MAH SING GROUP BERHAD

Company No.: 230149-P

(Incorporated in Malaysia)

Interim Financial Report

31 December 2010

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MAH SING GROUP BERHAD

(Company No.: 230149-P)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2010

(The figures have been audited)

	(AUDITED) AS AT 31/12/2010 RM'000	(AUDITED) AS AT 31/12/2009 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	**66,070**	60,982
Investment properties	**30,609**	-
Prepaid lease payments	**3,149**	3,701
Land held for property development	**62,889**	47,099
Intangible assets	**70**	4
Deferred tax assets	**6,864**	-
	169,651	111,786
Current Assets		
Property development costs	**1,194,326**	821,447
Inventories	**33,183**	29,947
Trade and other receivables	**426,083**	180,843
Current tax assets	**5,853**	5,899
Deposits with licensed banks	**213,613**	268,781
Cash and bank balances	**95,034**	127,845
	1,968,092	1,434,762
TOTAL ASSETS	**2,137,743**	1,546,548
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	**415,784**	346,487
Share premium	**130,752**	200,369
Other reserves	**(3,220)**	4,784
Retained earnings	**375,550**	294,054
	918,866	845,694
Minority Interests	**17,590**	7,774
Total Equity	**936,456**	853,468
Non-current Liabilities		
Long term borrowings	**368,531**	141,466
Long term and deferred payables	**4,191**	19,227
Deferred tax liabilities	**1,838**	1,807
	374,560	162,500
Current Liabilities		
Trade and other payables	**670,908**	438,549
Term loans	**73,019**	66,358
Short term borrowings	**61,670**	7,350
Bank overdrafts	**74**	705
Current tax liabilities	**21,056**	17,618
	826,727	530,580
Total Liabilities	**1,201,287**	693,080
TOTAL EQUITY AND LIABILITIES	**2,137,743**	1,546,548
Net assets per share attributable to equity holders of the Company(RM)	**1.10**	1.22

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

Mah Sing Group Berhad

(Company No.: 230149-P)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2010

(The figures have been audited)

		3 months ended		Year ended	
		31/12/2010	31/12/2009	**31/12/2010**	31/12/2009
		RM'000	RM'000	**RM'000**	RM'000
Revenue		**299,284**	248,871	**1,110,108**	701,562
Cost of sales		**(213,338)**	(205,503)	**(791,763)**	(514,384)
Gross profit		**85,946**	43,368	**318,345**	187,178
Other income		**795**	43,473	**2,209**	48,017
Selling and marketing expenses		**(19,361)**	(14,674)	**(42,812)**	(30,418)
Administrative expenses		**(27,920)**	(20,414)	**(72,678)**	(55,221)
Other operating expenses		**(2,979)**	(3,059)	**(28,671)**	(3,158)
Interest income		**3,573**	335	**4,103**	461
Finance costs		**(842)**	(560)	**(2,631)**	(2,616)
Profit before taxation		**39,212**	48,469	**177,865**	144,243
Income tax expense		**(6,902)**	(22,080)	**(49,462)**	(48,402)
Profit For The Year		**32,310**	26,389	**128,403**	95,841
Profit attributable to:					
Equity holders of the Company		**31,350**	25,090	**118,071**	94,282
Minority interests		**960**	1,299	**10,332**	1,559
		32,310	26,389	**128,403**	95,841
Earnings per share attributable to equity holders of the Company:					
- Basic (sen)	Note B14	**3.77**	3.23	**14.20**	12.41
- Diluted (sen)	Note B14	**3.76**	3.23	**14.19**	12.40

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

Mah Sing Group Berhad
(Company No.: 230149-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2010
(The figures have been audited)

