketing and trading of gloves and other related healthcare products and investment holding
Subsidiary company of MSGB (Australia) Sdn Bhd				
MSGB Australia Pty Ltd	Australia	100	100	Dormant
Subsidiary companies of Nova Legend Development Sdn Bhd				
Cosmowearth Housing Development Sdn Bhd	Malaysia	78	78	Property development
Mah Sing South Sea Industrial Development Sdn Bhd #	Malaysia	70	-	Property development, property investment, property management and leasing
Subsidiary company of Nature Legend Development Sdn Bhd				
M Vertica Sdn Bhd	Malaysia	100	100	Property development and property investment
Subsidiary company of Mah Sing International Limited				
Mah Sing Holdings Limited^	British Virgin Islands	100	100	Dormant

* Audited by other firms of auditors.

@ The company is not audited by Deloitte PLT, as the company is incorporated in Cayman Islands, no statutory audit is required under Companies Law of Cayman Islands.

^ The company is not audited by Deloitte PLT, as the company is incorporated in British Virgin Islands, no statutory audit is required under BVI Business Companies Act 2014.

50% held through Nova Legend Development Sdn Bhd and 20% held through Jastamax Sdn Bhd

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

18. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

(e) Composition of the Group

Information about the composition of the Group at the end of the reporting period is as follows:

Principal activities	Place of operation/ country of incorporation	Number of wholly-owned subsidiary companies	
		2023	2022
Dormant	Australia	1	1
Dormant	British Virgin Islands	1	1
Dormant	Malaysia	5	5
Investment holding	Cayman Islands	1	1
Investment holding	British Virgin Islands	1	1
Investment holding	Hong Kong	1	1
Investment holding	Malaysia	2	2
Inactive	Malaysia	5	5
Inactive	Singapore	1	1
Construction of building works	Malaysia	1	1
Manufacturing of plastic and trading other related products	Malaysia	1	1
Manufacturing and trading of gloves	Malaysia	1	1
Project management services	Malaysia	1	1
Property development	Malaysia	29	29
Property development and investment holding	Malaysia	3	3
Property development and property investment	Malaysia	3	3
Property investment	Malaysia	1	1
Property management	Malaysia	4	4
Provision of hospitality management services	Malaysia	1	1
Provision of money lending service	Malaysia	1	1
Provision of utilities and management services	Malaysia	1	1
Trading of building materials	Malaysia	1	1
		66	66

Principal activities	Place of operation/ country of incorporation	Number of non wholly-owned subsidiary companies	
		2023	2022
Dormant	Malaysia	1	1
Inactive	Malaysia	3	3
Manufacturing of plastic moulded products	Indonesia	1	1
Property development	Malaysia	1	1
Property development, property investment, property management and leasing	Malaysia	1	-
Research and development on other natural science and engineering	Malaysia	1	-
		8	6

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

18. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

(f) Non-controlling interests in subsidiary companies

All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

The Group's subsidiary companies that have material non-controlling interests ("NCI") are as follows:

	P.T. Mah Sing Indonesia	Cosmowealth Housing Development Sdn Bhd	Other individually immaterial subsidiary companies	Total
At 31 December 2023				
NCI percentage of ownership interest and voting interest	35%	22%	10% - 49%	
Carrying amounts of NCI (RM'000)	1,781	33,542	383	35,706
Total comprehensive (loss)/income for the financial year attributable to NCI (RM'000)	(1,809)	8,797	(68)	6,920
At 31 December 2022				
NCI percentage of ownership interest and voting interest	35%	22%	10% - 49%	
Carrying amounts of NCI (RM'000)	3,590	24,745	147	28,482
Total comprehensive (loss)/income for the financial year attributable to NCI (RM'000)	(171)	6,826	(4)	6,651

Summarised financial information of the Group's subsidiary companies that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intra-group eliminations.

P.T. Mah Sing Indonesia	2023 RM'000	2022 RM'000
Non-current assets	21,629	22,643
Current assets	22,844	31,987
Non-current liabilities	(13,442)	(12,002)
Current liabilities	(25,940)	(32,370)
Net assets	5,091	10,258
Revenue	103,973	113,219
Loss for the year	(5,246)	(210)
Total comprehensive loss for the year	(5,168)	(488)
Net cash (used in)/from operating activities	(646)	3,781
Net cash used in investing activities	(860)	(3,557)
Net cash from/(used in) financing activities	1,459	(249)
Net decrease in cash and cash equivalents	(47)	(25)
Dividends paid to NCI	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

18. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

(f) Non-controlling interests in subsidiary companies (continued)

	2023 RM'000	2022 RM'000
Cosmowealth Housing Development Sdn Bhd		
Non-current assets	2,822	7,362
Current assets	224,074	201,648
Non-current liabilities	-	(5,873)
Current liabilities	(75,344)	(91,571)
Net assets	151,552	111,566
Revenue	215,905	162,734
Profit for the year	39,986	31,025
Total comprehensive income for the year	39,986	31,025
Net cash from operating activities	71,552	56,334
Net cash from investing activities	33	33
Net cash used in financing activities	(10,004)	(255,825)
Net increase/(decrease) in cash and cash equivalents	61,581	(199,458)
Dividends paid to NCI	-	-

19. INVESTMENT IN ASSOCIATED COMPANY

	The Group 2023 RM'000	2022 RM'000
Unquoted shares, at cost	₹#	₹#
Group's share of post-acquisition losses	₹^	₹^
	-	-

Represents subscription of shares in an associated company of RM49.

^ Represents the group's share of post-acquisition losses of RM49.

(a) Investment in associate is stated at cost less accumulated impairment losses in the separate financial statements and it is accounted for using the equity method of accounting in the consolidated financial statements.

(b) Details of the associated company are as follows:

Name of company	Place of operation/ country of incorporation	Proportion of ownership interest and voting power held by the Group		Principal activities
		2023 %	2022 %	
Future Vision Property Management Sdn Bhd	Malaysia	49	49	Property management services

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

20. DEFERRED TAX (ASSETS)/LIABILITIES

		The Group		The Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At 1 January		(162,594)	(150,445)	1,354	1,671
Recognised in profit or loss	9	(28,570)	(12,149)	(331)	(317)
At 31 December		(191,164)	(162,594)	1,023	1,354

Deferred tax assets and liabilities shall be offset when there are legally enforceable rights to offset current tax assets and current tax liabilities and when such deferred taxes relate to the same tax authority.

The following amounts, presented after appropriate setting off, are shown in the statements of financial position:

	The Group		The Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Deferred tax assets	(223,377)	(206,754)	-	-
Deferred tax liabilities	32,213	44,160	1,023	1,354
	(191,164)	(162,594)	1,023	1,354

The components and movements of deferred tax assets and liabilities during the financial year are as follows:

Deferred tax assets

The Group	Property development costs RM'000	Unutilised tax losses RM'000	Unabsorbed capital allowances and reinvestment allowances RM'000	Other deductible temporary differences RM'000	Offsetting RM'000	Total RM'000
At 1 January 2022	(149,150)	(45,006)	(16,584)	(9,438)	18,250	(201,928)
Recognised in profit or loss	(5,850)	2,257	(1,609)	795	(419)	(4,826)
At 31 December 2022/1 January 2023	(155,000)	(42,749)	(18,193)	(8,643)	17,831	(206,754)
Recognised in profit or loss	6,666	(3,480)	75	(17,774)	(2,110)	(16,623)
At 31 December 2023	(148,334)	(46,229)	(18,118)	(26,417)	15,721	(223,377)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

20. DEFERRED TAX (ASSETS)/LIABILITIES (continued)

Deferred tax liabilities

The Group	Property, plant and equipment RM'000	Property development costs RM'000	Redeemable Convertible Sukuk RM'000	Offsetting RM'000	Total RM'000
At 1 January 2022	34,727	33,363	1,643	(18,250)	51,483
Recognised in profit or loss	2,785	(10,212)	(315)	419	(7,323)
At 31 December 2022/1 January 2023	37,512	23,151	1,328	(17,831)	44,160
Recognised in profit or loss	(1,318)	(12,409)	(330)	2,110	(11,947)
At 31 December 2023	36,194	10,742	998	(15,721)	32,213

The Company

At 1 January 2022	28	-	1,643	-	1,671
Recognised in profit or loss	(2)	-	(315)	-	(317)
At 31 December 2022/1 January 2023	26	-	1,328	-	1,354
Recognised in profit or loss	(1)	-	(330)	-	(331)
At 31 December 2023	25	-	998	-	1,023

Deferred tax assets have not been recognised in respect of the following items:

	The Group 2023 RM'000	2022 RM'000
Deductible temporary differences	243,240	208,201
Unutilised tax losses	464,973	395,897
Unabsorbed capital allowances	30,088	26,659
	738,301	630,757

Management judgement is required to assess the likelihood of sufficient future profits available to recover the amounts of the above items. Deferred tax assets have not been recognised in respect of these items as they have arisen in companies that have a recent history of losses or in companies where future taxable profits may be insufficient to trigger the utilisation of these items.

The amounts and availability of these items for offsetting future taxable profits of the Group are subject to the agreement with the tax authorities.

Pursuant to an amendment to Section 44(5F) of the Income Tax Act 1967, the time limit to utilise tax losses has been extended to a maximum of 10 consecutive years. This amendment is deemed to have effect from the year of assessment 2019.

The unutilised tax losses of RM71,351,055 (2022: RM71,242,526) are available indefinitely for offset against future taxable profits of the subsidiaries. Nonetheless, some tax losses are set to expire in the following financial years:

	The Group 2023 RM'000	2022 RM'000
Year of assessment 2028	43,078	52,383
Year of assessment 2029	37,572	42,183
Year of assessment 2030	48,591	45,492
Year of assessment 2031	47,378	55,818
Year of assessment 2032	117,428	128,778
Year of assessment 2033	99,575	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

21. INVENTORIES

	The Group	
	2023 RM'000	2022 RM'000
At cost:		
Completed properties	363,864	436,065
Raw materials	12,826	17,402
Work-in-progress	3,959	6,507
Finished goods	8,896	15,248
Hotel operating supplies	112	209
Consumables and spare parts	1,215	624
	390,872	476,055
At net realisable value:		
Completed properties	135,437	198,034
Raw materials	165	156
Finished goods	3,185	77
	138,787	198,267
	529,659	674,322

(a) Unsold completed properties

The cost of unsold completed properties is stated at the lower of cost and net realisable value. Cost consists of cost associated with the acquisition of land, direct costs and appropriate proportions of common costs attributable for developing the properties until completion.

The Group determines net realisable value based on the recent sales transactions of similar properties or comparable properties in similar or nearby locations net of estimated cost necessary to complete the sale. The estimation of the selling price is subject to significant inherent uncertainties in property market. Possible changes in these estimates could result in revisions to the valuation of the completed properties.

(b) Inventories of raw materials, work-in-progress and finished goods

Inventories of raw materials, work-in-progress and finished goods relating to the manufacturing activities of the Group are stated at the lower of cost and net realisable value.

Cost is determined using the weighted average method. The cost of raw materials comprises the original purchase price plus cost incurred in bringing the inventories to their present location and condition. The costs of finished goods and work-in-progress comprise raw materials, direct labour, other direct costs and an appropriate proportion of production overheads.

(c) Hotel operating supplies

Cost is determined using the first-in, first-out method and comprises original purchase price. Hotel operating supplies consist of food and beverage, printing and stationeries and guestroom supplies.

(d) Consumables and spare parts

Cost is determined using the first-in, first-out method and comprises original purchase price.

(e) The cost of inventories recognised as an expense of the Group includes RM1,741,761 (2022: RM3,092,424) in respect of write down of inventories to net realisable value.

(f) Certain unsold completed properties of subsidiary companies amounting to RM209,348,775 (2022: RM267,570,047) are pledged to financial institutions as security pursuant to the Medium Term Notes, term loans and short-term borrowings as disclosed in Notes 28, 29 and 32(c), respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

22. TRADE AND OTHER RECEIVABLES

	Note	The Group		The Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Trade receivables					
- Property development projects		281,437	485,336	-	-
- Retention sums		94,100	111,479	-	-
- Sales of goods		76,511	82,018	-	-
- Others		2,051	5,000	-	-
	22(c)	454,099	683,833	-	-
Less: Allowance for impairment loss		(4,669)	(6,050)	-	-
		449,430	677,783	-	-
Other receivables	22(d)	47,918	43,069	2,789	2,819
Less: Allowance for impairment loss		(6,795)	(5,844)	(2,657)	(2,657)
		41,123	37,225	132	162
Other deposits		38,102	37,766	7	7
Less: Allowance for impairment loss	22(e)	(57)	(57)	(2)	(2)
		38,045	37,709	5	5
Amounts due from subsidiary companies	22(f)	-	-	3,229,593	3,448,313
Less: Allowance for impairment loss		-	-	(121,326)	(115,450)
		-	-	3,108,267	3,332,863
Amounts due from an associated company	22(g)	5	5	-	-
Deposits for land acquisition		54,064	-	-	-
Deposits for purchase of property, plant and equipment		8,313	9,580	-	-
Prepayments		27,106	46,933	6	6
		618,086	809,235	3,108,410	3,333,036

(a) Trade and other receivables (excluding deposits paid for property, plant and equipment) are classified as financial assets measured at amortised cost.

(b) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses except for other receivables for which credit risk has not increased significantly since initial recognition is measured at 12-month expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

The expected credit losses of the trade receivables are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period, including time value of money where appropriate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

22. TRADE AND OTHER RECEIVABLES (continued)

(c) Trade receivables

The credit term of trade receivables of the Group range from cash basis to 120 days (2022: cash basis to 120 days) from date of invoice and progress billing.

Retention sums receivable are trade receivables retained by stakeholders that are due upon expiry of retention periods ranging from 8 to 24 months (2022: 8 to 24 months) as stipulated in the sale and purchase agreements.

