

PRESS RELEASE

For Immediate Release

OSK Group Revenue and PBT Rose 18% YoY in 9M2023

*Demonstrates Sustained Resilience in 3Q2023 Despite Challenging External Environment
 On Track to Surpass Record RM500mil PBT Mark for FY2023*

Kuala Lumpur, 27 November 2023 – OSK Holdings Berhad ("OSKH" or "the Group") is pleased to announce our financial results for the third quarter of the financial year 2023 ("3Q2023") ended 30 September 2023 to Bursa Malaysia today.

The Group reported robust growth, with revenues rising 18% year-on-year to reach RM1.2 billion for 9M2023. Simultaneously, the profit before tax ("PBT") demonstrated a parallel 18% increase, reaching RM414.6 million compared to the corresponding period last year ("YoY").

"We are pleased that the Group continues to deliver a strong financial performance in the third quarter of 2023. The Group's earnings should continue to be sustained by the strength in our Property division, the growth in our Financial Services division and the scaling up of our Industrial business segment", said OSK Group Executive Chairman, Tan Sri Ong Leong Huat.

KEY HIGHLIGHTS

For the quarter ended 30 September 2023 ("3Q2023")

Overall Financial Performance

- The Group's total revenue in 9M2023 rose by 18% to RM1.2 billion, while pre-tax profit ("PBT") also increased 18% YoY to RM414.6 million.
- The Property Segment continues to be one of the top contributors to the Group's performance, registering a revenue of RM614.7 million in 9M2023 (9M2022: RM566.7 million), however, the segment recorded a slightly lower PBT at RM95.9 million (9M2022: RM110.0 million).
- Over in Australia, our flagship integrated development, Melbourne Square ("MSQ") officially launched Phase 2, also known as BLVD, in October 2023 with an encouraging take-up rate of about 40%.
- The Property Investment Division continued to generate stable rental revenue from its investment portfolio comprising office buildings (ie. Plaza OSK and Faber Towers) and Atria Shopping Gallery.
- The Group's Capital Financing Division with operations in Malaysia and Australia continued to grow its loan book, which stood at RM1.7 billion as of 30 September 2023 (30 September 2022: RM1.1 billion). The division's revenue jumped 49% YoY in 9M2023 to RM122.1 million, while PBT rose 33% YoY to RM62.1 million from higher loan disbursements.
- The Investment Holding Division registered a PBT of RM219.4 million in 9M2023, up 22% YoY due to higher profit contribution from RHB Group amounting to RM227.1 million in 9M2023 (9M2022: RM187.8 million). OSK Group's equity interest in RHB Group stood at 10.24%.

Forward Earnings Visibility

- As at 30 September 2023, the Group's Property Development Division has effective unbilled sales of RM1.2 billion with minimal unsold completed stocks.
- The Group's total land bank of 1,994 acres garners an estimated effective GDV of RM15.5 billion with land parcels located in the Klang Valley, Sungai Petani, Butterworth, Kuantan, Seremban, and Melbourne, Australia*.

Net Gearing

- Manageable net gearing ratio of 0.416 times.

