For Immediate Release

MAIN MARKET-BOUND MST GOLF GROUP BERHAD LAUNCHES IPO PROSPECTUS

RM664.9 million in market capitalisation upon listing

Kuala Lumpur, 28 June 2023 – MST Golf Group Berhad *(formerly known as M S T Golf (Asia) Sdn Bhd)* ("**MST Golf**" or the "**Company**"), the largest chain of golf specialty retailer of golf equipment in Malaysia, unveiled its initial public offering ("**IPO**") prospectus today at the EQ, Kuala Lumpur. This is in conjunction with its proposed listing on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**") which is set for 20 July 2023.

MST Golf's IPO involves a public issue of 160.0 million new shares as well as an offer for sale of up to 68.0 million existing shares, based on the IPO price of RM0.81 per share. Approximately RM129.6 million in IPO proceeds will be raised by the Company via the public issue which will be utilised by MST Golf and its subsidiaries (the "**Group**") to cater for the next phase of its business expansion. MST Golf has earmarked close to 90.0% of the primary proceeds for the Group's expansion of in its domestic and new geographical markets. Another 2.3% will be for the upgrading of digital technology facilities along with 2.5% being channelled towards working capital. The remaining proceeds will be used to defray listing expenses. Post-listing, MST Golf has adopted a dividend policy that targets to return 30.0% of its earnings to shareholders.

Established in 1989, MST Golf has a strong track record of growing its golf retail footprint and product offerings within its home market, Malaysia, as well as Singapore, with plans to further expand its retail coverage in foreign countries namely Indonesia, Thailand and Vietnam. MST Golf operates 44 retail outlets, comprising 36 outlets in Malaysia and 8 outlets in Singapore. Between 2019 and 2022, MST Golf recorded a compounded annual growth rate ("**CAGR**") 19.6% and 41.8% in revenue and profit after tax ("**PAT**"), respectively. This was on the back of the Group's revenue and PAT of RM176.0 million and RM10.2 million, respectively, for the financial year ended 31 December (**"FYE**") 2019, as compared with RM300.9 million and RM29.1 million in revenue and PAT, respectively, for FYE 2022.

According to an independent market report by Vital Factor Consulting Sdn Bhd, MST Golf is the market leader in the sales of golf equipment comprising golf clubs, golf balls and accessories and golf apparel in Malaysia. The Group commands a market share of 51.0% of golf equipment imported into Malaysia and is the largest chain of golf specialty retailer in Malaysia, based on data obtained in 2022.

Ng Yap, Executive Director and Group Chief Executive Officer of MST Golf said, "Over the decades, we grew our operations and continued to enhance our business model to become an entrenched brand name for golf retail and golf related services in Malaysia and Singapore. Our wide network of retail outlets showcases an extensive range of products, while also serve as a vibrant hub for the thriving golf community. We humbly set ourselves apart by providing a multi-brand retail experience with an offering of approximately 97 brands, and serving as a comprehensive golf specialty retailer, catering to customers with varying preferences, skill levels, and price points. Our unique, 3-in-1 retail concept consists of MST Golf specialty store, the Golf Lab academy and Golf Arena indoor golf, equipped with the latest golf technology, delivers a total golf retail experience where consumers can enjoy shopping, club fitting, golf learning, practicing, playing and dining all under one roof. That, coupled with a proven management system and our brand partners' support, shall continue to anchor our Group's steady expansion as we increase our retail footprint within Malaysia, Singapore and into new geographical markets in Indonesia, Thailand and Vietnam. By constantly evolving and elevating our retail concept, combined with our unparalleled understanding of consumer trends and needs, we aim to create long-term value for our stakeholders."

RHB Investment Bank Berhad's Managing Director / Chief Executive Officer, Mr Ganesh Sabaratnam said, "Having steered the Company for more than 30 years, MST Golf's management team has played an instrumental role in growing the Company's business to what it is today, building a strong foundation to further expand the Company's business operations towards becoming a leading golf retailer locally and regionally. We have no doubt that this listing will further strengthen MST Golf's corporate profile as it embarks on its future business expansion. We are proud to catalyse and be a part of MST Golf's historic journey."

The public issue portion of the IPO will be made available starting today and will close on 7 July 2023 at 5:00 pm.

RHB Investment Bank is the principal adviser, sole underwriter, and sole placement agent for this IPO exercise.

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<u>About MST Golf</u>

MST Golf is the largest chain of golf specialty retailer in Malaysia and has more than 40 retail outlets in Malaysia and Singapore. With retail as its backbone, MST Golf's businesses also covers wholesale business, golf related services including golf coaching, golf academies, event/tournament management, corporate merchandising, club fitting and operating driving ranges. MST Golf is the distributor and retail partner of many global golf brands.

MST Golf also owns and operates MST Golf Arena, our indoor golf centre segment which merges entertainment, dining, and retail. Two outlets are currently open at The Gardens Mall in Mid Valley City, Kuala Lumpur, and at Tropicana Gardens Mall in Petaling Jaya, Selangor; with its third outlet slated to officially open in the third quarter of 2023 at Gurney Paragon

Mall in Georgetown, Penang, following its soft launch on 8 June 2023. More info about MST Golf at www.mstgolfgroup.com

About RHB Banking Group

The RHB Banking Group, with RHB Bank Berhad as the holding company, is one of the largest fully integrated financial services group in Malaysia. The Group's core businesses are structured into five main business pillars, namely Group Community Banking, Group Wholesale Banking, Group Shariah Business, Group International Business, and Group Insurance.

Group Community Banking comprises Retail Banking and SME Banking, while Group Wholesale Banking comprises Group Investment Banking, Group Corporate Banking, Group Treasury & Global Markets, Group Asset Management, Commercial Banking, Transaction Banking, and Economics.

All five Strategic Business Groups offer their financial solutions through RHB Bank Berhad and its main subsidiaries – RHB Investment Bank Berhad, RHB Islamic Bank Berhad and RHB Insurance Berhad, while its asset management and unit trust businesses are undertaken by RHB Asset Management Sdn. Bhd. and RHB Islamic International Asset Management Berhad.

The Group's regional presence now spans eight countries including Malaysia, Singapore, Indonesia, Thailand, Brunei, Cambodia, Vietnam and Lao PDR.

For more information, please visit https://www.rhbgroup.com/

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