	3 months ended		Year ended	
	31/12/2010	31/12/2009	**31/12/2010**	31/12/2009
	RM'000	RM'000	**RM'000**	RM'000
Profit For The Year	**32,310**	26,389	**128,403**	95,841
Foreign currency translation difference for foreign operations	**538**	(661)	**(9,695)**	(450)
Total comprehensive income for the year	**32,848**	25,728	**118,708**	95,391
Total comprehensive income attributable to:				
Equity holders of the Company	**31,914**	24,542	**109,087**	93,952
Minority interests	**934**	1,186	**9,621**	1,439
	32,848	25,728	**118,708**	95,391

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

Mah Sing Group Berhad
(Company No.: 230149-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2010
(The figures have been audited)

	Attributable to equity holders of the Company						Minority Interests	Total Equity
		Non-Distributable			Distributable			
12 months ended 31 December 2010	**Share capital**	**Share premium**	**Equity-settled employees benefit reserve**	**Exchange fluctuation reserve**	**Retained earnings**	**Total**		
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Balance at 1/1/2010	**346,487**	**200,369**	**22**	**4,762**	**294,054**	**845,694**	**7,774**	**853,468**
Effect of first adoption of FRS 139 - net impact arising from initial measurement of Other Financial Liability and Loans & Receivables at fair value less transaction costs.	**-**	**-**	**-**	**-**	**1,916**	**1,916**	**195**	**2,111**
Balance at 1/1/2010 (restated)	**346,487**	**200,369**	**22**	**4,762**	**295,970**	**847,610**	**7,969**	**855,579**
Amount recognised directly in equity:								
Foreign exchange fluctuation	**-**	**-**	**-**	**(8,984)**	**-**	**(8,984)**	**(711)**	**(9,695)**
Profit for the financial year	**-**	**-**	**-**	**-**	**118,071**	**118,071**	**10,332**	**128,403**
Total comprehensive income for the year	**-**	**-**	**-**	**(8,984)**	**118,071**	**109,087**	**9,621**	**118,708**
Issuance of ordinary shares pursuant to bonus issue	**69,297**	**(69,297)**	**-**	**-**	**-**	**-**	**-**	**-**
Expenses set off against share premium	**-**	**(320)**	**-**	**-**	**-**	**(320)**	**-**	**(320)**
Options granted under ESOS	**-**	**-**	**980**	**-**	**-**	**980**	**-**	**980**
Net changes in the interest from minority shareholders	**-**	**-**	**-**	**-**	**2,048**	**2,048**	**-**	**2,048**
Dividends for the financial year ended 31 December 2009	**-**	**-**	**-**	**-**	**(40,539)**	**(40,539)**	**-**	**(40,539)**
Balance at 31/12/2010	**415,784**	**130,752**	**1,002**	**(4,222)**	**375,550**	**918,866**	**17,590**	**936,456**

	Attributable to equity holders of the Company						Minority Interests	Total Equity
		Non-Distributable			Distributable			
12 months ended 31 December 2009	Share capital	Share premium	Equity-settled employees benefit reserve	Exchange fluctuation reserve	Retained earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1/1/2009	313,423	134,167	70	5,092	237,523	690,275	6,335	696,610
Amount recognised directly in equity:								
Foreign exchange fluctuation	-	-	-	(330)	-	(330)	(120)	(450)
Profit for the financial year	-	-	-	-	94,282	94,282	1,559	95,841
Total comprehensive income for the year	-	-	-	(330)	94,282	93,952	1,439	95,391
Issuance of ordinary shares pursuant to:								
- Warrants exercised	1,463	-	-	-	-	1,463	-	1,463
- ESOS exercised	103	55	-	-	-	158	-	158
- Private Placement	31,498	66,147	-	-	-	97,645	-	97,645
Reclassification of reserves arising from ESOS exercised	-	-	(48)	-	48	-	-	-
Dividends for the financial year ended 31 December 2008	-	-	-	-	(37,799)	(37,799)	-	(37,799)
Balance at 31/12/2009	346,487	200,369	22	4,762	294,054	845,694	7,774	853,468

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

MAH SING GROUP BERHAD
(Company No.: 230149-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the financial year ended 31 December 2010
(The figures have been audited)

