



ANALYST BRIEFING

Quarter Ended 30 June 2023

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Constituent of

FTSE4GOOD
Bursa Malaysia Index



MRCB Key ESG Updates

Climate Change & the Environment

Target: Net Zero Carbon (Scope 1 and Scope 2) by 2040

56% 

reduction in Scope 1 and Scope 2 carbon emissions intensity in 2QFY2023 vs 2020 baseline

Task Force on
Climate-Related
Financial
Disclosure (TCFD)

In the midst of conducting **financial impact assessment of physical climate risk** on our business assets based on TCFD recommendations

A constituent of
FTSE4GOOD
Bursa Malaysia Index
since 2014

Achieved
overall score of **3.2**

Ranked in the 2nd Quartile

Targeting to rank in the 1st Quartile by end 2023

Good Corporate Governance

Target: Best-In-Class Practices & Disclosures

**Institutionalising
Sustainability-
related Processes**

Improving internal processes
i.e. Sustainable Design Policy, Sustainable Data Management Policy & Procedures

**Improving
Scope 3 Emissions
Reporting**

Partnered with UNGC to implement **supply chain sustainability assessments**

**Improving
the quality of
Corporate
Reporting**

Gold Award at the 2023 Australasian Reporting Awards

Gold Award for Governance, Reporting & Transparency in the large corporation category at the ESG Positive Impact Awards 2022

MRCB Financial Summary

MRCB 1H FY2023 Overview

Revenue RM 1,342 mil. ▼ (11)% y-o-y	Profit Before Tax RM 36 mil. ▼ (40)% y-o-y
Profit After Tax RM 20 mil. ▼ (22)% y-o-y	Net Gearing 0.34x
Total Assets RM 9,218 mil.	Total Equity RM 4,512 mil.
Earnings Per Share 0.43 sen ▼ (32)% y-o-y	Market Cap RM 1,363 mil.

MRCB Segment Overview

	Property Development	Engineering & Construction	Others
Revenue RM mil.	369	941	32
Revenue Contribution	28%	70%	2%
Operating Profit RM mil. <i>Margin %</i>	33 8.9%	43 4.6%	2 6.4%

1H FY2023 Key Numbers

RM252.9 mil. Property Sales	RM43.7 mil. Property Unbilled Sales	RM26.1 bil. External Construction Order Book ¹	RM16.4 bil. Construction Unbilled Order Book ²
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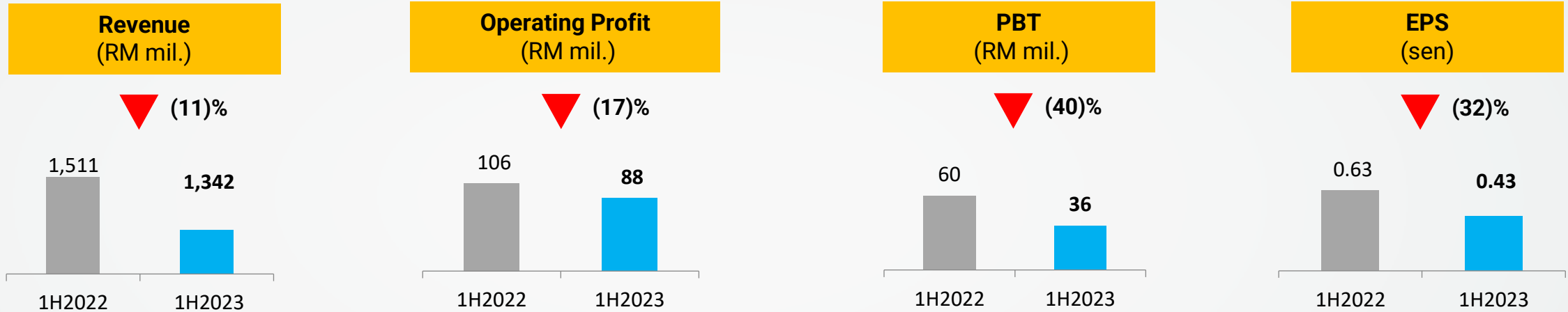
Order Book includes long term Bukit Jalil contract of RM11.0 bil.
¹ External Construction Order Book excluding Bukit Jalil: RM15.1 bil.
² Construction Unbilled Order Book excluding Bukit Jalil: RM5.4 bil.

