



ANALYST BRIEFING

Quarter Ended 30 September 2021

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MRCB Financial Summary

MRCB 9M FY2021 Overview

Revenue RM 590 mil. ▼ 34% y-o-y	Loss Before Tax RM 63 mil. ▲ 67% y-o-y
Loss After Tax RM 68 mil. ▲ 67% y-o-y	Net Gearing 0.29x
Total Assets RM 8,043 mil.	Total Equity RM 4,472 mil.
Loss Per Share 1.34 sen ▲ 71% y-o-y	Market Cap RM 1,765 mil.

MRCB Segment Overview

	Property Development	Engineering & Construction	Others
Revenue RM mil.	346	206	38
Revenue Contribution	59%	35%	6%
Operating Profit RM mil. <i>Margin %</i>	18 5.1%	(52) (25.0)%	1 1.7%

9M FY2021 Key Numbers

RM165.2 mil. Property Sales	RM941.3 mil. Property Unbilled Sales	RM27.4 bil. External Construction Order Book ¹	RM19.9 bil. Construction Unbilled Order Book ²
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Order Book includes long term Bukit Jalil contract of RM10,957 mil.

¹ External Construction Order Book excluding Bukit Jalil: RM16.4 bil.

² Construction Unbilled Order Book excluding Bukit Jalil: RM9.0 bil.

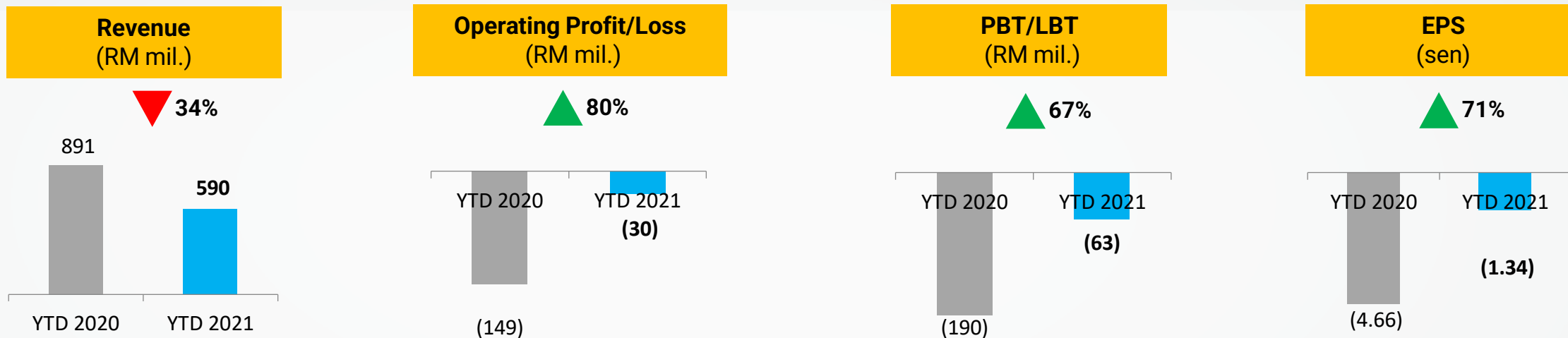
Note:

* EPS; Weighted Average No of Shares as at 30 Sept 2021 = 4,439,473,145

** Market Cap as at 30 Sept 2021; Number of Shares as at 30 Sept 2021 = 4,467,509,508 x RM0.395

Key Highlights

9M FY2021 vs 9M FY2020



Key Highlights

- The lower Revenue in 9M FY2021 was largely due to the EMCO and FMCO lockdowns, as well as major disruptions in the building materials supply chain, resulting in extensive construction site closures between June and August 2021.
- The 9M FY2021 also saw much lower contribution from 1060 Carnegie, in which only 45 units reached financial settlement vs 104 units in 9M FY2020.
- The lower loss recorded in 9M FY2021 was due to the one-off RM197.4 million provision made for the impairment of contract assets, trade and other receivables as a result of the pandemic in the corresponding period in 2020
- LRT3 contributed higher PAT of RM18.8 million in 9M FY2021, booked under Share of Results of JV via the Group's then 50%-owned LRT3 JV Setia Utama LRT 3 Sdn Bhd (SULSB – formerly known as MRCB George Kent Sdn Bhd) vs RM1.6 million in 9M FY2020. SULSB is wholly-owned from 13/10/2021. This has resulted in an increase in our External Construction Order Book by RM5.7 bil.
- Sentral REIT and Sentral REIT Management contributed PAT of RM14.0 million. vs RM12.1 million in 9M FY2020.
- Balance sheet remains strong, with net gearing of 0.29 times.

Key Highlights

MCO Impact on Project Sites

Legend:

Operation status / Workforce capacity

0%

<100%

100%, within
SOP compliance

External projects

Internal projects

1HFY2021

3QFY2021

2021 Lockdowns and National Recovery Plan	Duration	DASH	SUKE	MRT2	PR1MA	Sentral Suites	9 Seputeh (TRIA)	Alstonia	Kwasa C8
Recovering MCO (RMCO)	Jan 2021								
	Feb 2021								
	Mar 2021								
	Apr 2021								
	May 2021								
Conditional MCO (CMCO)	Jun 2021								
	Jul 2021								
	Aug 2021								
Full MCO (FMCO)	1 – 9 Sept 2021								
	10 – 30 Sept 2021								
Phase 1	1 – 17 Oct 2021								
	18 Oct until to date								
Phase 2									
Phase 3									
Phase 4									

Financial Performance

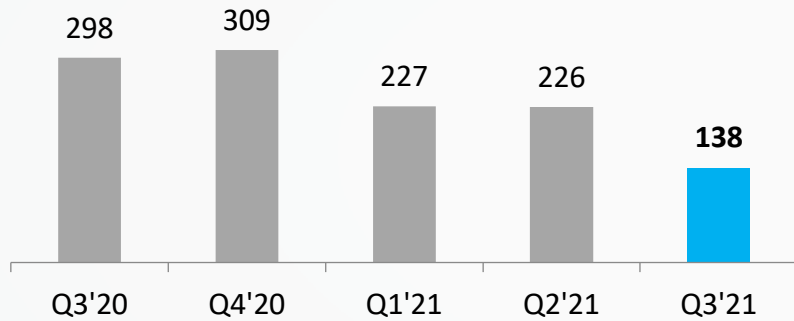
Profit & Loss

RM Million	Q3 (3M)			9M		
	FY2021	FY2020	Y-o-Y Growth %	FY2021	FY2020	Y-o-Y Growth %
Revenue	138	298	(53.7)%	590	891	(33.7)%
Other Operating Income	9	15	(36.9)%	27	33	(19.5)%
Total Revenue	147	313	(52.9)%	617	924	(33.2)%
Operating Expenses	164	293	(44.0)%	647	1,073	(39.7)%
Operating Profit/Loss	(17)	20	>(100)%	(30)	(149)	79.7%
<i>Operating Profit/Loss Margin (%)</i>	<i>(12.0)%</i>	<i>6.7%</i>		<i>(5.1)%</i>	<i>(16.8)%</i>	
Finance costs	23	18	27.6%	61	50	21.5%
Share of results of associates	5	4	8.3%	14	11	19.3%
Share of results of joint ventures	5	(1)	>100%	15	(2)	>100%
Profit/Loss before taxation	(30)	6	>100%	(63)	(190)	67.1%
Taxation	2	6	(70.8)%	5	15	(65.5)%
Profit/Loss for the period	(32)	(1)	>(100)%	(68)	(205)	67.0%
<i>PAT/LAT Margins (%)</i>	<i>(23.2)%</i>	<i>(0.3)%</i>		<i>(11.5)%</i>	<i>(23.1)%</i>	
EPS (sen)	(0.72)	(0.02)	>(100)%	(1.34)	(4.66)	71.2%