	12 months ended 31/12/2010 RM'000	12 months ended 31/12/2009 RM'000
Net cash (used in)/ from operating activities	**(305,605)**	174,827
Net cash used in investing activities	**(16,200)**	(6,628)
Net cash from financing activities	**222,508**	28,044
Net (decrease)/increase in cash and cash equivalents	**(99,297)**	196,243
Effects of exchange rate changes	**(10,788)**	(31)
Cash and cash equivalents at beginning of financial year	**356,564**	160,352
Cash and cash equivalents at end of financial year	**246,479**	356,564

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

	As at 31/12/2010 RM'000	As at 31/12/2009 RM'000
Deposits with licensed banks	**213,613**	268,781
Cash and bank balances	**95,034**	127,845
Bank overdrafts	**(74)**	(705)
	308,573	395,921
Less: Deposits pledged as collateral	**(50,000)**	(9,588)
Less: Deposits deposited in Escrow Account	**(12,094)**	(29,769)
	246,479	356,564

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

A Explanatory Notes

A1 Basis of Preparation

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

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

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

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

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

A2 Seasonal or cyclical factors

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

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

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

A4 Changes in estimates

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

A5 Debt and equity securities

For the financial year under review, there were no issuance and repayment of debt and equity securities, share buybacks, share cancellations, share held as treasury shares and resale of treasury shares except for the bonus issue of 138,594,806 new ordinary shares on the basis of one (1) bonus share for every five (5) existing ordinary shares which was completed on 8 April 2010.

A6 Dividends paid

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

A7 Segment reporting

Year ended 31 December 2010

	Properties	Plastics	Investment Holding & Others	Elimination	Consolidated
REVENUE	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
External revenue	**924,435**	**183,586**	**2,087**	**-**	**1,110,108**
Inter-segment	**-**	**-**	**34,903**	**(34,903)**	**-**
Total revenue	**924,435**	**183,586**	**36,990**	**(34,903)**	**1,110,108**
RESULTS					
Operating profit	**180,844**	**17,502**	**4,276**	**(26,229)**	**176,393**
Interest income					**4,103**
Finance costs					**(2,631)**
Income tax					**(49,462)**
Profit for the period					**128,403**
OTHER INFORMATION					
Capital expenditure	**2,827**	**15,704**	**58**	**-**	**18,589**
Depreciation and amortisation	**1,990**	**9,630**	**94**	**-**	**11,714**

Year ended 31 December 2009

	Properties	Plastics	Investment Holding & Others	Elimination	Consolidated
REVENUE	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	563,991	135,210	2,361	-	701,562
Inter-segment	-	-	12,808	(12,808)	-
Total revenue	563,991	135,210	15,169	(12,808)	701,562
RESULTS					
Operating profit	146,518	9,250	3,559	(12,929)	146,398
Interest income					461
Finance costs					(2,616)
Income tax					(48,402)
Profit for the period					95,841
OTHER INFORMATION					
Capital expenditure	4,253	9,140	307	-	13,700
Depreciation and amortisation	1,866	8,271	91	-	10,228

A8 Material subsequent events

Save as disclosed in B8, there were no material events subsequent to the balance sheet date until 21 February 2011, being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report.

A9 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year to-date except for the following:-

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

2) On 26 October 2010, the Company acquired the entire issued and paid-up share capital of Uptrend Housing Development Sdn Bhd ("Uptrend"), a private limited company incorporated in Malaysia, with an authorised share capital of RM100,000.00 comprising 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares of RM1.00 each have been issued and fully paid, for a cash consideration of RM2.00.

3) On 16 December 2010, the Company acquired the remaining 30% equity interest in Vienna View Development Sdn Bhd ("Vienna View") for a total cash consideration of RM13.8 million, resulting in Vienna View becoming a wholly-owned subsidiary of the Company.

A10 Changes in contingent liabilities or contingent assets

Changes in contingent liabilities of the Group since the last annual balance sheet date is in the form of additional bank guarantees amounting to RM1,711,620.