Note:

* **EPS**; Weighted Average No of Shares as at 30 June 2023 = 4,467,509,508
 ** **Market Cap** as at 30 June 2023; Number of Shares as at 30 June 2023 = 4,467,509,508 x RM0.305

Key Highlights

1H FY2023 vs 1H FY2022



Key Highlights

- The lower Revenue and Profit in 1H FY2023 was mainly due to the completion of three major infrastructure construction projects in late 2022 and the completion of two major property development projects in 1H FY2023.
- The higher Operating Profit last year was also due to a RM18 million contribution as Other Operating Income from the value of the remaining land injected into our wholly owned subsidiary, SIDEC.
- LRT3 project achieved physical construction progress of 86% and financial progress of 82% at the end of June 2023.
- Disposal of Menara CelcomDigi to Sentral REIT for RM450 million expected to be completed in 4Q FY2023,.
- Growth to be driven by redevelopment of Stadium Shah Alam and KL Sentral Station, a RM30 billion tender book and newly launched RM1.2 billion VISTA residential project in Gold Coast
- RM1.7 billion of launches in Auckland, New Zealand, and RM2.3 billion of property launches earmarked in Malaysia in 2024

Financial Performance

Profit & Loss

RM Million	Q2 (3M)			1H(6M)		
	FY2023	FY2022	Y-o-Y Growth %	FY2023	FY2022	Y-o-Y Growth %
Revenue	599	700	(14.4)%	1,342	1,511	(11.2)%
Other Operating Income	10	28	(65.3)%	21	35	(39.7)%
Operating Expenses	(569)	(675)	(15.6)%	(1,275)	(1,441)	(11.5)%
Operating Profit	40	54	(25.6)%	88	106	(17.1)%
<i>Operating Profit Margin (%)</i>	6.7%	7.7%		6.5%	7.0%	
Finance costs	(29)	(24)	18.1%	(57)	(48)	19.0%
Share of results of associates	5	(0)	>100%	7	4	99.7%
Share of results of joint ventures	(1)	(1)	13.0%	(3)	(2)	20.2%
Profit before taxation	15	28	(45.6)%	36	60	(40.1)%
Taxation	(4)	(17)	(74.5)%	(16)	(35)	(53.2)%
Profit for the period	11	11	(0.3)%	20	25	(21.7)%
<i>PAT Margins (%)</i>	1.8%	1.6%		1.5%	1.6%	
EPS (sen)	0.24	0.32	(25.0)%	0.43	0.63	(31.7)%

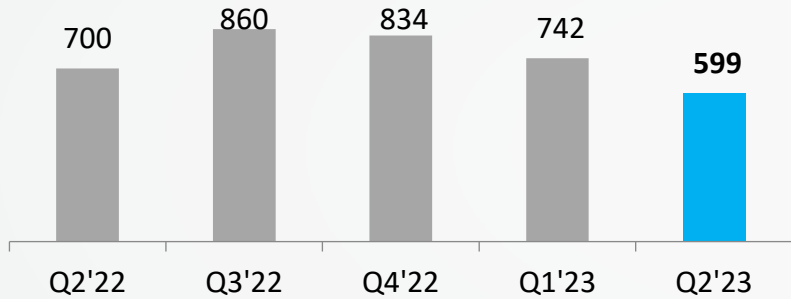
Note:

Due to rounding, numbers presented throughout this and other pages may not add up precisely to the totals provided, and percentages may not precisely reflect the absolute figures.