Total Assets	<ul style="list-style-type: none"> As at 30 September 2023, the Group's total assets grew to RM10.2 billion (31 December 2022: RM9.7 billion)
Basic Earnings Per Share (EPS)	<ul style="list-style-type: none"> 3Q2023 EPS increased to 5.97 sen (3Q2022: 5.47 sen). 9M2023 EPS went up to 17.90 sen (9M2022: 14.70 sen).
Net Assets Per Share Attributable to Owners of the Company	<ul style="list-style-type: none"> As at 30 September 2023, the Group's net assets per share grew to RM2.92 (31 December 2022: RM2.76).
Shareholders' Funds	<ul style="list-style-type: none"> As at 30 September 2023, shareholders' funds went up to RM6.0 billion (31 December 2022: RM5.7 billion)
Dividend Declared in respect of FY2023	<ul style="list-style-type: none"> The Board of Directors approved a single-tier interim dividend of 3.0 sen per ordinary share for 1H2023 (1H2022: 2.0 sen). Total dividend declared year-to-date in FY2023 was 3.0 sen per ordinary share (YTD 9M2022: 2.0 sen).
Dividend Paid in respect of FY2023	<ul style="list-style-type: none"> Single-tier interim dividend payment totalling RM61.9 million equivalent to 3.0 sen per ordinary share was paid on 13 October 2023.
Cash and cash equivalents comprising cash, bank balances and short-term funds	<ul style="list-style-type: none"> As at 30 September 2023, cash and cash equivalents remained stable at RM640.4 million (31 December 2022: RM712.7 million).
Outlook	<ul style="list-style-type: none"> The Malaysian economy expanded by 3.3% in 3Q2023 (2Q2023: 2.9%), anchored by resilient domestic demand. Household spending remained supported by continued growth in employment and wages. Exports remained soft amid prolonged weakness in external demand.¹ BNM Governor Datuk Abdul Rasheed Ghaffour: "Despite the challenging global environment, the Malaysian economy is projected to expand by around 4% in 2023 and 4% - 5% in 2024. Growth will continue to be driven by the expansion in domestic demand amid steady employment and income prospects, particularly in domestic-oriented sectors."¹ Bank Negara Malaysia Monetary Policy Committee (MPC) in its meeting on 2 Nov 2023 decided to maintain the Overnight Policy Rate (OPR) at 3.00%. While noting that global growth remains weighed down by persistently elevated inflation and higher interest rates, the MPC highlighted that Malaysia's growth in 2024 will be largely driven by resilient domestic expenditure. Tourist arrivals and spending are also expected to improve further.² The Group expects a satisfactory performance for the remaining FY2023 and will continue to weather the challenging economic landscape through continued implementation of our long-term strategies and financial prudence.

(1) BNM: Economic and Financial Developments in Malaysia in the Third Quarter of 2023 (17 Nov 2023)

(2) BNM: Monetary Policy Statement (2 Nov 2023)

* Reflects the effective share of our joint-venture development project Melbourne Square ("MSQ") in Melbourne, Australia.

Over the past quarter, the Group has expanded its operations in Malaysia and Australia, and the key revenue contributor, the Property Segment (comprising the Property Development and Property Investment Divisions), registered a revenue of RM222.5 million which slightly increased by 12% and a pre-tax profit of RM35.8 million in 3Q2023. This was mainly contributed by property sales and construction development of ongoing projects during the quarter in Malaysia, such as LEA by The Hills in Melawati, Anya @ Shorea Park in Puchong, YouCity III in Cheras, Rubica @ Harbour Place in Butterworth, and two township projects at Iringan Bayu, Seremban, as well as Bandar Puteri Jaya, Sg. Petani.

In Melbourne, Australia, MSQ proudly announces the official launch of Phase 2, known as BLVD, in October 2023. BLVD is a high-rise residential apartment comprising approximately 591 units in a single tower and since its soft launch in April 2023, we have seen a positive response, with a 40% take-up



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rate. Apart from focusing on selling off-the-plan units at BLVD, our attention will also be directed towards selling the remaining completed residential units of Phase 1 in MSQ.

The Industries Segment anticipates robust performance throughout the remainder of FY2023, bolstered by higher demand from local and export markets. The Cables and IBS Divisions are committed to proactively seeking out new market opportunities and implementing strategic measures to enhance profit margins through production efficiency and implementation of raw material procurement and waste control measures.

In 3Q2023, the Capital Financing Division achieved a notable financial performance, registering a substantial 52% YoY rise in revenue to RM46.3 million with a corresponding 47% YoY hike in PBT to RM22.5 million. This exceptional growth can be attributed primarily to the heightened revenue and PBT generated from our expanded loan portfolio to RM1.7 billion as at 30 September 2023 (30 September 2022: RM1.1 billion) during the period under review, which underscores the Division's effective management and strategic market positioning, highlighting our ability to capitalise on opportunities and deliver robust financial results.

Media Enquiries

For further queries on this media release or to reach out to our Investor Relations team, kindly email: ir@oskgroup.com, call [+603-2177 1999](tel:+603-2177-1999), or visit: <http://www.oskgroup.com/overview/>.

About OSK Group

OSK Holdings Berhad is a conglomerate with diversified business interests in Property, Financial Services and Investment Holding, Construction, Industries and Hospitality. As of 30 September 2023, the Group's shareholders' funds stood at RM6.0 billion with total assets of RM10.2 billion and a total market capitalisation of RM2.5 billion[^].

For further information about OSK Group, please visit our website at: www.oskgroup.com.

[^] Based on OSKH's last quoted share price on the Main Market of Bursa Malaysia at the close of trading day on 29 September 2023.