The currency profile of trade receivables is as follows:

	The Group 2023 RM'000	2022 RM'000
Ringgit Malaysia	412,673	645,009
Indonesian Rupiah	14,767	17,797
United States Dollar	22,223	16,341
Singapore Dollar	3,000	3,971
Australian Dollar	1,377	715
New Zealand Dollar	59	-
	454,099	683,833

Ageing analysis of trade receivables

	The Group 2023 RM'000	2022 RM'000
Trade receivables not past due	232,450	372,802
Retention sums	94,024	111,403
Past due < 2 months	74,856	119,601
Past due 2 - 4 months	27,084	49,742
Past due > 4 months	21,016	24,235
	449,430	677,783
Impaired trade receivables		
Trade receivables not past due	126	267
Retention sums	76	76
Past due < 2 months	87	150
Past due 2 - 4 months	100	108
Past due > 4 months	4,280	5,449
	4,669	6,050
	454,099	683,833

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

22. TRADE AND OTHER RECEIVABLES (continued)

(c) Trade receivables (continued)

Movements of allowance for impairment loss - trade receivables

	The Group	
	2023 RM'000	2022 RM'000
At 1 January	6,050	6,326
Allowance during the financial year	180	791
Reversal during the financial year	(1,561)	(1,045)
Write off during the financial year	-	(22)
	4,669	6,050

Concentration of credit risk with respect to trade receivables is limited due to the Group's large number of customers, which are widely distributed and covers a broad range of end markets. The Group's historical experience in collection of accounts receivable falls within the recorded allowances. Due to these factors, the management believes there is no additional credit risk beyond amounts provided for doubtful debts for the Group's trade receivables.

(d) Other receivables

The currency profile of other receivables is as follows:

	The Group		The Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Ringgit Malaysia	47,915	42,345	2,789	2,819
Indonesian Rupiah	3	724	-	-
	47,918	43,069	2,789	2,819

Movements of allowance for impairment loss - other receivables

	The Group		The Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At 1 January	5,844	6,420	2,657	2,285
Allowance during the financial year	1,186	1,062	-	372
Reversal during the financial year	(235)	(244)	-	-
Write off during the financial year	-	(1,394)	-	-
At 31 December	6,795	5,844	2,657	2,657

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

22. TRADE AND OTHER RECEIVABLES (continued)

(e) Other deposits

Movements of allowance for impairment loss - other deposits

	The Group		The Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
At 1 January/At 31 December	57	57	2	2

(f) Amounts due from subsidiary companies

The amounts due from subsidiary companies arose mainly from inter-company advances and payments on behalf which are unsecured and repayable on demand.

Amounts due from subsidiary companies are subject to the following interest rates:

	The Company	
	2023	2022
	RM'000	RM'000
Interest at 2.25%	-	2,412,420
Interest at 3.10%	2,201,608	-
Interest at 4.41%	616,918	620,688
Interest at 4.67%	101,939	102,262
Interest at 4.92%	307,261	311,154
Interest free	1,867	1,789
	3,229,593	3,448,313

Movements of allowance for impairment loss - amounts due from subsidiary companies

	The Company	
	2023	2022
	RM'000	RM'000
At 1 January	115,450	73,567
Allowance during the financial year	7,581	56,622
Reversal during the financial year	(1,705)	(14,739)
At 31 December	121,326	115,450

(g) Amounts due from an associated company

The amounts due from an associated company arose from non-trade advances which are interest free, unsecured and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

23. CONTRACT ASSETS/(LIABILITIES)

The Group's contract assets and contract liabilities from property development are as follows:

	The Group	
	2023	2022
	RM'000	RM'000
Contract assets	572,942	501,962
Contract liabilities	(138,302)	(114,158)
	434,640	387,804

The movements of the contract assets/(liabilities) are as follows:

		The Group	
	Note	2023	2022
		RM'000	RM'000
At 1 January		387,804	333,142
Consideration payable to customers		51,488	48,597
Revenue recognised during the year	3	2,113,132	1,837,562
Progress billings during the year		(2,117,784)	(1,831,497)
At 31 December		434,640	387,804

- (a) The contract assets represent the Group's rights to consideration for work completed on properties sold but not yet billed. Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This occurs when the Group issues progress billings to its customers.
- (b) The contract liabilities represent progress billings issued for property development for which performance obligations have not been satisfied. Contract liabilities are recognised as revenue when performance obligations are satisfied.
- (c) The transaction price allocated to the performance obligations that are unsatisfied or partially satisfied as at 31 December 2023 is RM2,325,091,651 (2022: RM2,178,223,204), of which the Group expected to be recognised as revenue within the next 5 years (2022: 5 years) based on the completion of respective contracts.

24. CONTRACT COST ASSETS

The movements of the contract cost assets are as follows:

	The Group	
	2023	2022
	RM'000	RM'000
At 1 January	66,117	56,887
Addition during the year	81,814	75,698
Amortised during the year	(72,039)	(66,468)
At 31 December	75,892	66,117

- (a) Contract cost assets consist of sales commission and agency fees paid to intermediaries to secure contracts with customers.
- (b) The contract cost assets are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

25. DEPOSITS, CASH, BANK BALANCES AND INVESTMENT IN SHORT-TERM FUNDS

		The Group		The Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash and bank balances	25(c)	96,675	108,015	17,840	33,207
Project accounts	25(d)	356,902	252,831	-	-
Deposits with licensed banks	25(e)	6,524	15,675	-	30
Investment in short-term funds	25(f)	521,160	203,059	482,169	187,589
		981,261	579,580	500,009	220,826

(a) Deposits, cash and bank balances are classified as financial assets measured at amortised cost, while investment in short-term funds are classified as financial assets at fair value through profit and loss.

(b) No expected credit losses is recognised arising from cash at banks and deposits with licensed banks because the probability of default by these financial institutions is negligible.

(c) Cash and bank balances

Cash and bank balances of the Group and of the Company amounting to RM32,396 (2022: RM31,481) have been deposited in Trustees' Reimbursement Accounts in accordance with the terms and conditions set out in Medium Term Notes Programme as disclosed in Note 28.

(d) Project accounts

Project accounts are bank accounts maintained in accordance with Section 7A of the Housing Development (Control and Licensing) Act, 1966. These accounts, which consist of monies received from purchasers, are restricted to payments for expenditures incurred on projects. The surplus monies, if any, will be released to the respective subsidiary companies upon the completion of the property development projects.

Included in project accounts of the Group amounting to RM Nil (2022: RM329,120) are restricted from use for the payment of property development expenditure pursuant to term loan facilities granted to subsidiary companies as disclosed in Note 29.

(e) Deposits with licensed banks

Deposits with licensed banks (including short-term deposits) of the Group and of the Company have been placed for varying periods up to 12 months (2022: up to 12 months).

Deposits with licensed banks of the Group amounting to RM1,664,921 (2022: RM12,295,613) have been deposited with banks pursuant to the term loan facilities as disclosed in Note 29.

Deposits with licensed banks of the Group and of the Company amounting to RM Nil (2022: RM30,000) have been deposited in Trustees' Reimbursement Accounts in accordance with the terms and conditions set out in Medium Term Notes Programme as disclosed in Note 28.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

25. DEPOSITS, CASH, BANK BALANCES AND INVESTMENT IN SHORT-TERM FUNDS (continued)

(f) Investment in short-term funds

Investment in short-term funds are placements made in managed funds that invest in fixed deposits and short-term money market instruments offered by banks or financial institutions licensed under Financial Services Act 2013 or the Islamic Financial Services Act 2013 which allow redemption with notice of 1 business day.

Investment in short-term funds of the Group and of the Company amounting to RM197,513,464 (2022: RM85,579,202) are funds maintained in the Security and Principal Accounts and Finance Service Reserve Accounts, which were opened in accordance with the terms and conditions set out in Medium Term Notes Programme as disclosed in Note 28.

The interest rates per annum during the financial year are as follows:

	The Group		The Company	
	2023	2022	2023	2022
	%	%	%	%
Project accounts	0.25 - 3.00	0.23 - 2.18	-	-
Deposits with licensed banks	1.50 - 3.00	1.50 - 2.70	-	1.75 - 2.08
Investment in short-term funds	3.35 - 3.98	1.71 - 3.42	3.35 - 3.98	1.71 - 3.42

The currency profile of deposits, cash, bank balances and investment in short-term funds is as follows:

	The Group		The Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Ringgit Malaysia	971,380	574,570	500,009	220,826
United States Dollar	9,153	4,228	-	-
Indonesian Rupiah	77	120	-	-
Singapore Dollar	402	423	-	-
Australian Dollar	238	228	-	-
Others	11	11	-	-
	981,261	579,580	500,009	220,826

26. SHARE CAPITAL

	The Group and the Company			
	2023		2022	
	Number of shares Unit'000	Amount RM'000	Number of shares Unit'000	Amount RM'000
Ordinary shares				
Issued and paid up:				
At the beginning/end of the financial year	2,427,688	1,776,057	2,427,688	1,776,057

Ordinary shares are equity instruments and recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

27. RESERVES

		The Group		The Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Exchange fluctuation reserve	27(a)	6,250	5,883	-	-
Equity component of Redeemable Convertible Sukuk	27(b)	5,754	5,754	5,754	5,754
		12,004	11,637	5,754	5,754

(a) Exchange fluctuation reserve

The exchange fluctuation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.

(b) Equity component of Redeemable Convertible Sukuk

The equity component of Redeemable Convertible Sukuk represents the residual amount of the Redeemable Convertible Sukuk after deducting the fair value of the liability component. This amount is presented net of transaction costs and deferred tax liability. Details of the Redeemable Convertible Sukuk are set out in Note 28.

28. MEDIUM TERM NOTES

The Company completed the following issuance of Islamic Medium Term Notes ("Sukuk Murabahah") pursuant to an Islamic Medium Term Note Programme of up to RM2.0 billion (2022 : RM1.0 billion) in nominal value under the Shariah principle of Murabahah (via Tawarruq arrangement):

- 5-year Sukuk Murabahah of RM600 million in nominal value ("First Tranche") on 13 March 2020, which carries a fixed profit rate of 4.35% per annum payable semi-annually;
- 7-year Redeemable Convertible Sukuk Murabahah of RM100 million in nominal value ("Second Tranche") on 29 December 2020, which carries a fixed profit rate of 3% per annum payable semi-annually; and
- 5-year Sukuk Murabahah of RM300 million in nominal value ("Third Tranche") on 20 October 2021, which carries a fixed profit rate of 4.90% per annum payable semi-annually.

The Proceeds arising from the Sukuk Murabahah will be utilised for Shariah-compliant purposes which include investments, capital expenditures, working capital requirement of the Group, repayment of the Group's existing borrowing and redemption of the Company's Perpetual Securities.

The salient features of the Sukuk Murabahah are as follows:

- The Second Tranche of Sukuk Murabahah may be redeemed at the option of the Redeemable Convertible Sukuk Murabahah holders on the 5th anniversary of the issue date in whole or in part by cash and in one lump sum at par;
- The Redeemable Convertible Sukuk Murabahah holders can convert all or any part of the Second Tranche of Sukuk Murabahah at a conversion price of RM0.755, into fully paid-up new shares of the Company at any time from the issue date up to the maturity date;
- The Sukuk Murabahah shall at all times rank pari passu in all respects without discrimination, preference or priority among themselves and shall rank at least pari passu with all other present and future unsecured and unsubordinated obligations of the Company;
- The Sukuk Murabahah is unrated and is secured over the development land, completed properties and deposits, cash, bank balances and investment in short-term funds as disclosed in Notes 16(a), 16(b), 21 and 25, respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

28. MEDIUM TERM NOTES (continued)

The Medium Term Notes have been accounted for in the Statement of financial position of the Group and of the Company as follows:

The Group and the Company					
	Note	First Tranche RM'000	Second Tranche RM'000	Third Tranche RM'000	Total RM'000
At 1 January 2022		606,024	91,137	301,974	999,135
Interest expenses	7	26,617	4,314	14,870	45,801
Interest paid		(26,100)	(3,000)	(14,700)	(43,800)
At 31 December 2022/At 1 January 2023		606,541	92,451	302,144	1,001,136
Interest expenses	7	26,641	4,376	14,879	45,896
Interest paid		(26,100)	(3,000)	(14,700)	(43,800)
At 31 December 2023		607,082	93,827	302,323	1,003,232

The effective interest rates of Medium Term Notes at the end of the financial year range from 4.41% to 4.92% (2022: 4.41% to 4.92%) per annum.

29. TERM LOANS

The Group			
	Note	2023 RM'000	2022 RM'000
Secured			
Term loans	29(b)	240,179	239,579
Bridging loans	29(c)	25,820	86,878
Foreign term loans	29(d)	1,185	2,902
		267,184	329,359

The terms loans are repayable as follows:

The Group		
	2023 RM'000	2022 RM'000
Current:		
Repayable not later than 1 year	1,185	74,784
Non-current:		
Repayable later than 1 year and not later than 2 years	50,887	32,412
Repayable later than 2 years and not later than 5 years	185,999	193,772
Repayable more than 5 years	29,113	28,391
	265,999	254,575
	267,184	329,359

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

29. TERM LOANS (continued)

(a) All term loans are classified as financial liabilities measured at amortised cost.

(b) Term Loans

As at 31 December 2023, the Group has term loan facilities from local licensed banks of RM315,178,750 (2022: RM506,481,630).

The term loan facilities are secured by way of legal charges over the leasehold land and buildings, development land, deposits with licensed banks and Escrow Account, specific debenture as interim security over the development land, completed properties, machineries and equipment, and guarantees issued by the Company as disclosed in Notes 12, 14, 16, 21 and 25(e), respectively.

(c) Bridging Loans

As at 31 December 2023, the Group has bridging loan facilities from local licensed banks of RM124,502,794 (2022: RM276,355,063).

The bridging loan facilities are secured by way of legal charges over the development land of the subsidiary companies, and guarantees issued by the Company as disclosed in Note 16(b).

(d) Foreign Term Loans

As at 31 December 2023, a foreign subsidiary company has foreign term loan facilities from a foreign licensed bank of RM1,185,205 (2022: RM2,901,995).

The foreign term loan facilities are secured by way of legal charges over leasehold land and buildings of the subsidiary company as disclosed in Notes 12 and 14, respectively.

(e) The currency profile of the term loans is as follows:

	The Group	
	2023	2022
	RM'000	RM'000
Ringgit Malaysia	265,999	326,457
Indonesian Rupiah	1,185	2,902
	267,184	329,359

(f) During the financial year, the interest rates of the term loans are as follows:

	The Group	
	2023	2022
	%	%
Local currency	3.96 - 5.01	2.88 - 4.71
Foreign currency:		
Indonesian Rupiah	9.50 - 10.50	9.50 - 10.00

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

30. LONG-TERM AND DEFERRED PAYABLES

		The Group	
	Note	2023 RM'000	2022 RM'000
Hire purchase liabilities	30(b)	1,866	431
Deferred payables	30(c)	19,514	-
Retirement benefit obligations	30(d)	13,442	10,882
Lease liabilities	30(e)	48,775	59,330
		83,597	70,643

- (a) The hire purchase and lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date.

After initial recognition, hire purchase and lease liabilities are measured by increasing the carrying amounts to reflect interest on the hire purchase and lease liabilities (using effective interest method), reducing the carrying amounts to reflect the lease payments made and remeasuring the carrying amounts to reflect any reassessment or lease modifications.