A11 Capital Commitments

	31-Dec-2010 RM'000
Contractual commitment for development lands	318,332
Contractual commitment for acquisition of property, plant and equipment	3,500
	321,832

A12 Operating Lease Commitments

As Lessee - for the lease of commercial buildings

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

	Completed Building RM'000	Building Under Construction RM'000	Total RM'000
Gross	54,635	29,722	84,357
Less: rental receivable	(8,930)	(5,737)	(14,667)
Net	45,705	23,985	69,690

	Completed Building RM'000	Building Under Construction RM'000	Total RM'000
Not later than 1 year	24,060	5,996	30,056
Later than 1 year and not later than 3 years	21,645	17,989	39,634
	45,705	23,985	69,690

The operating lease commitments are in respect of leaseback of commercial buildings ie ***The Icon, Jalan Tun Razak*** (completed building) and ***Southgate Commercial Centre*** (building under construction) from the purchasers at 7% and 8% per annum of the respective buildings' sale considerations. The lease is for a period of 3 and 2 years from the commencement date as set out in the respective leaseback agreements. Leaseback for ***The Icon, Jalan Tun Razak*** has commenced. Southgate Commercial Centre lease commitment is expected to commence in July 2011.

The lease commitments will gradually be offset with increasing income from subletting of the said commercial buildings. The Group is in active negotiation with several prospective tenants and will continue to sign up quality tenants given the commercial buildings' strategic locations and award winning concepts.

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1 Review of Group performance

The Group recorded strong revenue and profit after tax and minority interest (PATMI) of approximately RM1.1 billion and RM118.1 million respectively for the current year to date. This represents 58% improvement for revenue and 25% improvement for PATMI compared to the previous year. The current quarter revenue and PATMI of approximately RM299.3 million and RM31.4 million represents 20% and 25% improvement respectively over same quarter last year.

The improved revenue and profit for the financial year is attributable to progressive recognition of development revenue and profit contribution from its property development activities carried out in Kuala Lumpur, Klang Valley, Penang and Johor Bahru. Ongoing projects which contributed to the Group's profit and revenue include Klang Valley residential projects such as ***Perdana Residence 2*** in Selayang, ***Garden Residence*** in Cyberjaya, ***Hijauan Residence*** and ***One Legenda*** in Cheras, ***Kemuning Residence*** in Shah Alam, ***Aman Perdana*** in Meru - Shah Alam, ***M-Suites*** in Jalan Ampang; commercial projects such as ***Southgate Commercial Centre*** in Sungai Besi, ***StarParc Point*** in Setapak and industrial projects such as ***i-Parc 1*** in Bukit Jelutong and ***i-Parc 2*** in Shah Alam. Also contributing are projects in Penang i.e. ***Residence @ Southbay*** and ***Legenda @ Southbay*** and in Johor Bahru, i.e. ***Sierra Perdana, Sri Pulai*** **Perdana 2** and ***Austin Perdana***. The Plastics division also performed well with 36% and 89% improvement in revenue and operating profit compared to the previous year.

The Group broke the RM1 billion mark to achieve record property sales of more than RM1.5 billion, which exceeded its initial internal target by 50%, and is a 113% improvement from sales achieved in 2009 (of RM727 million). With 10 land deals announced during the year worth RM756 million, the Group further strengthened its land bank with supply of choice land at strategic locations to drive future earnings growth. We have established a strong presence in the land market with our proven ability to secure land banks that we are able to value add for high margin returns and many of these lands are secured with favourable deferred payment terms.

The fast take-up rate, improved operation efficiency, timely execution and delivery of quality property units ensured the Group's balance sheets remained strong with net gearing at 0.22.

The 2010 performance is again another testament to the Group's very successful "fast turnaround" business model.

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

The Group's current quarter profit before taxation is lower than the preceding quarter ended 30 September 2010. This is mainly due to higher selling and marketing expenses as a result of more launches and sales activities in the current quarter.

B3 Prospects for the next financial year

We are confident of an even more exciting year ahead for 2011.

