

Mah Sing acquires land within KLCC for RM260mil

Group on track to meet its RM2.65bil FY25 sales target

PROPERTY

PETALING JAYA: Mah Sing Group Bhd has acquired 1.485-acres of freehold land in the heart of the KLCC precinct from the MUI Group for RM260mil.

In a statement, Mah Sing said the strategically located land houses the Corus KLCC hotel and is within five minutes' walking distance from the PETRONAS Twin Towers and Suria KLCC.

Mah Sing said the land will be redeveloped into a premium freehold serviced apartment project with an estimated gross development value of RM1.28bil.

Units are indicatively priced from RM898,000.

Mah Sing founder and group managing director Tan Sri Leong Hoy Kum said the acquisition aligns with the group's strategy of unlocking value in prime urban locations with strong demand fundamentals.

"More than just a redevelopment, it's an opportunity to create a prestigious address in the heart of Kuala Lumpur.

"We are excited to reimagine this prime site into a landmark development that complements the KLCC skyline.

"With its rare freehold status, unrivalled connectivity, and prime city-centre location, we believe the project will have strong international appeal and deliver long-term value to our homebuyers and stakeholders."

Meanwhile, MUI chairman and chief executive officer Andrew Khoo said it was the right time for the group to divest the hotel property as part of its rationalisation strategy.

"We have found Mah Sing the right organisation to lead the re-development of this project and to create an iconic, landmark project that will maximise the full potential of the land.

"In view of our long 40 years' association with this property starting from Ming Court Hotel opening in 1984 and

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subsequent rebranding to Corus KLCC, we envisage that this redevelopment will enhance the KLCC skyline and add to the current vibrancy of this prestigious locality."

The acquisition marks Mah Sing's second land acquisition of the year, reinforcing the group's strategy of unlocking value from prime urban locations with strong demand fundamentals.

The land, currently occupied by the Corus Hotel along Jalan Ampang, will undergo a transformative redevelopment as part of Mah Sing's vision for urban regeneration.

"This initiative aims to breathe new life into a legacy property, create job opportunities during and after construction, and stimulate the local economy through increased footfall, tourism, and commercial activity.

"The influx of residents and guests to the area will contribute to the vibrancy of surrounding retail, food and beverage, wellness and professional services," said Mah Sing.

Meanwhile, MBSB Research in a report said Mah Sing appears on track to meet its new sales target of RM2.65bil for financial year 2025 (FY25) with new sales reaching RM1.01bil in the first five months of the year.

New sales recorded in FY24 was RM2.41bil and MBSB Research said the

group has planned several launches in the second half of FY25 to support its new sales growth.

These include Meridin East in Johor Bahru, M Tiara 2 and Tiara Hills in Johor Bahru, M Aurora in Old Klang Road, M Aria in Sentul, M Zenni in Southbay City Penang, and Icon City 2 in Petaling Jaya.

MBSB Research continues to see exciting new sales outlook for Mah Sing, which will in turn support earnings growth going forward.

It added that new sales of Mah Sing should stay supported by launches of affordable residential projects, while M Grand Series projects cater for demand for higher end properties.

On top of that, its dividend yield is decent at 4.1%.

It said, the recently launched M Grand Minori has seen a good take up rate and this sustained new sales prospects.

The take-up rate is at 90% as demand for property surrounding Bukit Chagar Johor Baru-Singapore Rapid Transit System Link station is strong.

MBSB Research gathered that the majority of buyers are Malaysians working in Singapore.

The research house is maintaining its earnings forecast for FY25/FY26/FY27.

It retained its target price of the stock at RM1.49 a share, based on a 38% discount to revalued net asset value.