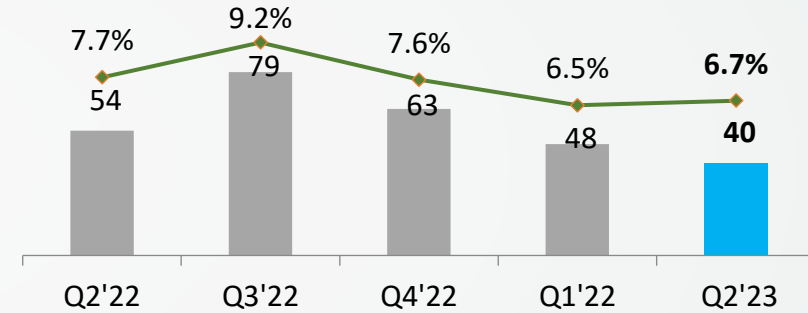
Financial Performance

Quarterly Analysis

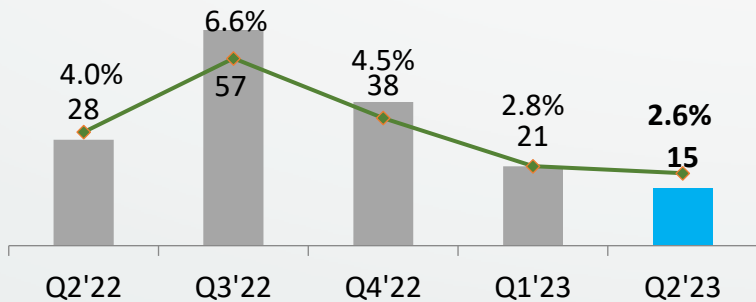
Revenue



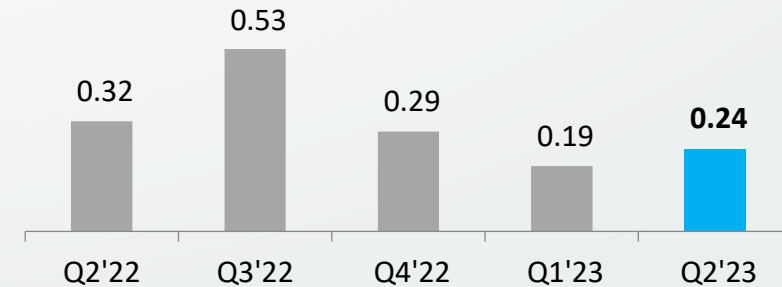
Operating Profit and Margin



PBT and Margin



EPS (sen)



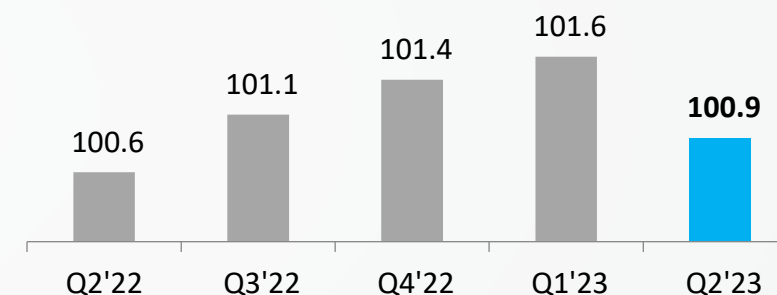
Note:
Figures are in RM'mil. and margins in %

Financial Performance

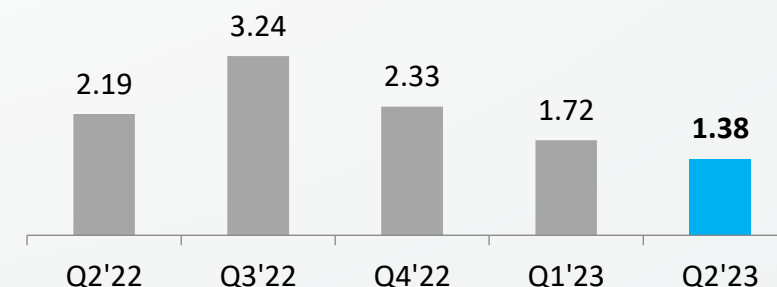
Balance Sheet

RM Million	30 June 2023	31 Dec 2022
		(audited)
Total Assets		
Current Assets	3,522	3,547
Non-Current Assets	5,696	5,681
Total Assets	9,218	9,228
Total Liabilities		
Current Liabilities	2,433	2,697
Non-Current Liabilities	2,273	1,995
Total Liabilities	4,706	4,692
Total Equity		
Shareholder's Equity	4,507	4,531
Non Controlling Interests	5	6
Total Equity	4,512	4,537
Net assets per share attributable to the equity holders of the Company (sen)	100.90	101.40

NAV Per Share* (sen)



Interest Coverage** (times)



Note:

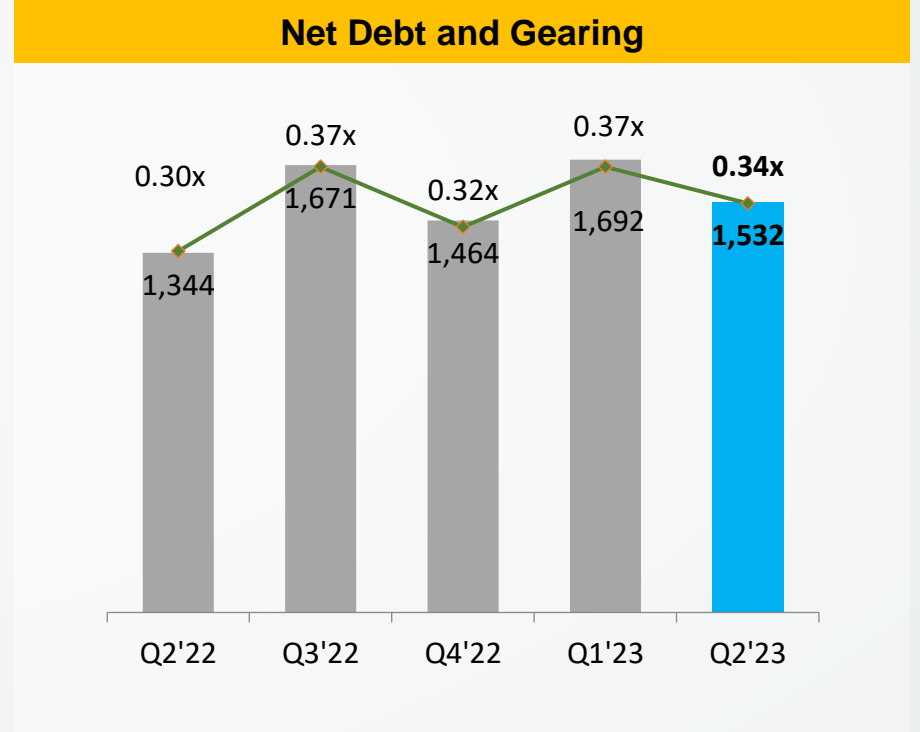
* NAV per share; Number of Shares as of 30 June 2023 = 4,467,509,508

** Based on Profit from operations

Financial Performance

Borrowings

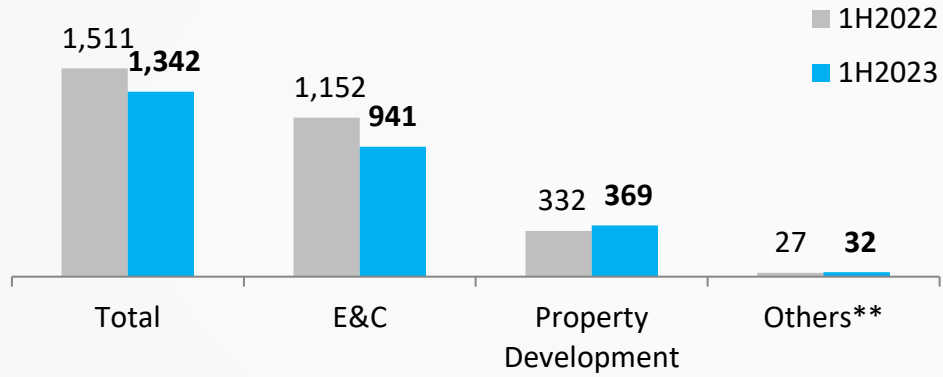
Debt Profile (RM Million)	30 June 2023	31 Dec 2022 (audited)
Debt		
Short Term Borrowings	752	841
Long Term Borrowings	1,502	1,216
Total Debt	2,254	2,057
Less: Deposits, cash and bank balances	617	534
Other investment	105	59
Net Debt	1,532	1,464
Total equity	4,512	4,537
Net Gearing	0.34x	0.32x