Variable lease payments, lease payments associated with short term leases and low value assets

Certain property leases of the Group as a lessee contain variable payment terms that are linked to profits generated by the lessee in relation to the properties.

The Group recognises these variable lease payments when the condition that triggers those payments occur while lease payments associated with short term leases (leases with lease term of 12 months or less) and low value assets (leases for which the underlying asset is RM20,000 and below) are recognised on a straight-line basis over the lease terms. The variable lease payments and lease payments associated with short term leases and low value assets are recognised in profit or loss as rental expenses as disclosed in Note 8.

(b) Hire purchase liabilities

		The Group	
	Note	2023 RM'000	2022 RM'000
Minimum hire purchase payments:			
- not later than 1 year		690	487
- later than 1 year and not later than 5 years		2,007	453
		2,697	940
Future finance charges on hire purchase liabilities:			
- not later than 1 year		(95)	(28)
- later than 1 year and not later than 5 years		(141)	(22)
		(236)	(50)
Principal amount relating to hire purchase liabilities		2,461	890
Principal amount relating to hire purchase liabilities			
- not later than 1 year	31	595	459
- later than 1 year and not later than 5 years		1,866	431
		2,461	890

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

30. LONG-TERM AND DEFERRED PAYABLES (continued)

(b) Hire purchase liabilities (continued)

The average term for hire purchase is 5 years (2022: 5 years). At the end of the reporting period, the average effective borrowing rate is 5% (2022: 4.75%) per annum. Interest rates are fixed at the inception of the hire purchase arrangements.

The hire purchase liabilities are secured by assets acquired under hire purchase arrangements as disclosed in Note 12.

(c) Deferred payables

	Note	The Group 2023 RM'000	2022 RM'000
Deferred payables at amortised cost:			
- not later than 1 year	31	-	7,311
- later than 1 year and not later than 5 years		9,265	-
- more than 5 years		10,249	-
		19,514	7,311

Included in the deferred payables shown above are payables in relation to the deferred joint venture consideration amounting to RM19,514,309 (2022: RM Nil) and acquisition of subsidiary companies amounting to RM Nil (2022: RM7,310,690).

These deferred payables are measured at amortised costs at an effective interest rate of 7.80% (2022: 6.60%) per annum.

(d) Retirement benefit obligations

A foreign subsidiary company operates an unfunded defined retirement benefit scheme for its eligible employees.

The amounts recognised in the statements of financial position are determined as follows:

	The Group 2023 RM'000	2022 RM'000
Present value of retirement benefit obligations	13,442	10,882

Movements of the retirement benefit obligations are as follows:

	Note	The Group 2023 RM'000	2022 RM'000
At 1 January	5	10,882	12,932
Amount recognised in profit or loss:			
Current service cost		1,104	1,017
Reversal of past service costs		-	(2,852)
Interest on obligation		801	883
		1,905	(952)
Benefit paid		(494)	(647)
Remeasurement loss/(gain)		547	(85)
Currency translation differences		602	(366)
At 31 December		13,442	10,882

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

30. LONG-TERM AND DEFERRED PAYABLES (continued)

(d) Retirement benefit obligations (continued)

Principal actuarial assumptions used:

	The Group 2023 %	2022 %
Discount rate	6.37 - 7.10	5.52 - 7.43
Expected rate of salary increase	7.70	7.00

No sensitivity analysis on the principal actuarial assumptions is prepared as the Group does not expect any material effect on the Group's profit or loss and other comprehensive income arising from the effect of reasonably possible changes to the above principal actuarial assumptions at the end of the reporting period.

(e) Lease liabilities

	Note	The Group 2023 RM'000	2022 RM'000
Lease liabilities payments:			
- not later than 1 year		9,374	10,295
- later than 1 year and not later than 5 years		37,489	44,627
- later than 5 years		23,174	29,264
		70,037	84,186
Future finance charges on lease liabilities:			
- not later than 1 year		(2,629)	(3,024)
- later than 1 year and not later than 5 years		(8,862)	(10,377)
- later than 5 years		(3,026)	(4,184)
		(14,517)	(17,585)
Principal amount relating to lease liabilities		55,520	66,601
Principal amount relating to lease liabilities:			
- not later than 1 year	31	6,745	7,271
- later than 1 year and not later than 5 years		28,627	34,250
- later than 5 years		20,148	25,080
		48,775	59,330
		55,520	66,601

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

31. TRADE AND OTHER PAYABLES

	Note	The Group 2023 RM'000	2022 RM'000	The Company 2023 RM'000	2022 RM'000
Trade payables	31(b)	182,009	222,699	-	-
Accrued construction costs		424,952	361,985	-	-
Retention sum		146,174	140,292	-	-
Payable for acquisition of development land		-	120,860	-	-
Hire purchase liabilities	30(b)	595	459	-	-
Payable for acquisition of subsidiary companies	30(c)	-	7,311	-	-
Payable for development charges		-	2,965	-	-
Other payables		98,617	89,052	8	18
Lease liabilities	30(e)	6,745	7,271	-	-
Amounts due to subsidiary companies	31(c)	-	-	3,972	4,000
Amounts due to non-controlling shareholders of subsidiary companies	31(d)	2,748	2,520	-	-
Payable for acquisition of property, plant and equipment		6,131	11,161	-	-
Deposits received from customers		23,435	37,509	-	-
		891,406	1,004,084	3,980	4,018
Provision for affordable housing obligations	31(e)	59,670	58,391	-	-
Accrued operating expenses		158,875	135,646	1,068	1,088
		1,109,951	1,198,121	5,048	5,106

- (a) Trade and other payables (excluding provision for affordable housing obligations) are classified as financial liabilities measured at amortised costs.
- (b) The credit terms for trade payables of the Group range from cash basis to 90 days (2022: cash basis to 90 days).
- (c) The amounts due to subsidiary companies arose mainly from inter-company advances and payments on behalf which are interest free, unsecured and repayable on demand.
- (d) The amounts due to non-controlling shareholders of subsidiary companies bear interest at rates ranging from 4.35% to 8.00% (2022: 0.17% to 8.00%) per annum are unsecured and repayable on demand. During the financial year, interest expense amounting to RM169,761 (2022: RM126,498) has been recognised in profit or loss of the Group as disclosed in Note 7.
- (e) The movements of the provision for affordable housing obligations are as follows:

	The Group 2023 RM'000	2022 RM'000
At 1 January	58,391	66,067
Provision made during the financial year	2,783	1,694
Reversal/Utilisation of provision during the financial year	(1,504)	(9,370)
At 31 December	59,670	58,391

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

31. TRADE AND OTHER PAYABLES (continued)

(f) The currency profile of trade and other payables is as follows:

	The Group		The Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Ringgit Malaysia	875,785	967,723	3,980	4,018
United States Dollar	3,931	14,169	-	-
Indonesian Rupiah	11,341	21,862	-	-
Japanese Yen	349	330	-	-
	891,406	1,004,084	3,980	4,018

32. SHORT-TERM BORROWINGS

		The Group	
	Note	2023	2022
		RM'000	RM'000
Foreign revolving credits	32(b)	7,152	3,725
Local revolving credits	32(c)	-	16,326
Bank overdrafts	32(d)	1,113	945
		8,265	20,996

(a) Short-term borrowings are classified as financial liabilities measured at amortised cost.

(b) Foreign revolving credits

As at 31 December 2023, the Group has secured foreign revolving credit facilities from a foreign licensed bank of RM12,553,104 (2022: RM11,887,652). The foreign revolving credits facilities are secured by legal charges over the leasehold land and buildings of a subsidiary company as disclosed in Notes 12 and 14, respectively.

The currency profile of foreign revolving credits is as follows:

	The Group	
	2023	2022
	RM'000	RM'000
Indonesian Rupiah	7,152	3,725

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

32. SHORT-TERM BORROWINGS (continued)

(c) Local revolving credits

As at 31 December 2023, the Group has secured local revolving credit facilities from licensed banks of RM161,500,000 (2022: RM145,125,832). The local revolving credit facilities are secured by way of legal charges over the Escrow Account, negative pledges over the present and future assets of a subsidiary company, specific debentures as interim security over the completed properties, and guarantees issued by the Company as disclosed in Notes 12, 21 and 25, respectively.

The currency profile of local revolving credits is as follows:

	The Group 2023 RM'000	2022 RM'000
Ringgit Malaysia	-	16,326

(d) Bank overdraft

As at 31 December 2023, the Group has secured overdraft facilities from local and foreign licensed banks of RM6,000,000 (2022: RM6,000,000) and RM1,128,000 (2022: RM1,128,000), respectively.

The currency profile of foreign bank overdraft is as follows:

	The Group 2023 RM'000	2022 RM'000
Indonesian Rupiah	1,113	945

The local bank overdraft facilities are secured against negative pledges over the present and future assets of subsidiary companies and guarantees issued by the Company as disclosed in Note 12.

The foreign bank overdraft is secured by legal charges over the leasehold land and buildings as disclosed in Note 12.

(e) Multi-option lines

As at 31 December 2023, the Group has unutilised multi-option line facilities (e.g., bankers' acceptances, letters of credit, trust receipts, etc.) from licensed banks of RM121,980,000 (2022: RM117,580,000). The multi-option line facilities are secured against guarantees issued by the Company.

(f) The fair value of the short-term borrowings approximate their carrying values at the end of the reporting period. During the financial year, the floating interest rates for the short-term borrowings are as follows:

	The Group 2023 %	2022 %
Foreign revolving credits	8.50 - 9.50	8.50 - 9.50
Local revolving credits	3.23 - 4.82	3.23 - 4.32
Foreign bank overdrafts	9.50	9.50

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

33. CONTINGENT LIABILITIES

	The Group 2023 RM'000	2022 RM'000
Bank guarantees issued to third parties	231,776	181,935

The Group has adopted the provisions of Paragraph 92 of MFRS 137 Provisions, Contingent Liabilities and Contingent Assets pursuant to the non-disclosure of the financial effect in relation to the disputed liquidated ascertained damages.

The Group is relying on its solicitors' view that the Group has good chance to succeed in the litigation proceedings and therefore no provisions have been made by the Group at this juncture.

34. MATERIAL LITIGATION

On 25 October 2019, the Company's wholly owned subsidiary, Elite Park Development Sdn Bhd ("EPD") had through its solicitors filed and served Statement of Claim against Zulhkiple Abu Bakar ("ZAB") claiming for the following as a result of a breach of the Consultancy Agreement dated 9 June 2015 ("Consultancy Agreement") entered between EPD and ZAB whereby ZAB was to provide amongst others, value engineering services to the original foundation and structural designs ("Services") for the buildings in the project erected on Lot 24673 (PT 2105), Bandar Kundang, Mukim Rawang, Daerah Gombak, Selangor ("Development"):

- (i) A total sum of damages of RM40,670,558 and/or alternatively for damages to be assessed; and
- (ii) Interest at the rate of 5% or any other rate as the Court deems fit and proper on the judgement sum calculated from the date of judgement until the date of final settlement and costs.

On 27 November 2019, ZAB has filed a statement of defence and counterclaim against EPD alleging amongst others:

- (i) Unlawful termination of the Consultancy Agreement;
- (ii) EPD pay to ZAB a total sum of RM114,088 being ZAB's outstanding fee under the Consultancy Agreement; and
- (iii) General damages to be assessed.

On 15 July 2020, EPD had through its solicitors filed and served the Amended Writ and Amended Statement of Claim against ZAB and two other defendants namely, Pembinaan Infrastruktur OKH Sdn Bhd ("OKH") for breach of contract in failing amongst others, to provide material and workmanship of the quality and standard pursuant to a letter of award dated 28 November 2014 and a Standard Form PAM 2006 Contract entered into between EPD and OKH to build and construct buildings in the project erected on the Development, and Lonpac Insurance Berhad ("LONPAC") for breach of an insurance policy issued by LONPAC in favour of EPD as beneficiary under a Contractors' All Risk Policy in failing to pay to EPD for damages and/or losses suffered by EPD in the Development in the same legal proceedings.

The solicitors of EPD are of the view that EPD has good grounds to succeed in its claims against ZAB, OKH and LONPAC. It is preliminary at this stage to ascertain the potential recoverable amount. The trial dates have been rescheduled and currently have been fixed in May and June 2024.

Save for the above and as disclosed in Note 33, the Group was not engaged in any material litigation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

35. CAPITAL RISK MANAGEMENT, FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

(a) Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a healthy and optimal capital base in order to maintain investors, creditors and market confidence and to sustain future development of the business so that it can continue to maximise returns for shareholders and benefits for other stakeholders. The capital structure of the Group and the Company comprises net debt (deposit, cash, bank balances and investment in short-term funds offset by borrowings as detailed in Notes 25, 28, 29, 30(b) and 32 and equity (comprising share capital, reserves, retained earnings and non-controlling interests as detailed in Notes 26, 27 and 18).

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristic of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or reduce borrowings. No changes were made in the objectives, policies or processes during the year ended 31 December 2023.

(b) Net Gearing Ratio

The net gearing ratio at the end of the reporting year are as follows:

	The Group		The Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Total borrowings	1,281,142	1,352,381	1,003,232	1,001,136
Less: Deposit, cash, bank balances and investment in short-term funds	(981,261)	(579,580)	(500,009)	(220,826)
Net debt	299,881	772,801	503,223	780,310
Total equity	3,736,857	3,587,165	3,031,728	2,948,606
Net debt-to-equity ratio	0.08	0.22	0.17	0.26

(c) Categories of Financial Instruments

	The Group		The Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Financial assets				
At fair value through profit or loss:				
Investment in short-term funds	521,160	203,059	482,169	187,589
Amortised cost:				
Trade and other receivables	582,667	752,722	3,108,404	3,333,030
Deposits, cash and bank balances	460,101	376,521	17,840	33,237
	1,563,928	1,332,302	3,608,413	3,553,856
Financial liabilities				
Trade and other payables	1,048,295	1,132,225	5,048	5,106
Medium Term Notes	1,003,232	1,001,136	1,003,232	1,001,136
Loans and borrowings	277,910	351,245	-	-
Deferred payables	68,289	59,330	-	-
	2,397,726	2,543,936	1,008,280	1,006,242

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

35. CAPITAL RISK MANAGEMENT, FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

(d) Fair Value of Financial Instruments

The methods and assumptions used to determine the fair values of financial assets and liabilities are as follows:

(i) Investment in short-term funds

Fair value of the short-term funds has been determined by reference to the net assets value of the funds at the end of the reporting period as quoted by the fund managers.