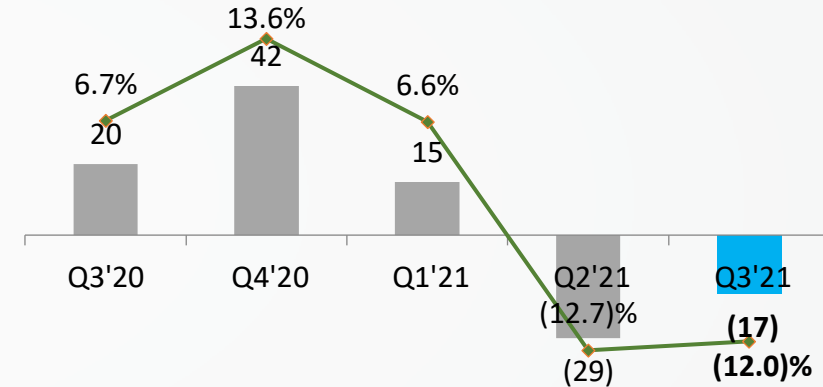
Financial Performance

Quarterly Analysis

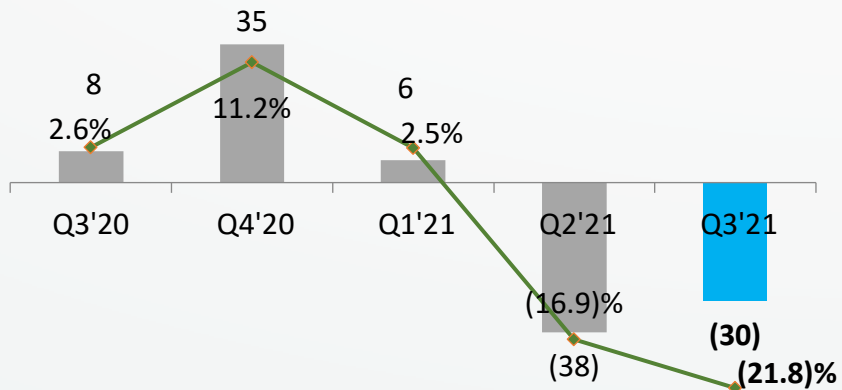
Revenue



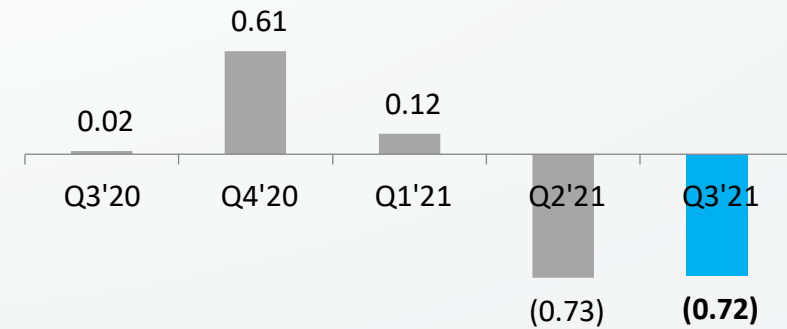
Operating Profit* and Margin*



PBT* and Margin*



EPS* (sen)



Note:

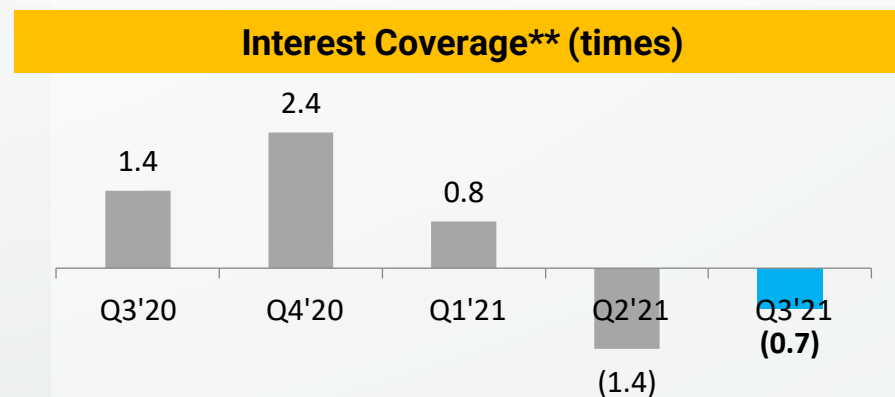
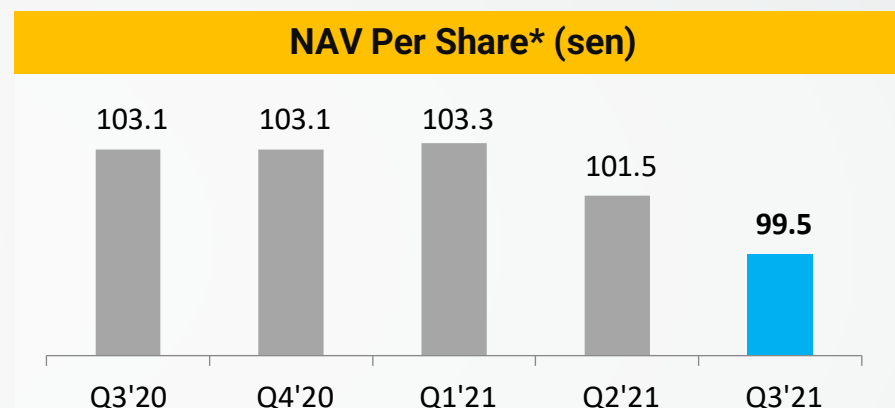
Figures are in RM'mil. and margins in %

* Excludes impairment provisions in Q2 FY2020

Financial Performance

Balance Sheet

RM Million	30 Sept 2021	30 June 2021
Total Assets		
Current Assets	2,623	2,712
Non-Current Assets	5,420	5,412
Assets held for sale	-	-
Total Assets	8,043	8,124
Total Liabilities		
Current Liabilities	1,551	1,589
Non-Current Liabilities	2,019	2,030
Total Liabilities	3,570	3,619
Total Equity		
Shareholder's Equity	4,444	4,477
Non Controlling Interests	28	28
Total Equity	4,472	4,505
Net assets per share attributable to the equity holders of the Company (sen)	99.5	101.5



Note:

* **NAV per share**; Number of Shares as at 30 June 2021 = 4,467,509,508

** Based on Profit from operations excluding impairment provisions in Q2 FY2020

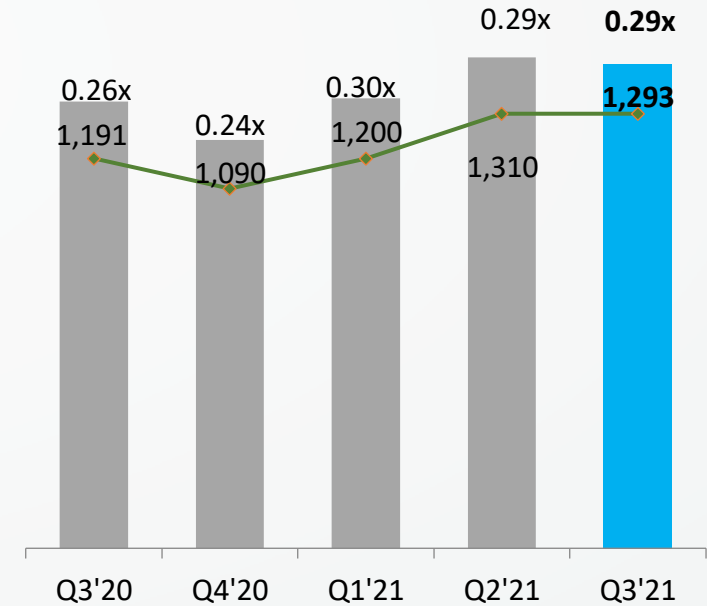
Financial Performance

Borrowings

Leverage Profile (RM Million)	30 Sept 2021	30 June 2021
Debt		
Short Term Borrowings	656	710
Long Term Borrowings	1,223	1,235
HP creditors	0	0
Total Debt	1,879	1,945
Less: Deposits, cash and bank balances	369	359
Other investment	217	276
Net Debt	1,293	1,310
Total equity	4,472	4,505
Net Gearing	0.29x	0.29x

