

Mah Sing upbeat about achieving RM2bil target

Company expects strong demand for affordable homes

PROPERTY

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PETALING JAYA: Property developer Mah Sing Group Bhd is confident it can achieve its 2022 sales target of RM2bil, supported by the launch of affordable homes that the company believes will be met by strong demand.

Mah Sing founder and group managing director Tan Sri Leong Hoy Kum said the group would be launching RM2.4bil worth of projects this year.

“The price points will be attractive, with 94% of Mah Sing’s product offerings priced at RM700,000 and below, while 60% are products priced at RM500,000 and below.

“Mah Sing has locked in RM450mil in new property sales in the first quarter of 2022,” he told *StarBiz*.

Leong said the stellar sales performance recorded in the first quarter of this year was driven by strong take-up rates for affordable product offerings in strategic locations with a large captive market, as well as well-designed features that are in line with current market demand.

“The group’s projects continued to record a rebound in sales momentum as the reopening of Malaysia’s borders and transition to the endemic phase spurred a recovery in economic activities.

“Mah Sing has planned more launches from the second quarter onwards. Coupled with the right marketing campaigns and digital marketing efforts by the group, we are well-positioned to meet our sales target of RM2bil.”

Leong said it has launched its “Lift Off with Mah Sing” campaign to help boost sales in January.

“The campaign showcases 21 projects for the full year 2022, bundled with hassle-free, affordable sales packages for first-time home buyers, upgraders and younger demographics who are looking into invest-

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Tan Sri Leong Hoy Kum



ment or own-stay.

“Even so, the group is hoping that the government can consider continuing the Home Ownership Campaign (HOC) as it did help to drive property sales in the country.”

Leong said the volume of residential transactions picked up significantly during the final quarter of last year, as house buyers were trying to beat the year-end deadline to qualify for benefits under the HOC.

“We strongly believe that the continuation of HOC will greatly benefit the property industry, especially during this economic recovery period,” said Leong.

To help spur the property market, the government introduced the HOC in June 2020 under the Penjana initiative.

The campaign ended on Dec 31, 2021. Many industry observers and property players believed that the HOC was a huge contributor to the market and urged the government to extend the campaign into 2022.

Mah Sing’s net profit rose to RM43.18mil in the first quarter ended March 31, from RM40.28mil a year ago, bolstered by higher revenue in the quarter.

Revenue grew to RM433.23mil in the quarter compared with RM413.32mil a year ago,

driven by nearly half-a-billion worth of new property sales and revenue recognition of property projects under construction, coupled with the finalisation of construction costs for certain construction contracts.

TA Research, in a recent report, said it was maintaining its 2022 earnings forecast for Mah Sing.

“The demand for affordable homes in urban areas is still resilient, with the M-series of affordable apartments (priced between RM300,000 and RM500,000 per unit) having had over 80% take-up since their official launch.

“Meanwhile the recently launched affordable link homes in Sepang (priced from RM450,000 per unit) have received overwhelming responses, with a 100% take-up rate for the first phase comprising 262 units.”

Mah Sing is on track to achieve the sales target of RM2bil, given that first quarter sales have already accounted for 23% of the group’s 2022 sales target, according to the research house.

“Looking ahead, new sales are expected to be anchored by the conversion of bookings (RM873mil as at May 29) and new projects worth RM2.2bil.”