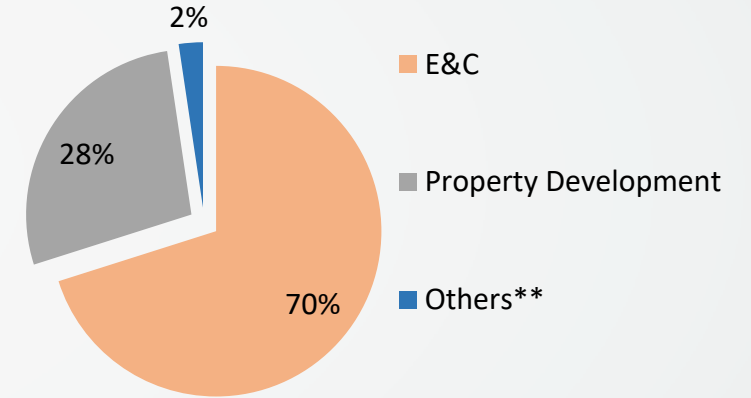
Segmental Reporting

Overview

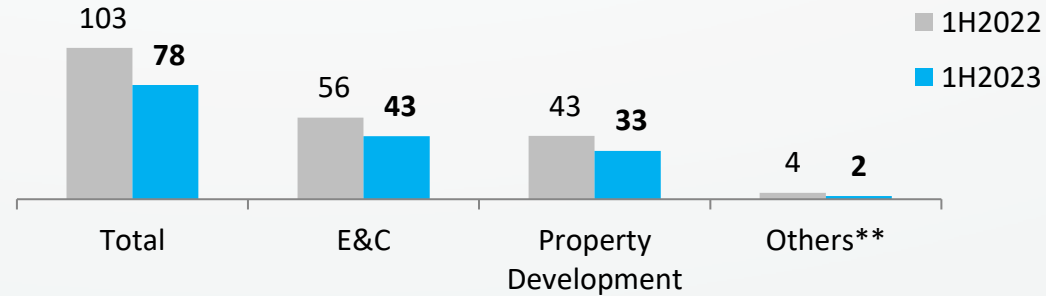
Revenue Split – RM1,342 mil.



Revenue Contribution Analysis



Segmental Profit Split – RM78 mil.



Note:

Figures are in RM'mil. and margins in %

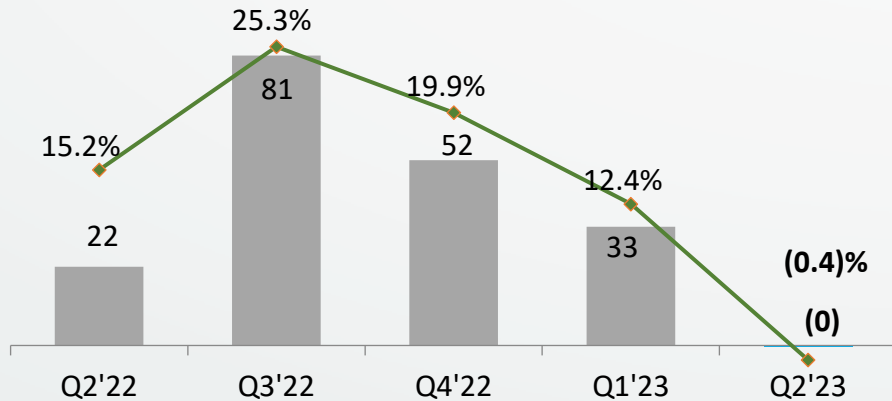
** Others include Facilities Management & Parking and Others

Segmental Reporting

Property Development & Investment

RM Million	Q2 (3M)			6M		
	FY2023	FY2022	Y-o-Y Growth %	FY2023	FY2022	Y-o-Y Growth %
Revenue	102	145	(30.1)%	369	332	11.3%
Profit	(0)	22	(101.7)%	33	43	(23.7)%
Margin* (%)	(0.4)%	15.2%		8.9%	13.0%	

Profit and Margins



Performance Discussion

Contributed 28% of Group revenue, largely from the Sentral Suites development in KL Sentral, TRIA 9 Seputeh mixed residential development in Jalan Klang Lama, Alstonia in Bukit Rahman Putra and recurring rental income.

Sentral REIT and Sentral REIT Management contributed PAT of RM7.7 million.

Lower profit due to:-

- The completion of Sentral Suites in March 2023 and the completion of TRIA 9 Seputeh in May 2023
- Higher profit recorded last year due to RM18 mil. contribution from the value of the remaining land injected into SIDEK.

Property Sales YTD 2023: RM252.9 mil, Unbilled Sales: RM43.7 mil.

Sales for 7-month ended July 2023 : RM313.2 mil.