The Malaysian economy is expected to grow at a steady pace in 2011 underpinned by strong domestic demand. This together with the favourable labour market conditions will continue to support housing demand. The groundwork is laid with a total of 33 projects in our well balanced property portfolio, where 5 are completed, 21 are on-going, and 7 are in various planning stages. Launches planned for 2011 include residential projects such as ***Kinrara Residence*** in Kinrara, ***Garden Residence 2*** and ***Garden Plaza*** in Cyberjaya**,** ***Hijauan Residence*** and ***Bayu Sekamat*** in Cheras**;** ***Icon Residence*** in Mont' Kiara, ***M-City*** in Jalan Ampang, ***Icon Residence*** in Georgetown, ***Legenda @ Southbay*** and ***Ferringhi Residence*** in Penang; ***Sierra Perdana*** in Johor Bahru; commercial projects such as ***Icon City*** in Petaling Jaya, ***Star Avenue @ D'sara*** and industrial project, ***i-Parc 3*** in Bukit Jelutong.

We will continue with our landbanking strategy to pursue acquisition/joint venture opportunities to drive long term earnings visibility. We believe the Group's strong branding and emphasis on innovative design and concept that appeal to wide spectrum of customer tastes and market demand will continue to drive sales, and create higher value per square foot of land supply. Highest priority will continue to be placed on further establishing track record in execution and delivery of high quality products to drive efficiency, build customer loyalty besides ensuring steady cash flows and earnings performance.

With strong landbank and financial position, excellence in planning, execution and delivery, the Group is well equipped to continue its journey to the next level of growth.

Against this background and confidence, we have set a sales target of more than RM2.0 billion for financial year 2011.

B4 Profit forecast

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

B5 Income tax expense

	3 months ended		**Year ended**	
	31/12/2010	31/12/2009	**31/12/2010**	31/12/2009
	RM'000	RM'000	**RM'000**	RM'000
Current tax:				
Malaysian income tax	**12,613**	20,511	**57,509**	46,389
Foreign tax	**668**	131	**2,065**	596
	13,281	20,642	**59,574**	46,985
Under/(Over) provision of Malaysian income in prior year	**453**	199	**(3,280)**	(472)
	13,734	20,841	**56,294**	46,513
Deferred taxation				
Malaysian deferred tax	**(6,850)**	1,239	**(6,850)**	1,889
Foreign deferred tax	**18**		**18**	-
	6,902	22,080	**49,462**	48,402

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

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

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

B7 Quoted securities

The Group does not hold any quoted securities as at 31 December 2010.

B8 Status of corporate proposals

The following corporate proposals announced by the Company have not been completed as at 21 February 2011 (being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report):

1) On 2 December 2009, the Company's wholly-owned subsidiary, Mah Sing International (HK) Limited ("Mah Sing International"), jointly with Danlong Realty (Beijing) Limited entered into a letter of intent with the Wujin District People's Government, Changzhou City ("Wujin Government") to develop a mixed property development project on all that piece of land measuring approximately 87.31 acres located in Wujin, Changzhou City, Jiangsu Province, the People Republic of China. As announced on 24 December 2009, Mah Sing Property Consulting (Changzhou) Pte Ltd with an initial registered capital of USD29.8 million was set up as a wholly owned subsidiary of Mah Sing International in China as requested by Wujin Government for the purpose of acquisition of land use rights in Wujin to develop the mixed property development project.

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

2) On 5 July 2010, the Company's wholly-owned subsidiary, Grand Prestige Development Sdn Bhd ("Grand Prestige") entered into a Joint Venture Agreement ("JVA") with Medan Damai Sdn Bhd ("Medan Damai") for the joint development of a piece of residential land in Kinrara with total gross area measuring approximately 13.2 acres (net aggregate area of 7.59 acres) in Mukim Petaling, Daerah Petaling, Negeri Selangor Darul Ehsan ("JV Land"). Under the terms of the JVA, Medan Damai shall grant Grand Prestige the exclusive rights to continue with the sales and development of the JV Land in return for an entitlement sum of RM35,403,863.85.