(ii) Deposits, cash and bank balances, receivables and payables

The carrying amounts of deposits, cash and bank balances, current receivables and payables are reasonable approximation of fair values due to their short-term nature.

The fair value of long-term payables is determined by the present value of future cash flow estimated and discounted using the current interest rates for similar instruments at the end of the reporting period. There is no material difference between the fair values and carrying values of these payables at the end of the reporting period.

(iii) Loans and borrowings (including bank overdrafts)

The carrying amounts of the current portion of loans and borrowings are reasonable approximation of fair values due to the insignificant impact of discounting.

The carrying amounts of long-term floating rate loans are reasonable approximation of fair values as the loans will be re-priced to the market interest rates on or near the end of the reporting period.

(iv) Medium Term Notes

The fair value of the fixed rate Medium Term Notes is estimated by discounting future cash flows using lending rates for similar type of arrangements.

(v) The table below analyses fair value measurement of financial instruments which are categorised into Levels 1 to 3.

Financial assets that are measured at fair value on a recurring basis:

	The Group		The Company	
	2023	2022	2023	2022
	Fair value	Fair value	Fair value	Fair value
	(Level 2)	(Level 2)	(Level 2)	(Level 2)
	RM'000	RM'000	RM'000	RM'000
Investment in short-term funds	521,160	203,059	482,169	187,589

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

35. CAPITAL RISK MANAGEMENT, FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

(d) Fair Value of Financial Instruments (continued)

Financial liabilities that are not measured at fair value but fair value disclosures are required:

	The Group		The Company	
	Carrying amount RM'000	Fair value (Level 3) RM'000	Carrying amount RM'000	Fair value (Level 3) RM'000
2023				
Medium Term Notes	1,003,232	1,005,573	1,003,232	1,005,573
Long-term deferred payables (Note 30(b), (c) and (e))	70,155	70,155	-	-
2022				
Medium Term Notes	1,001,136	1,002,234	1,001,136	1,002,234
Long-term deferred payables (Note 30(b), (c) and (e))	59,761	59,761	-	-

There is no transfer within the fair value measurement hierarchy during the financial year ended 31 December 2023 and 31 December 2022.

(e) Financial Risk Management Objectives and Policies

The Group and the Company have exposure to the following risks from its use of financial instruments:

- Market risk
 - Foreign currency risk
 - Interest rate risk
- Credit risk
- Liquidity risk
- Cash flow risk

Risk management objectives, policies and procedures for managing the risk

The Group and the Company have formulated a financial risk management framework whose principal objective is to minimise the Group's and the Company's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group and the Company.

Financial risk management is carried out through risk reviews, internal control systems and adherence to Group and the Company financial risk management policies. The Board regularly reviews these risks and approves the treasury policies, which cover the management of these risks.

(i) Market risk

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group is exposed to foreign currency risk on certain transactions entered into by subsidiary companies in currencies other than its functional currency, i.e. Indonesian Rupiah ("RP").

The currencies giving rise to this risk are primarily Australian Dollar ("AUD"), Singapore Dollar ("SGD"), United States Dollar ("USD") and Japanese Yen ("JPY").

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

35. CAPITAL RISK MANAGEMENT, FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

(e) Financial Risk Management Objectives and Policies (continued)

(i) Market risk (continued)

Foreign currency risk (continued)

Exposure to foreign currency risk

The Group's exposures to foreign currency risk (a currency which is other than the functional currency of the subsidiary companies) arising from foreign balances as at the end of the reporting period is represented by the following carrying amounts:

The Group	RM/ AUD RM'000	RM/ SGD RM'000	RM/ USD RM'000	RP/ JPY RM'000	RP/ USD RM'000	Total RM'000
2023						
Trade and other receivables	1,377	3,000	22,223	-	-	26,600
Trade and other payables	-	-	(2,631)	(349)	(1,300)	(4,280)
Net exposure	1,377	3,000	19,592	(349)	(1,300)	22,320
2022						
Trade and other receivables	715	3,971	16,341	-	-	21,027
Trade and other payables	-	-	(12,938)	(330)	(1,231)	(14,499)
Net exposure	715	3,971	3,403	(330)	(1,231)	6,528

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit after tax for a 2% (2022: 2%) strengthening of the following functional currency of the Group entities against the respective foreign currencies, with all other variables held constant.

The Group	Group profit after tax	
	2023 RM'000	2022 RM'000
RM/AUD	(21)	(11)
RM/SGD	(46)	(60)
RM/USD	(298)	(52)
RP/JPY	5	5
RP/USD	20	19

For a 2% (2022: 2%) weakening of RM and RP against the above relevant currencies at the end of the reporting period, there would be a comparable opposite effect on the Group's profit after tax.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

35. CAPITAL RISK MANAGEMENT, FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

(e) Financial Risk Management Objectives and Policies (continued)

(i) Market risk (continued)

Interest rate risk

The Group's exposure to interest rate risk arises primarily from the loans and borrowings. The interest rate management policy is aimed at optimising net interest cost and reducing volatility.

Exposure to interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing loans and borrowings. The carrying amounts of these loans and borrowings are disclosed in Notes 29 and 32, respectively.

Cash flow sensitivity analysis for variable rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates with all other variables held constant, of the Group's profit after tax through the impact on interest expense on floating rate loans and borrowings.

The Group	Change in interest rate basis points	Profit after tax	
		2023 RM'000	2022 RM'000
Cost of fund	- 25	523	666
Cost of fund	+ 25	(523)	(666)

(ii) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation resulting in financial loss to the Group and the Company.

The Group's exposure to credit risk arises principally from trade and other receivables and bank guarantees issued to third parties.

The Company's exposure to credit risk arises principally from amount due from subsidiary companies, corporate guarantees issued to financial institutions and third parties.

Financial assets measured at amortised cost

Risk management objectives, policies and processes for managing the risk

The Group extends credit to its customers based upon careful evaluation of the customer's financial condition and credit history. Trade receivables are monitored on an ongoing basis by the Group's credit control department.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk arising from trade and other receivables is represented by the carrying amounts in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

35. CAPITAL RISK MANAGEMENT, FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

(e) Financial Risk Management Objectives and Policies (continued)

(ii) Credit risk (continued)

Financial assets measured at amortised cost (continued)

Expected credit losses ("ECL") are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. In assessing whether the credit risk of an asset has significantly increased the Group and the Company take into account qualitative and quantitative reasonable and supportable forward looking information.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides financial guarantees to financial institutions and third parties for credit facilities and supply of goods respectively granted to subsidiary companies. The Company monitors the results of the subsidiary companies regularly and repayments made by the subsidiary companies. At the end of the reporting period, no events have arisen which may cause the financial guarantees provided by the Company to be called upon or claimed by any counterparty pursuant to the relevant contracts entered by the Company.

Exposure to credit risk

At the end of the reporting period, the Company's maximum exposure to credit risk in relation to the financial corporate guarantees given amounts to RM498,743,604 (2022: RM508,781,658) representing the outstanding banking facilities, bank guarantees issued to third parties and certain trade payables of the subsidiaries.

(iii) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting its financial obligations due to a shortage of funds.

The Group and the Company practise prudent liquidity risk management to minimise the mismatch of financial assets and liabilities and to maintain sufficient credit facilities for contingent funding requirement of working capital.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

35. CAPITAL RISK MANAGEMENT, FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

(e) Financial Risk Management Objectives and Policies (continued)

(iii) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations:

2023	Within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
The Group				
<i>Non-interest bearing</i>				
Trade and other payables	924,300	114,581	-	1,038,881
Long-term and deferred payables	-	10,000	15,300	25,300
Financial guarantees*	131,032	99,283	1,461	231,776
<i>Interest bearing</i>				
Trade and other payables	2,748	-	-	2,748
Long-term and deferred payables	9,374	37,489	23,174	70,037
Medium Term Notes	43,969	1,051,294	-	1,095,263
Loans and borrowings	17,512	258,995	29,308	305,815
	1,128,935	1,571,642	69,243	2,769,820
The Company				
<i>Non-interest bearing</i>				
Trade and other payables	5,048	-	-	5,048
Financial guarantees*	1,106,229	356,271	30,769	1,493,269
<i>Interest bearing</i>				
Medium Term Notes	43,969	1,051,294	-	1,095,263
	1,155,246	1,407,565	30,769	2,593,580

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

35. CAPITAL RISK MANAGEMENT, FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

(e) Financial Risk Management Objectives and Policies (continued)

(iii) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

2022	Within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
The Group				
Non-interest bearing				
Trade and other payables	1,039,784	75,997	-	1,115,781
Long-term and deferred payables	7,311	189	-	7,500
Financial guarantees*	122,098	59,837	-	181,935
Interest bearing				
Trade and other payables	2,520	-	-	2,520
Long-term and deferred payables	10,295	44,627	29,264	84,186
Medium Term Notes	43,800	1,095,263	-	1,139,063
Loans and borrowings	109,378	263,043	16,729	389,150
	1,335,186	1,538,956	45,993	2,920,135
The Company				
Non-interest bearing				
Trade and other payables	5,106	-	-	5,106
Financial guarantees*	446,569	321,307	16,729	784,605
Interest bearing				
Medium Term Notes	43,800	1,095,263	-	1,139,063
	495,475	1,416,570	16,729	1,928,774

* This exposure to liquidity risk is included for illustration purpose only as the related guarantees have not yet crystallised.

(iv) Cash flow risk

The Group and the Company review their cash flow position regularly to manage the exposure to fluctuations in future cash flows associated with their monetary financial instruments.

36. SEGMENT REPORTING

Segment information is presented in respect of the Group's business segments, which reflects the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

For management purposes, the Group is organised into the following operating divisions:

- (i) Property - investment and development of residential, commercial and industrial properties
- (ii) Manufacturing - manufacturing and trading of a range of plastic moulded products and gloves
- (iii) Investment holding and others - investment holding operations, provision of management and property support services, construction of residential properties, provision of hospitality management services and trading of building materials

Inter-segment revenue comprises dividend income, interest charges, trading of plastic moulded products, construction revenue and hotel room rental income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

36. SEGMENT REPORTING (continued)

Information regarding the Group's reportable segments is presented below:

(a) Business Segments

2023	Property RM'000	Manufacturing RM'000	Investment Holding and Others RM'000	Elimination RM'000	Group RM'000
Revenue					
External revenue	2,114,883	435,186	53,143	-	2,603,212
Inter-segment revenue	-	-	276,076	(276,076)	-
	2,114,883	435,186	329,219	(276,076)	2,603,212
Results					
Operating profit/(loss)	368,391	(5,044)	15,853	-	379,200
Interest income					7,834
Finance costs					(59,647)
Profit before tax					327,387
Income tax expense					(105,208)
Profit for the year					222,179
Other Information					
Additions to non-current assets	106,812	41,471	4,662		152,945
Depreciation and amortisation	(6,997)	(32,961)	(1,503)		(41,461)
Fair value loss on investment properties	(5,000)	-	-		(5,000)
Insurance income	106	-	-		106
Inventories written off	-	(632)	-		(632)
Impairment of property, plant and equipment	-	-	(856)		(856)
Property, plant and equipment written off	(20)	(1,729)	-		(1,749)
Reversal of impairment of right-of-use assets	-	-	1,687		1,687
Write down of inventories	(454)	(1,288)	-		(1,742)
Assets and Liabilities					
Segment assets	5,043,697	591,916	545,762	-	6,181,375
Current and deferred tax assets					235,404
Total assets					6,416,779
Segment liabilities	1,363,750	209,388	1,037,393	-	2,610,531
Current and deferred tax liabilities					69,391
Total liabilities					2,679,922

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

36. SEGMENT REPORTING (continued)

(a) Business Segments (continued)

2022	Property RM'000	Manufacturing RM'000	Investment Holding and Others RM'000	Elimination RM'000	Group RM'000
Revenue					
External revenue	1,839,981	441,300	35,947	-	2,317,228
Inter-segment revenue	-	-	186,689	(186,689)	-
	1,839,981	441,300	222,636	(186,689)	2,317,228
Results					
Operating profit/(loss)	338,677	(23,063)	4,844	-	320,458
Interest income					2,465
Finance costs					(58,799)
Profit before tax					264,124
Income tax expense					(77,326)
Profit for the year					186,798
Other Information					
Additions to non-current assets	201,639	61,426	2,923		265,988
Depreciation and amortisation	(7,984)	(31,549)	(1,187)		(40,720)
Fair value loss on investment properties	(5,000)	-	-		(5,000)
Fire damage restoration costs	-	(4,784)	-		(4,784)
Insurance income	74	23,662	-		23,736
Inventories written off	-	(9,029)	-		(9,029)
Property, plant and equipment written off	-	(6,758)	-		(6,758)
(Write down)/Reversal in value of inventories	(3,109)	17	-		(3,092)
Assets and Liabilities					
Segment assets	5,335,249	582,971	254,575	-	6,172,795
Current and deferred tax assets					216,894
Total assets					6,389,689
Segment liabilities	1,538,886	165,363	1,030,164	-	2,734,413
Current and deferred tax liabilities					68,111
Total liabilities					2,802,524

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

36. SEGMENT REPORTING (continued)

(a) Business Segments (continued)

Segment assets

Segment assets consist of property, plant and equipment, right-of-use assets, prepaid lease payments, investment properties, land held for property development, intangible asset, property development costs, land held for sale, inventories and other current assets that are used in the operating activities of the segment and exclude current and deferred tax assets.

Segment liabilities

Segment liabilities include loans and borrowings, medium term notes, trade payables and other payables, long-term and deferred payables, other current liabilities and exclude current and deferred tax liabilities.

Additions to non-current assets

Additions to non-current assets comprise additions to property, plant and equipment, right-of-use assets, prepaid lease payments, investment properties and land held for property development.

(b) Geographical information

With the exception of a manufacturing set up for plastics moulded products in Indonesia, the entire Group's active business operations are located in Malaysia.

Revenue by geographical market

The following is an analysis of the Group's external sales by location of customers, irrespective of the origin of the goods/ services:

	The Group	
	2023	2022
	RM'000	RM'000
Malaysia	2,332,251	2,068,679
Indonesia	138,780	138,190
Singapore	29,809	26,203
Thailand	15,456	22,069
Philippines	13,425	8,153
United States	27,881	6,055
Australia	5,682	7,913
Africa	8,902	9,254
Turkey	-	5,613
Vietnam	5,322	5,226
Other countries	25,704	19,873
	2,603,212	2,317,228

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

36. SEGMENT REPORTING (continued)

(b) Geographical information (continued)

Segment assets and additions to non-current assets by geographical market

The following are analysis of the carrying amount of segment assets and additions to non-current assets by geographical areas in which the assets are located:

	Carrying amount of segment assets		Additions to non-current assets	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Malaysia	6,136,579	6,118,227	152,137	262,495
Indonesia	44,152	53,913	808	3,493
Singapore	402	423	-	-
Australia	238	228	-	-
Hong Kong	4	4	-	-
	6,181,375	6,172,795	152,945	265,988

(c) Major customer

There is no single customer that contributed 10% or more to the Group's revenue for 2023 and 2022.