Note:

Figures are in RM'mil. and margins in %

Segmental Reporting

Property Development & Investment

Property Sales of RM252.9 Million

Project	Total Project GDV (RM'mil)	% Sales Achieved* as at 30 June 2023	Sales** Breakdown YTD 2023 (RM'mil)
Completed Projects			
Sentral Suites - Residential	1,535	87%	44.2
Sentral Suites - Commercial	102	50%	13.0
VIVO 9 Seputeh – Residential	982	85%	11.4
VIVO 9 Seputeh – Commercial (incl. retail car park)	266	87%	0.0
Kalista, Bukit Rahman Putra	102	91%	0.0
1060 Carnegie – Residential	296	100%	0.0
1060 Carnegie – Commercial	29	56%	0.0
St.Regis	164	39%	11.0
TRIA 9 Seputeh	940	68%	124.2
Ongoing Projects			
Alstonia, Bukit Rahman Putra	248	57%	14.6
Amaryllis, SIDEC	17	100%	0.6
Lilium, SIDEC	32	50%	5.0
26 VISTA, Gold Coast, Australia	1,173	3%	28.9
TOTAL	5,886		252.9

81%
from Completed Projects

19%
from Ongoing Projects

Note:

* % Sales Achieved are the total value of SPAs signed and stamped from the projects' launch up until the reporting period as a percentage of the project's total gross GDV and is adjusted for SPAs that have been terminated.

** Sales are the total value of SPAs signed and stamped YTD.

Segmental Reporting

Property Development & Investment

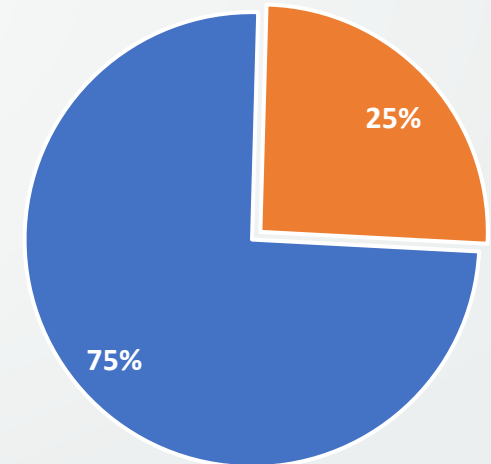
Total Unbilled Sales from Ongoing Projects of RM43.7 Million

Project	Construction Progress	Revenue Recognised* In FY2023 (RM'mil)	Unbilled Sales** (RM'mil)
Residential			
Alstonia, Bukit Rahman Putra	69.0%	22.0	32.6
Lilium, SIDEC	35.8%	4.5	11.1
TOTAL		26.5	43.7



Breakdown of Unbilled Sales

■ Alstonia ■ Lilium



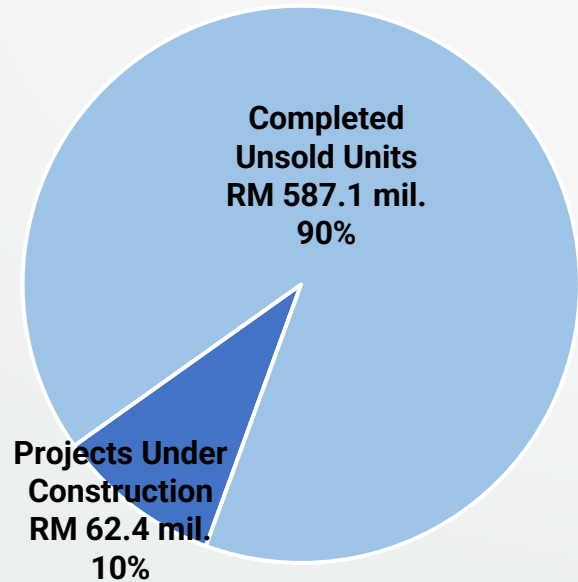
Alstonia, BRP which makes up 75% of Unbilled Sales, will contribute more revenue and profit as construction progresses