3) On 9 July 2010, the Company's wholly-owned subsidiary, Mestika Bistari Sdn Bhd entered into two separate sale and purchase agreements as detailed hereunder for the proposed acquisition of prime lands in Section U5, Shah Alam with total gross area measuring approximately 72,115 square metres (17.82 acres) for a total cash consideration of RM65,910,620:

   (a) A sale and purchase agreement ("First SPA") with Midas Menang Sdn Bhd for the proposed acquisition of prime land with total net area approximately 17,682 square metres (4.37 acres) in Pekan Baru Subang, Daerah Petaling, Negeri Selangor Darul Ehsan ("First SPA") for a total cash consideration of RM34,303,500 ("First SPA"); and

   (b) Another sale and purchase agreement ("Second SPA") with Zikay Development Sdn Bhd for the proposed acquisition of prime land with total net area approximately 17,562.68 square metres (4.34 acres) in Pekan Baru Subang, Daerah Petaling, Negeri Selangor Darul Ehsan ("Second SPA") for a total cash consideration of RM31,607,120 ("Second SPA").

The proposed acquisition of the first land was completed on 13 December 2010. The Second SPA had on 14 December 2010 become unconditional.

4) On 9 September 2010, Hong Leong Investment Bank Berhad ("HLIB"), on behalf of the Board of Directors, announced that the Company proposes to undertake the following:

   a) Proposed issuance of up to RM325 million nominal value of 7 year Redeemble Convertible Secured Bonds ("Bonds"), ("Proposed Bonds Issue"); and

   b) Proposed increase in the authorised share capital of the Company from RM500,000,000 comprising 1,000,000,000 Ordinary Shares of RM0.50 each ("Mah Sing Shares") to RM1,000,000,000 comprising 2,000,000,000 Mah Sing Shares ("Proposed Increase In Authorised Share Capital")

   (The Proposed Bonds Issue and Proposed Increase In Authorised Share Capital are collectively referred to as "Proposals")

   The following approvals have been obtained in relation to the Proposals:-

   (i) Bursa Malaysia Securities Berhad had vide its letter dated 4 November 2010, approved the listing of up to 191,176,471 new Mah Sing Shares to be issued pursuant to the conversion of the Bonds.

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

   (iii) The shareholders at the Extraordinary General Meeting held on 3 December 2010 approved the Proposals.

   (iv) The Securities Commission vide its letter dated 13 December 2010 approved the Proposed Bonds Issue.

   On 27 December 2010, HLIB had, on behalf of the Company announced the fixing of conversion price for the Bonds at RM2.09.

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

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

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

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

7) On 23 November 2010, the Company's wholly-owned subsidiary, Uptrend Housing Development Sdn Bhd ("Uptrend Housing") entered into the following agreements:

   a) a sale and purchase agreement ("SPA") with Utara Malaya Realty Sdn Bhd ("Vendor") for the proposed acquisition of 7 parcels of contiguous prime freehold residential land in Batu Ferringhi, Penang island measuring approximately 246,884 square metres (61.03 acres) in total, all in Mukim 17, Daerah Timur Laut, Tempat Batu Ferringhi, Negeri Pulau Pinang ("Land") for a total cash consideration of RM157,303,872 or approximately RM59.17 per square foot;

   b) a novation agreement ("BT Novation Agreement") with Blossom Time Sdn Bhd ("BT"), the proprietor of Parcels A to F (as defined in the SPA) of the Land and the Vendor for the purpose of novating to Uptrend Housing, the Vendor's rights and obligations contained in a sale and purchase agreement dated 19 November 2010 entered into between the Vendor and BT for the disposal of Parcels A to F, upon the terms and conditions contained in the BT Novation Agreement; and

   c) a novation agreement ("RR Novation Agreement") with Radiant Ranch ("RR") , the proprietor of Parcel G (as defined in the SPA) of the Land and the Vendor for the purpose of novating to Uptrend Housing, the Vendor's rights and obligations (save and except the obligation of the Vendor to submit relevant CKHT 2A to the Inland Revenue Board within the stipulated time) contained in the sale and purchase agreement dated 19 November 2010, entered into between the Vendor and RR for the disposal of Parcel G upon the terms and conditions contained in the RR Novation Agreement.