37. OPERATING LEASE COMMITMENT

As Lessor - for the lease of investment properties and commercial properties

The Group leases out its investment properties and commercial properties under non-cancellable operating leases. The tenure of these leases ranges between 1 to 6 years (2022: 1 to 6 years) with option to renew upon expiry. Certain of the leases include contingent rental arrangements computed based on sales achieved by tenants.

The future minimum lease rental receivables under non-cancellable leases as at the end of the reporting period are as follow:

	The Group	
	2023 RM'000	2022 RM'000
Less than one year	4,866	4,481
One to three years	2,954	3,536
	7,820	8,017

38. CAPITAL COMMITMENTS

	The Group	
	2023 RM'000	2022 RM'000
Contractual commitment for the acquisition of development land	412,276	-
Approved and contracted for acquisition of property, plant and equipment	36,473	16,156
	448,749	16,156

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

39. RELATED PARTY DISCLOSURES

(a) Identification of related parties

A party is considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group and the Company have related party relationships with their subsidiary companies, associated company, key management personnel and the following related parties:

<u>Related party</u>	<u>Relationship</u>
Principal View Sdn Bhd	- A company in which Tan Sri Dato' Sri Leong Hoy Kum has substantial financial interest
Harian Madu Sdn Bhd	- A company in which the directors and shareholders are brothers-in-law to Tan Sri Dato' Sri Leong Hoy Kum
PT Kingsanindo Perkasa Indah	- A non-controlling interest of P.T. Mah Sing Indonesia
TS Law Land Holdings Sdn Bhd	- A non-controlling interest of Cosmowealth Housing Development Sdn Bhd
Lai Fook Chuan	- A non-controlling interest of Grow Innovations Sdn Bhd
The South Sea Capital Sdn Bhd	- A non-controlling interest of Mah Sing South Sea Industrial Development Sdn Bhd

(b) Significant related party transactions and balances

Significant related party transactions during the financial year are as follows:

	The Group	
	2023	2022
	RM'000	RM'000
Transactions with companies in which a Director of the company has interest		
Rental expenses paid/payable to Principal View Sdn Bhd	1,538	1,538
Maintenance charges paid/payable to Harian Madu Sdn Bhd	187	187
Transactions with non-controlling interests		
Interests paid/payable to:		
- PT Kingsanindo Perkasa Indah	55	21
- TS Law Land Holdings Sdn Bhd	115	105
Advisory fee paid/payable to Lai Fook Chuan	94	-
Service fee paid/payable to The South Sea Capital Sdn Bhd	20	-
	The Company	
	2023	2022
	RM'000	RM'000
Transactions with subsidiary companies		
Dividend income from subsidiary companies	112,500	66,500
Interest income from advances to subsidiary to companies	116,421	113,454

Outstanding balances with the subsidiary companies, associated company and non-controlling interests at the end of the reporting period are disclosed in Notes 22(f), 22(g), 31(c) and 31(d), respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (CONT'D)

39. RELATED PARTY DISCLOSURES (continued)

(c) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company, directly or indirectly.

	The Group		The Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Directors of the Company				
Salaries, bonus and other emoluments	20,465	16,431	974	789
Directors' fees	231	228	231	228
Benefits-in-kind	125	116	35	35
Total short-term employment benefits	20,821	16,775	1,240	1,052
Post employment benefits - EPF	2,453	1,972	115	95
	23,274	18,747	1,355	1,147
Other key management personnel*				
Salaries and bonus	12,582	9,747	-	-
Benefits-in-kind	224	230	-	-
Total short-term employment benefits	12,806	9,977	-	-
Post employment benefits - EPF	1,422	1,101	-	-
	14,228	11,078	-	-
Total compensation	37,502	29,825	1,355	1,147

* Other key management personnel including Directors of the subsidiary companies.

40. MATERIAL SUBSEQUENT EVENTS

- (a) On 23 January 2024, the Company's wholly-owned subsidiary, Mah Sing Plastics Industries Sdn Bhd ("MSPI") had entered into a master cooperation agreement ("Agreement") with PT Gaya Sukses Mandiri Kaseindo ("PT Gaya") to jointly carry out the business relating to manufacturing and trading of plastic pallets, containers and related material handling and storage products in Indonesia ("Joint Venture"). Pursuant to the terms of the Agreement, the Joint Venture shall be carried out through a joint venture company whereby MSPI will hold a 70% shareholding while PT Gaya will hold 30%.
- (b) On 31 January 2024, the Company's wholly-owned subsidiary, Fusion Heights Development Sdn Bhd ("Purchaser"), had entered into a conditional sale and purchase agreement ("SPA") with Premier Land Resources Sdn Bhd ("Vendor") for the proposed acquisition of a parcel of prime land measuring 185 acres in Mukim Labu, Daerah Sepang, Negeri Selangor ("Land") for a total purchase consideration of RM100,732,500 or RM12.50 per square foot. The proposed acquisition comes with an option for a further approximately 376.65 acres of adjacent land which may be acquired at the Purchaser's discretion within 4 years from the date of the SPA at the rate of RM12.50 per square foot subject to the terms and conditions set out in the SPA. The completion of the SPA is pending the fulfilment of the conditions precedent of the SPA.

STATEMENT BY DIRECTORS

We, Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal and Datuk Ho Hon Sang, being two of the Directors of **MAH SING GROUP BERHAD**, state that, in the opinion of the Directors, the accompanying financial statements set out on pages 169 to 237 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of the financial performance and cash flows of the Group and of the Company for the financial year ended on that date in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board in accordance with a resolution of the Board of Directors dated 27 February 2024.

ADMIRAL (R) TAN SRI DATO' SERI ABU BAKAR BIN ABDUL JAMAL

Chairman

Kuala Lumpur

DATUK HO HON SANG

Director

STATUTORY DECLARATION

I, **TEONG SZE HOWE**, being the Officer primarily responsible for the financial management of **MAH SING GROUP BERHAD**, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 169 to 237 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

TEONG SZE HOWE (MIA: 35702)

Subscribed and solemnly declared at Kuala Lumpur on 27 February 2024.

Before me,

COMMISSIONER FOR OATHS

PROPERTIES OWNED BY THE GROUP

AS AT 31 DECEMBER 2023

Location	Description	Date of Acquisition / Date of Valuation / Date of Completion	Tenure	Land Area (Acre)	Net Book Value (RM)
Southville City Mukim Dengkil Daerah Sepang Selangor Darul Ehsan	Mixed Development	21-May-2012	Freehold	316.23	695,910,471
Bandar Meridin East Mukim of Plentong Daerah of Johor Bahru Johor Darul Takzim	Mixed Development	1-Oct-2013	Freehold	964.25	642,285,241
Ferringhi Residence Penang, Mukim 17 Daerah Timur Laut Batu Ferringhi Negeri Pulau Pinang	Residential Development	23-Nov-2010	Freehold	30.29	238,999,974
M-Vertica Lot 481319, PT9554, Batu 2 1/2 Jalan Cheras Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Mixed Development	30-Aug-2017	Leasehold (expiring on 14-Aug-2116)	-	204,023,089
Petaling Jaya Commercial Hub Lot No.PT.245 Mukim Damansara Daerah Petaling Selangor Darul Ehsan	Residential & Mixed Development	28-Oct-2009	Leasehold (expiring on 26-Sept-2111)	10.27	179,563,361
M Nova Pajakan Negeri 51166, Lot No. 80646, Mukim Batu, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Mixed Development	30-Nov-2021	Leasehold (expiring on 24-May-2111)	3.29	131,294,972
The Meridin @ Medini Medini, Iskandar Malaysia Mukim Pulau, Daerah Johor Bahru Johor Darul Takzim	Iconic Integrated Development	18-Oct-2012	Leasehold (expiring on 14-Apr-2142 and 25-Jun-2142)	-	130,862,607
Star Avenue @ D'sara Pekan Baru Subang Daerah Petaling Selangor Darul Ehsan	Star Avenue Lifestyle Mall and Car Parks (Age:8 years)	26-Jan-2023	Leasehold (expiring on 6-May-2111 and 26-Jun-2111)	-	130,000,000
Southbay Penang Mukim 12, Daerah Barat Daya Negeri Pulau Pinang	Mixed Development	18-Feb-2011	Freehold	21.18	129,626,106
M Tiara Lot 168-Lot 173, Lot 175, Lot 177-Lot 179, Mukim Pulau, Daerah Johor Bahru, Johor Darul Takzim	Residential Development	13-Jun-2023	Freehold	75.75	108,197,675
M Astra H.S. (M) 2144, No. PT 6332 Tempat Jalan Genting Klang Mukim Setapak, Daerah Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Mixed Development	4-May-2021	Leasehold (expiring on 17-Oct-2121)	2.50	103,665,885
M Senyum HS(D) 56135, PT 4792 Bandar Baru Salak Tinggi Daerah Sepang Selangor Darul Ehsan	Mixed Development	19-Feb-2021	Leasehold (expiring on 11-Apr-2120)	14.28	88,336,386

PROPERTIES OWNED BY THE GROUP

AS AT 31 DECEMBER 2023

Location	Description	Date of Acquisition / Date of Valuation / Date of Completion	Tenure	Land Area (Acre)	Net Book Value (RM)
M Terra and M Hana Lot 102268, Pekan Puchong Perdana, Daerah Petaling, Selangor Darul Ehsan	Residential and Mixed Development	18-Jan-2023	Leasehold (expiring on 24-Mar-2098)	8.21	85,510,542
M Zenya H.S.(D) 122846, PT No. 50203, H.S.(D) 122847, PT No. 50204, Mukim Batu, Wilayah Persekutuan Kuala Lumpur	Mixed Development	6-Jul-2023	Leasehold (JV) (expiring on 13-Dec-2120)	4.88	80,564,945
M Residence 3 @ Rawang HSD 35626 PT23373 Mukim Rawang, Daerah Gombak Selangor Darul Ehsan	Mixed Development	27-Aug-2013	Leasehold (expiring on 7-May-2099)	28.82	61,584,124
Garden Residence, Cyberjaya Mukim Dengkil Daerah Sepang Selangor Darul Ehsan	Residential Development	12-Aug-2009	Freehold	12.82	56,600,097
M Residence @ Rawang Lot 1950, 1316, 1952 & 1266 Mukim Rawang Daerah Gombak Selangor Darul Ehsan	Mixed Development	5-Oct-2011	Freehold	93.48	56,520,073
Hijauan Residence & Bayu Sekamat, Cheras Lot 3442, Lot 670 & Lot 671 Mukim Cheras Daerah Hulu Langat Selangor Darul Ehsan	Residential Development	30-Oct-2006 29-Sept-2008	Freehold	27.48	55,008,430
M Minori H.S(D) 600662, PTD 203978, Mukim Tebrau, Johor Darul Takzim	Mixed Development	28-Jun-2022	Freehold	5.03	53,214,815
Lot 6478, Lorong Sungai Puloh / KU6 Kawasan Industri Sungai Puloh 42100 Klang Selangor Darul Ehsan	Industrial, office and warehouse building (Age: 2.5 years)	20-Apr-2021	Leasehold (expiring on 31-Oct-2035)	-	42,248,286
Lot 4, Lingkaran Sultan Mohamed 1 Kawasan Perindustrian Bandar Sultan Suleiman 42000 Port Klang Selangor Darul Ehsan	Office and warehouse building (Age: 8years)	24-Feb-2016	Leasehold (expiring on 21-Sept-2093)	4.98	41,561,351
Garden Plaza, Cyberjaya Mukim Dengkil Daerah Sepang Selangor Darul Ehsan	Commercial Development	22-Feb-2010	Freehold	-	31,065,311
M Luna H.S. (D) 120077, No. PT 26888, Mukim Batu, Tempat Taman Metropolitan, Kepong, Wilayah Persekutuan Kuala Lumpur	Residential Development	23-Jul-2019	Leasehold (expiring on 4-Apr-2115)	-	28,334,136

PROPERTIES OWNED BY THE GROUP

AS AT 31 DECEMBER 2023

Location	Description	Date of Acquisition / Date of Valuation / Date of Completion	Tenure	Land Area (Acre)	Net Book Value (RM)
Lot 9, Lingkaran Sultan Mohamed 1 Kawasan Perindustrian Bandar Sultan Suleiman 42000 Port Klang Selangor Darul Ehsan	Industrial Building (Age: 32 years)	8-Aug-1992 25-Jun-2018	Leasehold (expiring on 21-Sept-2093)	7.00	26,983,779
D'sara Sentral H.S.(D) 291822 No. PT 4629 Pekan Baru Sungai Buluh Daerah Petaling Selangor Darul Ehsan	Mixed Development	3-Apr-2013	Leasehold (expiring on 14-Aug-2112)	-	25,999,751
M Centura & M Arisa Geran Mukim 336, Lot 772, Geran Mukim 561, Lot 773 & Geran Mukim 557, Lot 774 Tempat Sungai Untut, Mukim Setapak Wilayah Persekutuan Kuala Lumpur	Residential Development	25-May-2017	Freehold	-	18,396,709
Aman Perdana Mukim Kapar Daerah Klang Selangor Darul Ehsan	Mixed Development	2-Apr-2004	Freehold	25.34	17,009,488
M Oscar Lot PT 304, PT 305, PT 598, Lot 1560, Lot 1561 dan PT 13843, Jalan 2/149, Mukim Petaling, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Residential Development	28-Mar-2019	Freehold	-	16,580,054
M Residence 2 @ Rawang Bandar Kundang Daerah Gombak Selangor Darul Ehsan	Residential Development	29-Feb-2012	Leasehold (expiring on 15-Feb-2104)	7.16	14,048,154
Icon Residence, Mont' Kiara Lot 55331, Mukim Batu Daerah Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Residential Development	28-Feb-2007	Freehold	-	12,596,753
Wisma Mah Sing 163 Jalan Sungai Besi 57100, Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	44 units office lots and 2 units shoplots 95 units of parking lots (Age: 27 years)	1995, 2012, 2013 and 2023	Freehold	-	10,217,364
Sierra Perdana Mukim Plentong Daerah Johor Bahru Johor Darul Takzim	Mixed Development	21-Dec-2005	Freehold	36.83	8,347,705
Mah Sing i-Parc Mukim Tanjung Kupang Daerah Johor Bahru Johor Darul Takzim	Industrial Development	12-Apr-2011	Freehold	-	8,012,830