Segmental Reporting

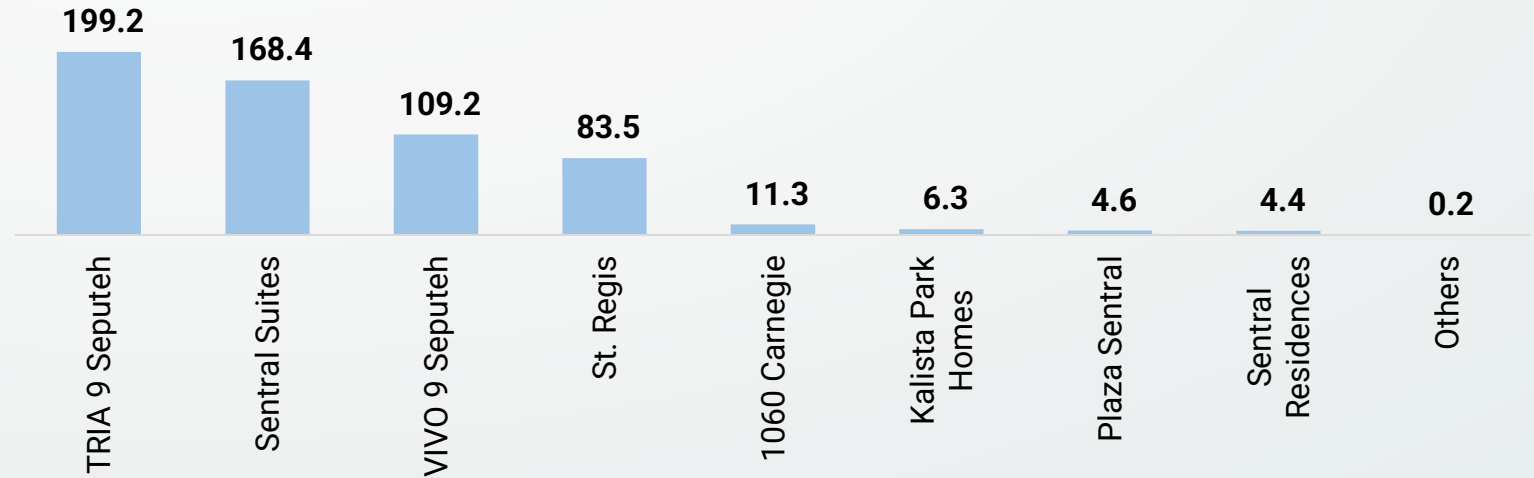
Property Development & Investment

What We Have To Sell: RM0.6 Billion (by Gross Development Cost)

Unsold Projects Under Construction	Completed Unsold Units*	Total
RM62.4 mil.	RM587.1 mil.	RM649.5 mil.



Breakdown of Completed Unsold Units (RM' mil.)



VISTA, Surfers Paradise, Gold Coast

GDV

AUD 391 mil. (~RM1.2 bil.)

Purchase price

AUD 17 mil. (~RM50 mil.)

Location

26 Vista Street, Surfers Paradise, Gold Coast, Australia

0.766

Acres

Launched

12 April 2023

280

Units

As at August 2023, sold

24 Units



VISTA, Surfers Paradise, Gold Coast

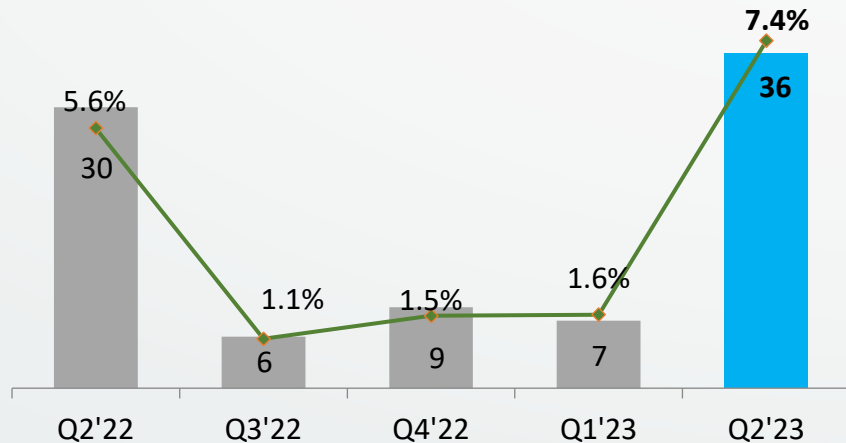


Segmental Reporting

Engineering, Construction & Environment

RM Million	Q2 (3M)			6M		
	FY2023	FY2022	Y-o-Y Growth %	FY2023	FY2022	Y-o-Y Growth %
Revenue	482	540	(10.7)%	941	1,152	(18.4)%
Profit	36	30	19.2%	43	56	(22.8)%
Margin* (%)	7.4%	5.6%		4.6%	4.8%	

Profit and Margins



Performance Discussion

Contributed 70% of Group Revenue, largely from: LRT3, Muara Sg Pahang Phase 3 project and PR1MA Brickfields project.