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

B9 Group borrowings and debt securities

Total group borrowings as at 31 December 2010 are as follows:

	Secured RM'000	Secured RM'000	Secured RM'000	Total RM'000
(Denominated in)	*(RM)*	*(Indonesian Rupiah)*	*(USD)*	
Term loans payable				
- within 12 months	71,189	1,702	128	73,019
- after 12 months	366,492	2,039	-	368,531
	437,681	3,741	128	441,550
Short term borrowings	61,670	-	-	61,670
Bank overdraft	-	-	74	74
Finance lease and hire purchase				
- within 12 months	1,345	23	-	1,368
- after 12 months	1,918	-	-	1,918
	3,263	23	-	3,286
Total	502,614	3,764	202	506,580

B10 Derivative financial instruments

The Group does not have any outstanding derivative financial instruments as at 31 December 2010. With the adoption of FRS139, derivative financial instruments are recognised in the financial statements.

B11 Material litigation

The Group is not engaged in any material litigation as at 21 February 2011, being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report.

B12 Realised and unrealised earnings or losses disclosure

The retained earnings as at 31 December 2010 and 30 September 2010 is analysed as follows:

	31/12/2010 RM'000	30/09/2010 RM'000
Total retained earnings of the Company and its subsidiaries		
- Realised	390,476	359,437
- Unrealised	3,764	(2,067)
Less: Consolidation adjustments	(18,690)	(15,322)
Total group retained earnings as per consolidated accounts	375,550	342,048

B13 Dividend proposed

i) The Board of Directors has proposed a first and final dividend of 15.2% or 7.6 sen per ordinary share of RM0.50 each, less income tax of 25% (2009: 13% or 6.5 sen per ordinary share of RM0.50 each, less income tax of 25%) in respect of the financial year ended 31 December 2010, which is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting.

ii) The date payable of the dividend will be determined at a later date.

iii) In respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at a date to be determined later.

iv) Total dividend for the current financial year is 7.6 sen per ordinary share, less income tax of 25% (2009: 6.5 sen per ordinary share, less income tax of 25%).

B14 Earnings per share ("EPS")

(a) Basic EPS

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

	3 months ended		**Year ended**	
	31/12/2010	31/12/2009	**31/12/2010**	31/12/2009
Net profit for the period/year	**31,350**	25,090	**118,071**	94,282
Weighted average number of shares in issue ('000)**	**831,569**	775,693	**831,569**	759,661
Basic EPS (sen)	**3.77**	3.23	**14.20**	12.41

(b) Diluted EPS

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

	3 months ended		Year ended	
	31/12/2010	31/12/2009	**31/12/2010**	31/12/2009
Net profit for the period/year	**31,350**	25,090	**118,071**	94,282
Weighted average number of shares in issue ('000)**	**831,569**	775,693	**831,569**	759,661
Weighted average number of shares deemed issued at no consideration ('000)**				
ESOS	**1,834**	62	**503**	76
Warrants	**-**	-	**-**	746
Adjusted weighted average number ordinary shares ('000)**	**833,403**	775,755	**832,072**	760,483
Diluted EPS (sen)	**3.76**	3.23	**14.19**	12.40

** Comparative figures for the weighted average number of ordinary shares for both basic and fully diluted earnings per ordinary share computation have been restated to reflect the adjustment arising from the bonus issue completed during the current financial year.

B15 Auditors' report on preceding annual financial statements

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

BY ORDER OF THE BOARD

YANG BAO LING
KUAN HUI FANG

Secretaries

Kuala Lumpur
25 February 2011