Average funding cost has reduced from 3.93% in 31/12/2020 to 3.83% in 30/6/2021

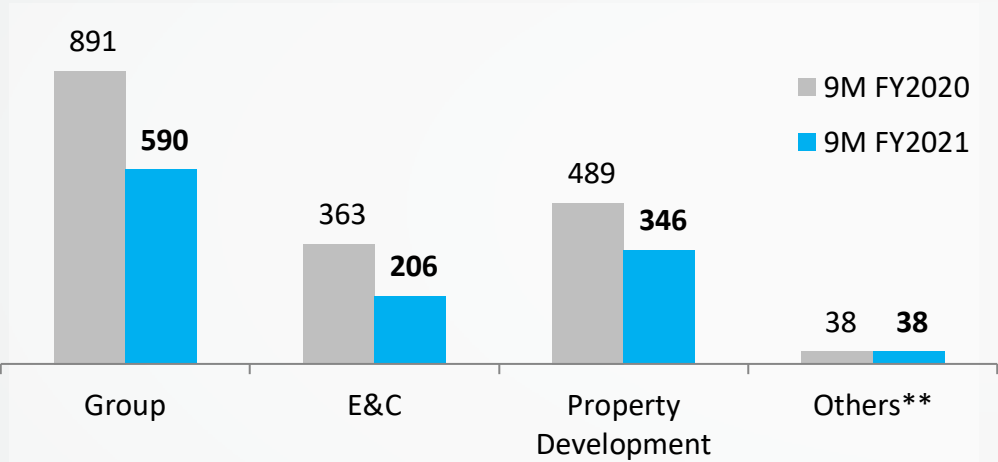
Net Debt and Gearing



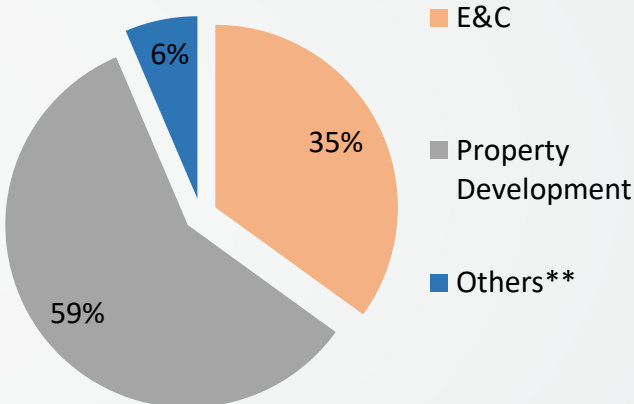
Segmental Reporting

Overview

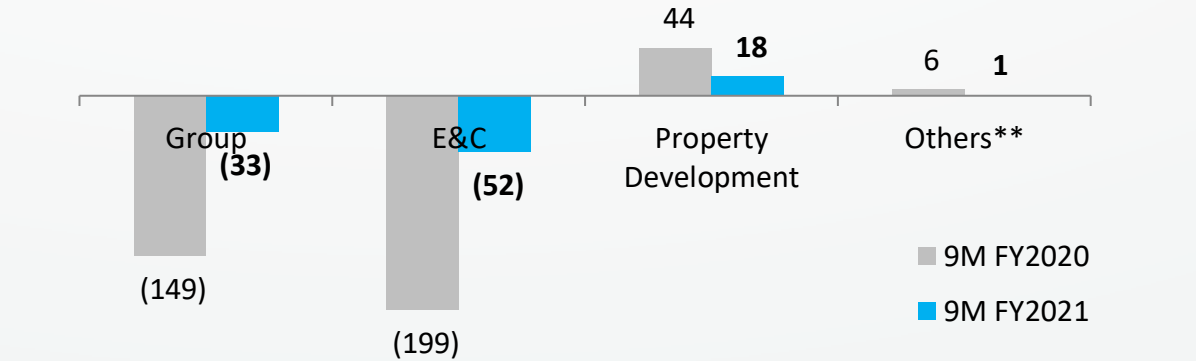
Revenue Split – RM590 mil.



Revenue Contribution Analysis



Segmental Profit Split – RM(33) mil.



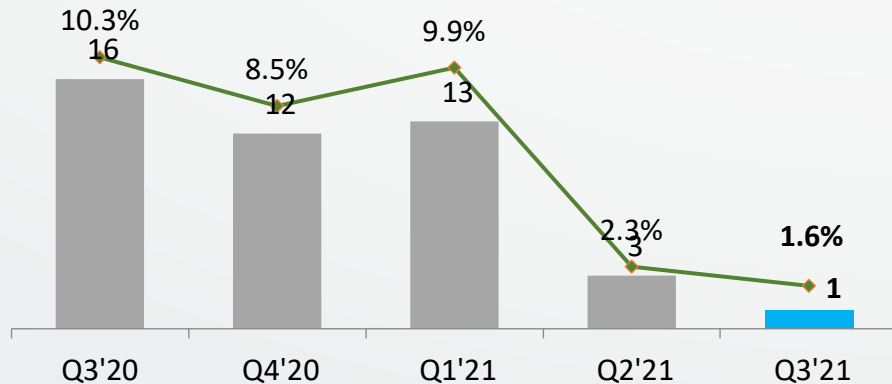
Note:
Figures are in RM'mil. and margins in %
** Others include Facilities Management & Parking and Others

Segmental Reporting – Key Highlights

Property Development & Investment

RM Million	Q3 (3M)			9M		
	FY2021	FY2020	Y-o-Y Growth %	FY2021	FY2020	Y-o-Y Growth %
Revenue	71	153	(53.6)%	346	489	(29.3)%
Profit	1	16	(92.7)%	18	44	(60.3)%
Margin* (%)	1.6%	10.3%		5.1%	9.1%	

Profit* and Margin*



Performance Discussion

Contributed 59% of Group revenue, largely from Sentral Suites in KL Sentral, the 9 Seputeh mixed residential development in Jalan Klang Lama and Alstonia in Bukit Rahman Putra; completed units from 1060 Carnegie in Melbourne; and recurring rental income from Celcom Tower in PJ Sentral Garden City and Plaza Alam Sentral in Shah Alam.

Sentral REIT and Sentral REIT Management contributed PAT of RM12.5 million.

Lower revenue and operating profit due to:

- Much lower contribution from 1060 Carnegie
 - Only 45 units reaching financial settlement in 9M FY2021 (Q1: 7 units; Q2: 35 units; Q3: 3 units) vs 104 units in 9M FY2020
 - 100% completed; 158 units settled out of 160 sold from 176 available units
- Slower construction progress due to further reinstatement of MCO from June to August 2021, resulting in lower revenue recognition from Sentral Suites (55% construction progress) and TRIA@9 Seputeh (55% construction progress) in Q3FY2021 vs Q2FY2021

Property Sales in 9M FY2021: RM165.2 mil, Unbilled Sales: RM 941.3 mil.