Lower revenue and profit largely due to the completion of DASH Package CB2, Kwasa Utama C8 and MRT Package V210 infrastructure projects in late 2022.

LRT3 project

Total Contract Value: RM11.4 bil	% Contract Value	% Physical Completion as at 30/6/2023
Systems works	25%	86%
Civil works	75%	87%

Open Tender book is RM30 bil.

External construction order book : RM26.1 bil; **Unbilled construction order book** : RM16.4 bil.

Note:
Figures are in RM'mil. and margins in %

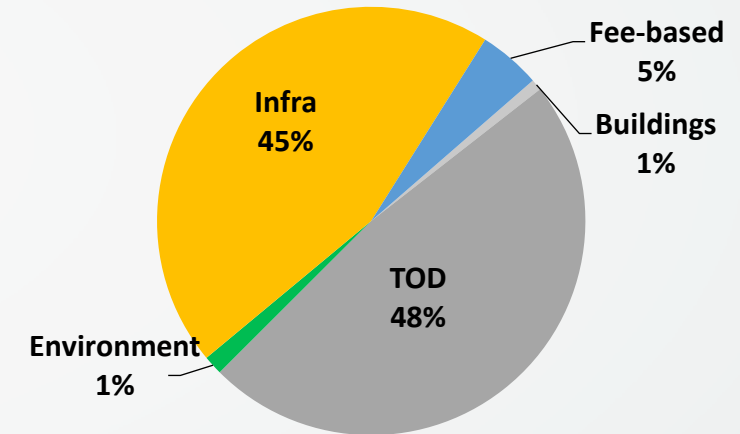
Segmental Reporting

Engineering, Construction & Environment: Order Book

Unbilled External Order Book – RM16,449 mil.¹ as at 30 June 2023

External Contracts (RM Million)	Contract Value	Progress ²
Buildings:		
FINAS	220	11%
Infrastructure:		
SUKE - CA2 Package	317	89%
LRT3	11,427	82%
Transit Oriented Development (TOD) projects:		
Bukit Jalil Sentral (provisional contract costs)	10,116	0%
Kwasa Utama C8 (provisional TCC)	2,435	0% ³
Environment:		
Muara Sg Pahang Phase 3	380	8%
Fee-based orders:		
Kwasa Utama, C8 - management contract	177	
Kwasa Land - PDP Infra	176	
Bukit Jalil Sentral - management contract	841	
Semarak City Phase 1 - management contract	27	
Total	26,116	

External Order Book Analysis



Top Projects

No	Project Name	Order Book Value	% of Total Order Book
1.	LRT3	11,427	43.8%
2.	Bukit Jalil Sentral	10,957	42.0%
3.	Kwasa Utama C8	2,612	10.0%
4.	Muara Sg Pahang Phase 3	380	1.5%
5.	SUKE – CA2 Package	317	1.2%

Note:

¹ Unbilled External Order Book excluding Bukit Jalil: RM5.4 bil.

² Denotes financial progress

³ Refers only to the remaining RM2.4 bn of the total contract value that has not yet been awarded.

Mitigate against concentration risk to ensure more consistent/sustainable returns

DIVERSIFICATION

NEW PROPERTY SEGMENTS

- **Industrial / logistics** segment
- Land **outside of Klang Valley and Selangor**

GEOGRAPHICAL EXPANSION

- Strengthen presence in **Australia**
- Establishing a new presence in **New Zealand**

NEW MARKETS

- Leverage on new trends and demand i.e. **growing aged population, millennial living/working preferences**
- **Waste-to-energy / renewable energy**
- **Modular construction**

The Symphony Centre, Auckland City Center

GDV

NZD 452 mil. (~RM1.3 bil.)

Location

Next to Aotea Square and above the future Aotea Station in mid-town CBD, at the intersection of Mayoral Drive and Wellesley Street

1.08
Acres

77
Units

Targeted
Launch
2024



The Symphony Centre, Auckland City Center



Bledisloe House, Auckland City Center

GDV

NZD 137 mil. (~RM0.4 bil.)

Location

A Government heritage building located next to The Symphony Centre

Targeted Development

2024

after the construction completion of the Aotea Central Station





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