PROPERTIES OWNED BY THE GROUP

AS AT 31 DECEMBER 2023

Location	Description	Date of Acquisition / Date of Valuation / Date of Completion	Tenure	Land Area (Acre)	Net Book Value (RM)
Southgate Commercial Centre Seksyen 92 Wilayah Persekutuan Kuala Lumpur	Commercial Development	27-Jul-2007	Freehold	-	7,862,327
Kawasan Industri Mitrakarawang Jalan Mitra Timur II Plot D-18-20 & 37-39 Karawang 41361 Indonesia	Industrial Building (Age: 12 years)	1-Nov-2011	Leasehold (expiring on 12-Dec-2037)	6.00	7,213,656
Perdana Residence 2, Selayang Mukim Batu, Bandar Selayang Daerah Gombak Selangor Darul Ehsan	Residential Development	28-Oct-2009	Freehold	3.73	7,141,863
Starparc Point GM2018, Lot 21717, Mukim Setapak Tempat Kampong Pasir Werdieburn Jalan Genting Klang, Daerah Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Commercial Development	10-Nov-2008 (JV date)	Freehold (JV)	-	6,227,566
Austin Perdana Mukim Tebrau Daerah Johor Bahru Johor Darul Takzim	3 blocks of 5 storey Corporate Office at V Square (Age: 8 years)	1-Apr-2016	Freehold	-	5,293,912
Lakeville Residence HSD 119736, No PT 26755 Mukim Batu Daerah Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Mixed Development	28-May-2013	Leasehold (expiring on 25-Nov-2113)	-	5,220,013
M-Suites GRN 71445 Lot 293, Seksyen 89 Daerah Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Commercial Development	22-Apr-2010	Freehold	-	2,474,843
M-City Mukim Ampang Daerah Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Mixed Development	3-Nov-2010	Freehold	-	2,144,154
Kawasan Industri Jababeka J1 Jababeka XIIB, Blok W17-20 Cikarang Industrial Estate Bekasi, Indonesia	Industrial Building (Age: 26 years)	25-Jun-1997	Leasehold (expiring on 29-Jun-2042)	5.16	775,460

STATISTICS OF SHAREHOLDINGS

AS AT 3 APRIL 2024

Class of Shares : Ordinary shares

Voting Rights : One vote per ordinary share

ANALYSIS OF SHAREHOLDINGS

Size of Holdings	No. of Holders	No. of Shares	%
1 - 99	894	34,118	0.001
100 - 1,000	3,616	2,325,558	0.093
1,001 - 10,000	14,791	79,792,773	3.200
10,001 - 100,000	8,092	255,082,889	10.228
100,001 - 124,695,650*	1,171	1,411,177,682	56.585
124,695,651 and above**	4	745,500,000	29.893
Total	28,568	2,493,913,020	100.000

Remarks:

* Less than 5% of issued shares

** 5% and above of issued shares

Substantial Shareholders

Name	No. of Ordinary Shares Held			
	Direct	%	Indirect	%
Mayang Teratai Sdn Bhd	653,038,200	26.185	-	-
Mayang Teratai Limited	180,000,000	7.218	-	-
Tan Sri Dato' Sri Leong Hoy Kum	10,319,007	0.414	^a 833,038,200	33.403

Note:

a Deemed interested by virtue of shareholdings of Mayang Teratai Sdn Bhd and Mayang Teratai Limited

Directors' Shareholdings

Name	No. of Ordinary Shares Held			
	Direct	%	Indirect	%
Tan Sri Dato' Sri Leong Hoy Kum	10,319,007	0.414	[#] 842,041,011	33.764
Lionel Leong Jihn Haur	142,187	0.006	-	-
Dato' Ng Poh Seng	708,900	0.028	-	-
Datuk Seri Leong Yuet Mei	-	-	[*] 316,814	0.013
Abd Malik Bin A Rahman	10,000	negligible	-	-

Notes:

[#] Deemed interested by virtue of shareholdings of Mayang Teratai Sdn Bhd, Mayang Teratai Limited and his family members

^{*} Deemed interested by virtue of shareholdings of her family member

STATISTICS OF SHAREHOLDINGS

AS AT 3 APRIL 2024

TOP THIRTY SHAREHOLDERS (as per record of depositors)

NO.	NAME	No. of Shares	%
1	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mayang Teratai Sdn Bhd (414365800567)	268,000,000	10.746
2	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mayang Teratai Sdn Bhd (49643 JPLe)	167,000,000	6.696
3	ABB Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Mayang Teratai Sdn Bhd	155,500,000	6.235
4	Citigroup Nominees (Asing) Sdn Bhd Exempt AN for Bank of Singapore Limited (Foreign)	155,000,000	6.215
5	Amanahraya Trustees Berhad Amanah Saham Bumiputera	113,704,500	4.559
6	Amanahraya Trustees Berhad Amanah Saham Malaysia	59,609,300	2.390
7	Amanahraya Trustees Berhad Amanah Saham Malaysia 2 - Wawasan	59,425,978	2.383
8	Amanahraya Trustees Berhad Amanah Saham Malaysia 3	52,841,125	2.119
9	Mayang Teratai Sdn Bhd	50,881,100	2.040
10	Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for AIA Bhd.	34,568,600	1.386
11	Amanahraya Trustees Berhad Amanah Saham Bumiputera 2	33,000,000	1.323
12	Citigroup Nominees (Asing) Sdn Bhd UBS AG	30,715,604	1.232
13	Amanahraya Trustees Berhad Amanah Saham Bumiputera 3 - Didik	29,258,162	1.173
14	HSBC Nominees (Asing) Sdn Bhd Exempt AN for Bank Julius Baer & Co. Ltd. (Singapore Bch)	28,280,000	1.134
15	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for AHAM Select Opportunity Fund	23,927,300	0.959

STATISTICS OF SHAREHOLDINGS

AS AT 3 APRIL 2024

NO.	NAME	No. of Shares	%
16	Citigroup Nominees (Tempatan) Sdn Bhd Urusharta Jamaah Sdn. Bhd. (AHAM AM 2)	17,550,153	0.704
17	Maybank Nominees (Tempatan) Sdn Bhd AHAM Asset Management Berhad for Hong Leong Assurance Berhad (PAR-220082)	16,150,500	0.648
18	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Commerce Trustee Berhad - Kenanga Growth Fund	15,925,000	0.639
19	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Manulife Investment - HW Flexi Fund (270519)	15,006,300	0.602
20	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (AHAM ABSR EQ)	14,139,100	0.567
21	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (LSF)	13,307,300	0.534
22	Cartaban Nominees (Tempatan) Sdn Bhd PAMB for Prulink Equity Fund	13,234,800	0.531
23	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mayang Teratai Sdn Bhd (PJCAC)	11,657,100	0.467
24	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Islamic Trustee Berhad for AHAM Select Dividend Fund	11,495,300	0.461
25	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (Kenanga)	11,201,100	0.449
26	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for AHAM Select Balanced Fund	11,020,300	0.442
27	Cartaban Nominees (Tempatan) Sdn Bhd Prudential Assurance Malaysia Berhad for Prulink Strategic Fund	10,940,600	0.439
28	HSBC Nominees (Asing) Sdn Bhd J. P. Morgan Securities PLC	10,575,219	0.424
29	Tan Sri Dato' Sri Leong Hoy Kum	10,319,007	0.414
30	CIMB Islamic Nominees (Tempatan) Sdn Bhd CIMB Islamic Trustee Berhad - Kenanga Syariah Growth Fund	9,411,800	0.377
Total		1,453,645,248	58.288

NOTICE OF THIRTY-SECOND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Second Annual General Meeting (“**32nd AGM**”) of Mah Sing Group Berhad (“**Mah Sing**” or “**Company**”) will be conducted fully virtual through live streaming and online remote participation via online meeting platform stated below for the following purposes:

Day and Date	:	Thursday, 27 June 2024
Time	:	10.00 a.m.
Meeting Venue	:	Online Meeting Platform provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia
Meeting Platform	:	TIIH Online website at https://tiih.online or https://tiih.com.my (Domain registration number with MYNIC: D1A282781)
Mode of Communication	:	Submission of typed text via the Meeting Platform

AGENDA

As Ordinary Businesses:

- To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Directors’ and Auditors’ Reports thereon.
(Please refer to Note A)
- To approve the Independent Non-Executive Directors’ fees of up to RM246,000 for the period commencing from 28 June 2024 up to the next annual general meeting of the Company to be held in 2025. **(Ordinary Resolution 1)**
- To approve the Independent Non-Executive Directors’ benefits of up to RM27,000 for the period commencing from 28 June 2024 up to the next annual general meeting of the Company to be held in 2025. **(Ordinary Resolution 2)**
- To re-elect the following Directors retiring pursuant to Article 100 of the Company’s Constitution:
 - Admiral (R) Tan Sri Dato’ Seri Abu Bakar Bin Abdul Jamal;
 - Dato’ Voon Tin Yow; and
 - Mr Lionel Leong Jihn Haur.**(Ordinary Resolution 3)**
(Ordinary Resolution 4)
(Ordinary Resolution 5)
- To re-elect the following Directors retiring pursuant to Article 107 of the Company’s Constitution:
 - Tan Sri Dato’ Sri Leong Hoy Kum; and
 - Encik Abd Malik Bin A Rahman.**(Ordinary Resolution 6)**
(Ordinary Resolution 7)
- To re-appoint Deloitte PLT as Auditors of the Company for the financial year ending 31 December 2024 and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 8)**

NOTICE OF THIRTY-SECOND ANNUAL GENERAL MEETING

As Special Businesses:

To consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications:

7. **AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

“THAT subject to the Companies Act 2016 (“**Act**”), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements**”), the Company’s Constitution and approval of the relevant governmental regulatory authorities, if required, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act to allot shares in the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer from time to time, at such price, upon such terms and conditions, for such purposes and to such persons whomsoever as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued and allotted, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer during the preceding 12 months pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so allotted on Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting (“**AGM**”) of the Company after the approval was given, or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting.

(Ordinary Resolution 9)

8. **PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AS SPECIFIED IN SECTION 2.3.1 OF THE CIRCULAR TO SHAREHOLDERS OF THE COMPANY DATED 30 APRIL 2024 (“CIRCULAR”)**

“THAT subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements**”), approval be and is hereby given to the Company and/or its subsidiaries (“**Group**”) to enter into and give effect to specified recurrent related party transactions of a revenue or trading nature of the Group with specified classes of Related Parties (as defined in the Listing Requirements) as specified in Section 2.3.1 of the Circular, which are necessary for the day-to-day operations of the Group provided that the transactions are in the ordinary course of business and are carried out at arms’ length basis on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public as well as are not detrimental to the minority shareholders of the Company and such approval, shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company, at which time the mandate will lapse, unless the mandate is renewed by a resolution passed at that meeting; or
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“**Act**”) (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting;

whichever is earlier.

AND THAT authority be and is hereby given to the Directors of the Company to complete and do all such acts, deeds and things as they may consider expedient or necessary in the best interest of the Company (including executing all such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.”

(Ordinary Resolution 10)

NOTICE OF THIRTY-SECOND ANNUAL GENERAL MEETING

9. PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

“THAT subject to the Companies Act 2016 (“**Act**”), provisions of the Company’s Constitution and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements**”) and any applicable laws, regulations and guidelines issued by other regulatory authorities, and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of the Company’s issued shares as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad (“**Bursa Securities**”) upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company provided that:

- (a) the aggregate number of ordinary shares in the Company (“**Shares**”) purchased (“**Purchased Shares**”) and/or held as treasury shares pursuant to this ordinary resolution does not exceed 10% of the total number of issued shares of the Company as quoted on Bursa Securities as at the time of purchase(s); and
- (b) the maximum amount of funds to be allocated by the Company for the purpose of purchasing the shares shall not exceed the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of purchase(s),

(“**Proposed Share Buy-Back**”).

THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this ordinary resolution and will continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date, and in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- (i) to cancel all or part of the Purchased Shares;
- (ii) to retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- (iii) to distribute all or part of the treasury shares as dividends to the shareholders of the Company;

NOTICE OF THIRTY-SECOND ANNUAL GENERAL MEETING

- (iv) to resell all or part of the treasury shares;
- (v) to transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- (vi) to transfer all or part of the treasury shares as purchase consideration;
- (vii) to sell, transfer or otherwise use the shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or
- (viii) to deal with the treasury shares in the manners as allowed by the Act, the Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT authority be and is hereby given to the Directors of the Company to do all such acts, deeds and things as they may consider expedient or necessary in the best interest of the Company (including executing all such documents as may be required) to give full effect to the Proposed Share Buy-Back with full power to assent to any condition, variation, modification and/or amendment as may be required by any relevant authorities and to deal with all matters relating thereto and take all steps and do all acts and things in any manner as they may deem necessary in connection with the Proposed Share Buy-Back in the best interest of the Company."

(Ordinary Resolution 11)

10. To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

YANG BAO LING (SSM PC No. 202008002683) (MAICSA 7041240)

THAM WAI YING (SSM PC No. 202008001181) (MAICSA 7016123)

Company Secretaries

Kuala Lumpur

30 April 2024

NOTICE OF THIRTY-SECOND ANNUAL GENERAL MEETING

NOTES:

1. IMPORTANT NOTICE

The Thirty-Second Annual General Meeting of the Company ("**32nd AGM**") will be conducted fully virtual through live streaming and online remote participation using Remote Participation and Voting ("**RPV**") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**") via its TIH Online website at <https://tiah.online>.

An online meeting platform used to conduct the meeting can be recognised as the meeting venue or place required under Section 327(2) of the Companies Act 2016, provided that the online meeting platform is located in Malaysia and all meeting participants including the Chairman of the meeting, board members, senior management and shareholders are to participate in the meeting online. Members who are eligible can attend, participate, speak (in the form of real time submission of typed texts) and vote (collectively, "**Participate**") remotely at the 32nd AGM by using the RPV provided by Tricor.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the 32nd AGM in order to Participate via RPV.

2. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 32nd AGM of the Company shall be put to vote by way of a poll.
3. In respect of deposited securities, only members whose names appear in the **Record of Depositors** as at **20 June 2024** shall be entitled to Participate remotely via RPV at the 32nd AGM or appoint proxy(ies) to Participate on his/her behalf.
4. A member who is entitled to Participate at the 32nd AGM via RPV may appoint not more than two (2) proxies (or in case of a corporation, to appoint authorised representatives) to attend and vote in his/her stead. There shall be no restriction as to the qualification of the proxy.
5. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICD**"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee as defined under SICD which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. Where a member or the authorised nominee appoints more than one (1) proxy (subject always to a maximum of two (2) proxies of each meeting), or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of its officer or of its attorney duly authorised.
9. A member who has appointed a proxy or attorney or authorised representative to Participate at this 32nd AGM via RPV must request his/her proxy or attorney or authorised representative to register himself/herself for RPV via TIH Online website at <https://tiah.online>. Please follow the **Procedures for RPV** in the Administrative Guide for the 32nd AGM.
10. The Form of Proxy shall be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, **or**, the Customer Service Centre, Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. Alternatively, you can choose electronic lodgement via TIH Online website at <https://tiah.online>, not less than forty-eight (48) hours before the time for holding this 32nd AGM or any adjournment thereof. Please refer to the **Procedures for Electronic Lodgement of Form of Proxy** as set out in the Administrative Guide for the 32nd AGM.
11. A corporate representative duly appointed by a corporate member must deposit the **original** certificate of appointment of corporate representative or any authority pursuant to which such an appointment is made by a power of attorney must deposit a **notarially certified copy** of that power of attorney, at the office of the Company's Share Registrar stated in item 10 above, not less than forty-eight (48) hours before the time for holding this 32nd AGM or any adjournment thereof. Please refer to the **Appointment of Proxy, Corporate Representative or Attorney** in the Administrative Guide for the 32nd AGM for further details.

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESSES

1. Note A - Audited Financial Statements for the Financial Year Ended 31 December 2023 and the Reports of Directors and Auditors

This agenda item is meant for discussion only as under the provision of Sections 248(2) and 340(1)(a) of the Companies Act 2016, the audited financial statements and the Reports of Directors and Auditors thereon do not require a formal approval of the shareholders. Hence, this agenda item will not be put forward for voting.

2. Ordinary Resolutions 1 and 2 - Independent Non-Executive Directors' fees and benefits

The proposed payment of Independent Non-Executive Directors' fees under Ordinary Resolution 1 comprises Board and Board Committee fees, and is computed based on current composition of the Board and Board Committees.

The Independent Non-Executive Directors' fees are calculated for the period commencing from 28 June 2024 up to the date of next annual general meeting ("**AGM**") of the Company to be held in 2025, after taking into consideration the fee levels and responsibilities undertaken by the Independent Non-Executive Directors as member of various Board Committees, the complexity of the operations of the Group and time commitment required from the Independent Non-Executive Directors. In the event the proposed amounts are insufficient (e.g. due to enlarged Board size and/or additional role in Board Committees), approval will be sought at the next AGM for the shortfall. The proposed payment will be made by the Company as and when incurred quarterly in arrears for the period from 28 June 2024 up to the date of the next AGM of the Company to be held in 2025.

The proposed payment of Independent Non-Executive Directors' benefits (other than Directors' fees) under Ordinary Resolution 2 is computed based on current Board size and the estimated number of meetings for Board, Board Committees and general meetings for the period commencing from 28 June 2024 up to the next AGM of the Company to be held in 2025. In the event the proposed meeting attendance allowance is insufficient (e.g. due to enlarged Board size or additional meetings), approval will be sought at the next AGM for the shortfall.

The Board is of the view that it is fair and equitable for the Directors' fees and meeting attendance allowance of the Independent Non-Executive Directors of the Company to be paid as and when incurred quarterly in arrears, given that the Independent Non-Executive Directors have discharged their responsibilities and provided their services to the Company for the said period.

NOTICE OF THIRTY-SECOND ANNUAL GENERAL MEETING

3. Ordinary Resolutions 3 to 7 - To re-elect Director who retires in accordance with Articles 100 and 107 of the Company's Constitution

Article 100 of the Company's Constitution provides that any Director of the Company appointed during the year to fill casual vacancy or as an addition to the existing Directors shall retire from office but shall be eligible for re-election at the AGM of the Company. Article 107 of the Company's Constitution also provides that one-third of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company, provided always that each Director shall retire from office at least once in each three years but shall be eligible for re-election at the AGM. A Director retiring at a meeting shall retain office until the close of the meeting at which he retires.

Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal, Tan Sri Dato' Sri Leong Hoy Kum, Dato' Voon Tin Yow, Mr Lionel Leong Jihn Haur and Encik Abd Malik Bin A Rahman (collectively, "**Retiring Directors**"), who are retiring in accordance with Articles 100 and 107 of the Company's Constitution, are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 32nd AGM.

Each Retiring Director had undergone a performance evaluation for the financial year ended 31 December 2023 (except Dato' Voon Tin Yow and Mr Lionel Leong Jihn Haur who were appointed on 2 February 2024) and had provided his declaration on his fitness and propriety to continue acting as Directors of the Company. The Independent Non-Executive Directors had also confirmed their independence to the Company.

In determining the eligibility of the Directors to stand for re-election, the Nomination Committee ("**NC**") took into consideration the performance and contribution of the Retiring Directors based on the outcome of the annual self and peer assessment, contribution to the Board deliberations, time commitment and the ability to act in the best interest of the Company as well as fit and proper assessment.

The Board had considered the Audit Committee's review of conflict of interest and based on the outcome of the annual Board assessment, the Board (save for the Retiring Directors who have abstained from deliberation on discussions relating to their own re-election at the NC/Board meetings) endorsed the recommendation by the NC that the Retiring Directors have met the Board's expectation in terms of experience, expertise, integrity, competency, commitment and individual contribution by continuously performing their duties diligently as Directors, and the Retiring Directors have fulfilled the fit and proper assessment that comprises character & integrity, experience & competence and time & commitment to continue acting as Directors of the Company.

The Board with the assistance of the NC conducted an independence assessment of all the Independent Directors including Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal and Encik Abd Malik Bin A Rahman and is satisfied that they have complied with the independence criteria as required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and continue to bring independent and objective judgment to the Board deliberations.

The detailed profile of the Retiring Directors including career history, competencies, experience and disclosure of conflict of interest information can be found in the Profile of the Board of Directors section of the Integrated Annual Report 2023. The details of their interest in the Company's shares can be found in the Statistics of Shareholdings section of the Integrated Annual Report 2023.

4. Ordinary Resolution 8 – Re-appointment of Auditors

Based on the External Auditors Assessment Result for the financial year under review, the Board and the Audit Committee are satisfied with the quality of service, adequacy of resources provided, communication, independence and professionalism demonstrated by the External Auditors in carrying out their duties. Being satisfied with the External Auditors' performance, the Board endorsed the recommendation by the Audit Committee to recommend the re-appointment of Deloitte PLT as external auditors of the Company to the shareholders for approval at the forthcoming 32nd AGM.

5. Ordinary Resolution 9 – Authority to Allot Shares

The proposed ordinary resolution, if passed, will enable the Company to renew the general mandate given to the Directors of the Company to allot ordinary shares of the Company from time to time and to grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being. The renewal of the general mandate is sought to avoid any delay arising from and incurring additional cost in convening a separate general meeting to obtain approval of the shareholders. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

The general mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company for fund raising exercises or in the event business opportunities arise which include but not limited to the issuance/placement of shares for purpose of funding current and/or future investment projects, acquisitions and/or for issuance of shares as settlement of purchase consideration, or other circumstances arise which involve grant of rights to subscribe for shares, conversion of any securities into shares, or allotment of shares under an agreement or option or offer, or such other application as the Directors may deem fit in the best interest of the Company. As at the date of this notice, there is no decision to issue new shares. Should there be a decision to issue new shares after the general mandate is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.

The Company issued 7-year redeemable convertible sukuk murabahah ("**Convertible Sukuk**") of RM100 million in nominal value on 29 December 2020. The Convertible Sukuk holder can convert all or any part of the Convertible Sukuk at a conversion price of RM0.755 into fully paid-up new ordinary shares of the Company at any time from and including the issue date of the Convertible Sukuk and up to 7 years from the issue date. The net proceeds raised from the issuance of Convertible Sukuk, amounting to RM97,981,000 were fully utilised in 2021 to finance investment and general working capital requirements of the Group.

The Company had on 27 March 2024 issued 66,225,165 new ordinary shares at RM0.755 per share pursuant to conversion of Convertible Sukuk of RM50,000,000 in nominal value under the general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 which was approved by the shareholders at the 31st AGM held on 22 June 2023.

6. Ordinary Resolution 10 – Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed ordinary resolution, if passed, will enable the Company to renew the mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties which are necessary for the Group's day-to-day operations and are in the ordinary course of business carried out on an arm's length basis based on normal commercial terms and on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company, pursuant to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The details of the proposal are set out in the Circular to Shareholders dated 30 April 2024, accompanying the Company's Integrated Annual Report for the financial year ended 31 December 2023.

7. Ordinary Resolution 11 – Share Buy-Back Authority

The proposed ordinary resolution, if passed, will enable the Company to renew the mandate to empower the Directors of the Company to exercise the power of the Company to purchase such number of ordinary shares in the Company up to 10% of the total number of issued ordinary shares of the Company by utilising an aggregate amount of the funds not exceeding the retained profits of the Company as at the transaction date of the Proposed Share Buy-Back. This authority will, unless revoked or varied at a general meeting, expires at the conclusion of the next AGM of the Company. The details of the proposal are set out in the Share Buy-Back Statement dated 30 April 2024, accompanying the Company's Integrated Annual Report for the financial year ended 31 December 2023.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, there is no individual seeking election as Director of the Company at this Thirty-Second Annual General Meeting.

ADMINISTRATIVE GUIDE

FOR THE THIRTY-SECOND ANNUAL GENERAL MEETING OF MAH SING GROUP BERHAD

Date and Time : Thursday, 27 June 2024 at 10.00 a.m.

Meeting Venue : Online Meeting Platform provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia

Meeting Platform : TIIH Online website at <https://tiih.online> or <https://tiih.com.my>
(Domain registration number with MYNIC: D1A282781)

MODE OF MEETING

1. The Thirty-Second Annual General Meeting ("**32nd AGM**") of Mah Sing Group Berhad ("**Company**") will be conducted fully virtual through live streaming and online remote participation using Remote Participation and Voting ("**RPV**") facilities. The conduct of the fully virtual 32nd AGM is in line with the revised Guidance Note and Frequently Asked Questions on the conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022, to leverage technology to facilitate communication and engagement with shareholders. In addition, the conduct of a virtual general meeting is also in line with Practice Note 13.3 of the Malaysian Code on Corporate Governance, to promote greater shareholder participation as it facilitates electronic voting and remote shareholders' participation.
2. An online meeting platform used to conduct the meeting can be recognised as the meeting venue or place as required under Section 327(2) of the Companies Act 2016 provided that the online meeting platform is located in Malaysia and all meeting participants including the Chairman of the meeting, board members, senior management and shareholders are to participate in the meeting online. Members who are eligible can attend, participate, speak (in the form of real time submission of typed texts) and vote (collectively, "**Participate**") remotely at the 32nd AGM by using the RPV provided by Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**") via its **TIIH Online website at <https://tiih.online>**.

COMMUNICATION WITH THE BOARD OF DIRECTORS OF THE COMPANY

3. In order to enhance the efficiency of the proceedings of the 32nd AGM, members may in advance, before the 32nd AGM, submit questions to the Board of Directors via Tricor's TIIH Online website at <https://tiih.online>, by selecting "e-Services" to login, pose questions and submit electronically **no later than 25 June 2024 at 10.00 a.m.** or to use the query box to transmit questions to the Board of Directors via RPV during live streaming. The Board of Directors will endeavor to response to the relevant questions received at the 32nd AGM.

REMOTE PARTICIPATION AND VOTING

4. Members are to Participate remotely at the 32nd AGM using RPV provided by Tricor via its TIIH Online website at <https://tiih.online>. Please refer to the Procedures for RPV.
5. **A member who has appointed a proxy or authorised representative or attorney to Participate at this 32nd AGM via RPV must request his/her proxy or authorised representative or attorney to register himself/herself for the RPV at TIIH Online website at <https://tiih.online>. Please refer to the Procedures for RPV.**
6. As the 32nd AGM is a fully virtual AGM, members who are unable to Participate in the 32nd AGM may appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the proxy form.

ADMINISTRATIVE GUIDE

FOR THE THIRTY-SECOND ANNUAL GENERAL MEETING OF MAH SING GROUP BERHAD

PROCEDURES FOR RPV

7. Members, proxies, corporate representatives or attorneys who wish to Participate the 32nd AGM remotely using the RPV are advised to read and follow the requirements and procedures as summarised below:

PROCEDURES	ACTIONS
BEFORE THE DAY OF THE 32ND AGM	
(a) Register as a user with TIIH Online	- Using your computer, access the website at https://tiih.online. Register as a new user under “e-Services”, select “Sign Up” button followed by “Create Account by Individual Holder”. Please refer to the tutorial guide posted on the homepage for assistance. - Registration as a new user will be approved within one working day and you will be notified via email. - If you are already a TIIH Online user, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.
(b) Submit your request to attend 32nd AGM remotely	- Registration is open from 10.00 a.m. on Tuesday, 30 April 2024 until the day of the 32nd AGM on Thursday, 27 June 2024. Members, proxies, corporate representatives or attorneys are required to pre-register their attendance for the 32nd AGM to ascertain their eligibility to participate at the 32nd AGM using the RPV. - To register for RPV, visit the TIIH Online website and login in with your user ID (i.e. email address) and password and select the corporate event: “(REGISTRATION) MAH SING GROUP BERHAD 32ND AGM”. - Read and agree to the “Terms & Conditions” and confirm the “Declaration”. - Select “Register for Remote Participation and Voting”. - Review your registration and proceed to register. - The system will send an e-mail to notify that your registration for the remote participation has been received and will be verified. - After verification of your registration against the General Meeting Record of Depositors dated 20 June 2024, the system will send you an e-mail after 25 June 2024 to approve or reject your registration for remote participation. (Note: Please allow sufficient time for approval of new user of TIIH Online and registration for RPV)
ON THE DAY OF THE 32ND AGM (27 JUNE 2024)	
(c) Login to TIIH Online	Visit the TIIH Online website, log in with your user ID name and password for remote participation in the 32nd AGM at any time from 9.00 a.m. (i.e. one hour) before the commencement of the meeting on Thursday, 27 June 2024 at 10.00 a.m.
(d) Participate through live streaming	- Select the corporate event: “(LIVE STREAM MEETING) MAH SING GROUP BERHAD 32ND AGM” to engage in the proceedings of the 32nd AGM remotely. - If you have any question for the Board of Directors, you may use the query box to transmit your question. The Board will endeavor to respond to the questions submitted by the remote participants during the 32nd AGM.
(e) Online remote voting	- Voting session commences from 10.00 a.m. on Thursday, 27 June 2024 until a time when the Chairman announces the completion of the voting session at the 32nd AGM venue. - Select the corporate event: “(REMOTE VOTING) MAH SING GROUP BERHAD 32ND AGM” or if you are on the live stream meeting page, you can select “GO TO REMOTE VOTING PAGE” button below the Query Box. - Read and agree to the “Terms & Conditions” and confirm the “Declaration”. - Select the CDS account that represents your shareholdings. - Indicate your votes for the resolutions that are tabled for voting. - Confirm and submit your votes.
(f) End of remote participation	Upon the announcement by the Chairman on the conclusion of the 32nd AGM, the live streaming will end.

Notes to users of the RPV:

- Should your registration for the RPV be approved, Tricor will make available to you the rights to join the live stream meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.
- The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you are using.
- In the event you encounter any issues with logging-in, connection to the live stream meeting or voting online on the day of meeting, kindly call Tricor Help Line at 011-4080 5616 / 011-4080 3168 / 011-40803169 / 011-40803170 or e-mail to tiih.online@my.tricorglobal.com for assistance.

ADMINISTRATIVE GUIDE

FOR THE THIRTY-SECOND ANNUAL GENERAL MEETING OF MAH SING GROUP BERHAD

ENTITLEMENT TO ATTEND AND VOTE

8. Only a member whose name appears on the Record of Depositors as at **5.00 p.m. on 20 June 2024** shall be entitled to attend, speak (in the form of real time submission of typed texts) and vote or appoint proxies or corporate representatives or attorneys to attend and/or vote on his/her behalf in the 32nd AGM via RPV at TIH Online website at <https://tiih.online>.
9. If you wish to personally Participate in the 32nd AGM, please do not submit any Form of Proxy. You will not be allowed to Participate in the 32nd AGM together with a proxy appointed by you.
10. If you have submitted your Form of Proxy prior to the 32nd AGM and subsequently decide to personally Participate in the 32nd AGM, please write in to is.enquiry@my.tricorglobal.com to revoke the earlier appointment of proxy at least forty-eight (48) hours before the time appointed for holding the 32nd AGM and proceed to register yourself for RPV at TIH Online website at <https://tiih.online>.

APPOINTMENT OF PROXY, CORPORATE REPRESENTATIVE OR ATTORNEY

11. As the 32nd AGM is a fully virtual AGM, members who are unable to Participate in the 32nd AGM may appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the proxy form.
12. Members who appoint proxy(ies) to Participate via RPV at the 32nd AGM must ensure that the duly executed Forms of Proxy are deposited in its hard copy form or by electronic means to Tricor not less than forty-eight (48) hours before the time appointed for holding the 32nd AGM i.e. Tuesday, 25 June 2024 at 10.00 a.m. or any adjournment thereof, otherwise the Form of Proxy shall not be treated as valid.

The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner:

(a) In hard copy form

In the case of an appointment made in hard copy form, the **original Form of Proxy** must be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, **or**, the Customer Service Centre, Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(b) By electronic form

The Form of Proxy can be electronically submitted to the Share Registrar of the Company via TIH Online website at <https://tiih.online>. Kindly refer to the Procedures for Electronic Lodgement of Form of Proxy.

Please ensure **ALL** the particulars as required in the Form of Proxy are completed, signed and dated accordingly.

13. For a **corporate member** who has appointed a corporate representative, must deposit the **original** certificate of appointment of corporate representative at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, **or**, the Customer Service Centre, Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not later than Tuesday, 25 June 2024 at 10.00 a.m. to Participate via RPV in the 32nd AGM.

The certificate of appointment of corporate representative should be executed in the following manner:

- (a) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
- (b) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
14. Any authority pursuant to which such an appointment is made by a **power of attorney** must be deposited at the office of the Company's Share Registrar stated in item 13 above not later than Tuesday, 25 June 2024 at 10.00 a.m. to Participate via RPV in the 32nd AGM. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

ADMINISTRATIVE GUIDE

FOR THE THIRTY-SECOND ANNUAL GENERAL MEETING OF MAH SING GROUP BERHAD

PROCEDURES FOR ELECTRONIC LODGEMENT OF FORM OF PROXY

15. Procedures to lodge your Form of Proxy electronically via Tricor's TIH Online website at <https://tiih.online> are summarised below:

PROCEDURES	ACTIONS
(i) BEFORE THE DAY OF THE 32ND AGM APPOINTMENT OF PROXY BY INDIVIDUAL SHAREHOLDERS	
(a) Register as a user with TIH Online	- Access the TIH Online website at https://tiih.online. Register as a new user under "e-Services". You may refer to the tutorial guide posted on the homepage for assistance. - If you are already a TIH Online user, you are not required to register again.
(b) Proceed with submission of Form of Proxy	- After the release of the Notice of the 32nd AGM by the Company, login with your user ID name (i.e. email address) and password. - Select the corporate event: "Mah Sing Group Berhad 32nd AGM: Submission of Proxy Form". - Read and agree to the "Terms & Conditions" and confirm the "Declaration". - Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf. - Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. - Indicate your voting instructions – "FOR" or "AGAINST", otherwise your proxy(ies) will decide your votes. - Review and confirm your proxy(ies) appointment. - Print the Form of Proxy for your record.
(ii) BEFORE THE DAY OF THE 32ND AGM APPOINTMENT OF PROXY BY CORPORATION OR INSTITUTIONAL SHAREHOLDERS	
(a) Register as a User with TIH Online	- Access TIH Online at https://tiih.online - The authorised or nominated representative of the corporation or institutional shareholders shall register as a new user under "e-Services" by selecting "Create Account by Representative of Corporate Holder". - Complete the registration form and upload the required documents. - Registration will be verified, and you will be notified by email within one (1) to two (2) working days. - Proceed to activate your account with the temporary password given in the email and re-set your password. (Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.)
(b) Proceed with the submission of form of proxy	- Login to TIH Online at https://tiih.online - Select the corporate event: "Mah Sing Group Berhad 32nd AGM: Submission of Proxy Form". - Read and agree to the "Terms & Conditions" and confirm the "Declaration". - Proceed to download the file format for the "Submission of Proxy Form" in accordance with the Guidance Note set therein. - Prepare the file for the appointment of proxies by inserting the required data. - Proceed to upload the duly completed proxy appointment file. - Select "Submit" to complete your submission. - Print the confirmation report of your submission for your record.

ADMINISTRATIVE GUIDE

FOR THE THIRTY-SECOND ANNUAL GENERAL MEETING OF MAH SING GROUP BERHAD

VOTING AT THE 32ND AGM

16. The voting at the 32nd AGM will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd as the Poll Administrator to conduct the poll voting electronically and Asia Securities Sdn Berhad as Independent Scrutineers to verify the poll results.
17. Members, proxies, corporate representatives or attorneys can proceed to vote on the resolutions at any time from Thursday, 27 June 2024 at 10.00 a.m. but before end of the voting session which will be announced by the Chairman of the meeting. Kindly refer to the guidance on how to vote remotely via TIH Online website at <https://tiih.online> as provided in item (e) of the above sub-section "Procedures for RPV".
18. Upon completion of the voting session for the 32nd AGM, the Independent Scrutineers will verify the poll results. The resolutions proposed at the 32nd AGM and the results of the voting will be announced at the 32nd AGM by the Chairman and/or the Secretary and subsequently via an announcement made by the Company through Bursa Malaysia Securities Berhad at www.bursamalaysia.com.

INTEGRATED ANNUAL REPORT 2023 AND OTHER DOCUMENTS

19. As part of our dedicated commitment to sustainable practices, the following documents can be downloaded from the Company's website at <https://www.mahsing.com.my/general-meeting/>
 - (a) Integrated Annual Report 2023
 - (b) Circular to Shareholders in relation to the Proposed Renewal of Recurrent Related Party Transactions and Share Buy-Back Statement
 - (c) Sustainability Report 2023
20. If you wish to obtain a printed copy of the Integrated Annual Report 2023, Circular to Shareholders and Share Buy-Back Statement, you may submit an online request to the Share Registrar, Tricor's website at <https://tiih.online> by selecting "Request for Annual Report/ Circular" under "Investor Services". However, please consider the environment before you decide to request for the printed copy. The environmental concerns like global warming, deforestation and climate change affect human, animal and nation.

NO BREAKFAST/LUNCH PACKS AND DOOR GIFT

21. There will be no distribution of breakfast or lunch packs and door gifts for members, proxies, corporate representatives or attorneys who attend or participate at the virtual AGM.

RECORDING OR PHOTOGRAPHY

22. Strictly **NO** unauthorised recording or photography of the proceedings of the 32nd AGM is allowed.

ENQUIRY

23. If you have any general queries prior to the 32nd AGM, please contact our Share Registrar at any numbers below during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):-

Tricor Investor & Issuing House Services Sdn. Bhd.

Registration No. 197101000970 (11324-H)

Unit 32-01, Level 32, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur, Malaysia

General Line : +603-2783 9299
Fax Number : +603-2783 9222
Email : is.enquiry@my.tricorglobal.com
Contact persons : Cik Nur Qaisara Naaila
+603-2783 9272
(Nur.Qaisara.Naaila@my.tricorglobal.com)
Puan Nor Faeayzah
+603-2783 9274
(Nor.Faeayzah@my.tricorglobal.com)



Reinvent Spaces. Enhance Life.

MAH SING GROUP BERHAD

Registration No. 199101019838 (230149-P)

CDS Account No.	No. of ordinary shares held

FORM OF PROXY

(Before completing the form please refer to the notes below)

I/We _____ Tel: _____
[Full name in block and as per NRIC/Passport/Company No.]

of _____
[Full address]

being member(s) of Mah Sing Group Berhad, hereby appoint:

Full Name (in Block and as per NRIC/Passport):	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Address:			

and (if more than one (1) proxy)

Full Name (in Block and as per NRIC/Passport):	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Address:			

or failing him/her, the Chairman of the Meeting as my/our proxy, to attend and to vote for me/us on my/our behalf, at the Thirty-Second Annual General Meeting of the Company ("**32nd AGM**") which will be conducted fully virtual through live streaming and online remote participation via online meeting platform of TIH Online provided by Tricor Investor & Issuing House Services Sdn. Bhd. via its website at <https://tiih.online> or <https://tiih.com.my> (Domain registration number with MYNIC: D1A282781) on Thursday, 27 June 2024 at 10.00 a.m. or any adjournment thereof, on the following resolutions referred to in the notice of the 32nd AGM.

My/our proxy is to vote as indicated below:

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1	Payment of Independent Non-Executive Directors' fees		
2	Payment of Independent Non-Executive Directors' benefits		
3	Re-election of Admiral (R) Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal as Director		
4	Re-election of Dato' Voon Tin Yow as Director		
5	Re-election of Mr Lionel Leong Jihn Haur as Director		
6	Re-election of Tan Sri Dato' Sri Leong Hoy Kum as Director		
7	Re-election of Encik Abd Malik Bin A Rahman as Director		
8	Re-appointment of Deloitte PLT as Auditors and to authorise the Directors to fix their remuneration		
9	Authority to allot shares pursuant to the Companies Act 2016		
10	Proposed renewal of Shareholders' Mandate as specified in Section 2.3.1 of the Circular to Shareholders dated 30 April 2024		
11	Proposed renewal of share buy-back authority		

(Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he/she thinks fit).

Signed this _____ day of _____, 2024

Signature: Member or Common Seal of the Appointor

Notes:

1. IMPORTANT NOTICE

The Thirty-Second Annual General Meeting of the Company ("**32nd AGM**") will be conducted fully virtual through live streaming and online remote participation using Remote Participation and Voting ("**RPV**") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**") via its TIH Online website at <https://tiah.online>.

An online meeting platform used to conduct the meeting can be recognised as the meeting venue or place required under Section 327(2) of the Companies Act 2016, provided that the online meeting platform is located in Malaysia and all meeting participants including the Chairman of the meeting, board members, senior management and shareholders are to participate in the meeting online. Members who are eligible can attend, participate, speak (in the form of real time submission of typed texts) and vote (collectively, "**Participate**") remotely at the 32nd AGM by using the RPV provided by Tricor.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the 32nd AGM in order to Participate via RPV.

2. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 32nd AGM of the Company shall be put to vote by way of a poll.
3. In respect of deposited securities, only members whose names appear in the **Record of Depositors** as at **20 June 2024** shall be entitled to Participate remotely via RPV at the 32nd AGM or appoint proxy(ies) to Participate on his/her behalf.
4. A member who is entitled to Participate at the 32nd AGM via RPV may appoint not more than two (2) proxies (or in case of a corporation, to appoint authorised representatives) to attend and vote in his/her stead. There shall be no restriction as to the qualification of the proxy.
5. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICD**"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee as defined under SICD which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

Then fold here

Affix
Postage
Stamp

The Share Registrar of Mah Sing Group Berhad [199101019838 (230149-P)]
TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia

1st fold here

7. Where a member or the authorised nominee appoints more than one (1) proxy (subject always to a maximum of two (2) proxies of each meeting), or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of its officer or of its attorney duly authorised.
9. A member who has appointed a proxy or attorney or authorised representative to Participate at this 32nd AGM via RPV must request his/her proxy or attorney or authorised representative to register himself/herself for RPV via TIH Online website at <https://tiah.online>. Please follow the **Procedures for RPV** in the Administrative Guide for the 32nd AGM.
10. The Form of Proxy shall be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, **or**, the Customer Service Centre, Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. Alternatively, you can choose electronic lodgement via TIH Online website at <https://tiah.online>, not less than forty-eight (48) hours before the time for holding this 32nd AGM or any adjournment thereof. Please refer to the **Procedures for Electronic Lodgement of Form of Proxy** as set out in the Administrative Guide for the 32nd AGM.
11. A corporate representative duly appointed by a corporate member must deposit the **original** certificate of appointment of corporate representative or any authority pursuant to which such an appointment is made by a power of attorney must deposit a **notarially certified copy** of that power of attorney, at the office of the Company's Share Registrar stated in item 10 above, not less than forty-eight (48) hours before the time for holding this 32nd AGM or any adjournment thereof. Please refer to the **Appointment of Proxy, Corporate Representative or Attorney** in the Administrative Guide for the 32nd AGM for further details.



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