Segmental Reporting – Key Highlights

Property Development & Investment

Property Sales of RM165.2 Million

Project	Total Project GDV (RM'mil)	% Sales Achieved* as at 30 Sept 2021	Sales** Breakdown YTD 2021 (RM'mil)	54% from Completed Projects
Completed Projects				
Sentral Residences	1,439	<div><div></div></div> 99%	0.0	
VIVO 9 Seputeh	980	<div><div></div></div> 82%	6.4	
Kalista, Bukit Rahman Putra	102	<div><div></div></div> 85%	0.0	
1060 Carnegie – Residential	298	<div><div></div></div> 91%	59.8	
1060 Carnegie – Commercial	29	<div><div></div></div> 56%	15.9	
St. Regis	161	<div><div></div></div> 17%	6.9	
Easton Burwood	191	<div><div></div></div> 100%	1.0	
Ongoing Projects				
TRIA 9 Seputeh	934	<div><div></div></div> 41%	12.6	
Sentral Suites - Residential	1,535	<div><div></div></div> 84%	36.4	
Sentral Suites - Commercial	93	<div><div></div></div> 4%	3.2	
Alstonia, Bukit Rahman Putra	248	<div><div></div></div> 31%	13.2	
Amaryllis, SIDE C	41	<div><div></div></div> 94%	9.8	
TOTAL	6,051		165.2	46% 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 – Key Highlights

Property Development & Investment

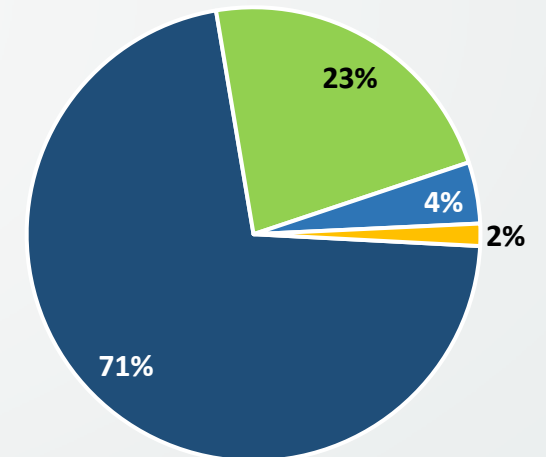
Total Unbilled Sales of RM941.3 Million

Project	Construction Progress	Revenue Recognised* 9M FY2021 (RM'mil)	Unbilled Sales (RM'mil)
Residential			
Sentral Suites	54.5%	119.0	673.2
TRIA 9 Seputeh	55.3%	64.0	212.0
Alstonia, Bukit Rahman Putra	22.4%	5.0	41.2
Amaryllis, SDEC	9.1%	0.7	14.9
TOTAL		188.7	941.3

100%
from
Residential

Breakdown of Unbilled Sales

■ Sentral Suites ■ TRIA ■ Alstonia ■ Amaryllis



Sentral Suites, which makes up 71% of Unbilled Sales, will contribute more revenue and profit as construction progresses

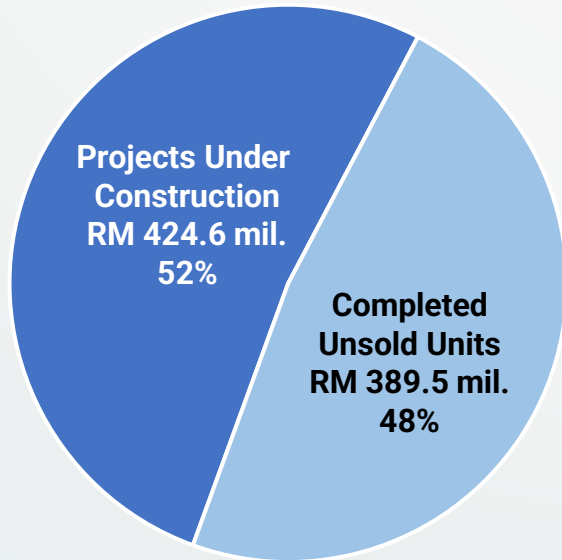
Segmental Reporting – Key Highlights

Property Development & Investment

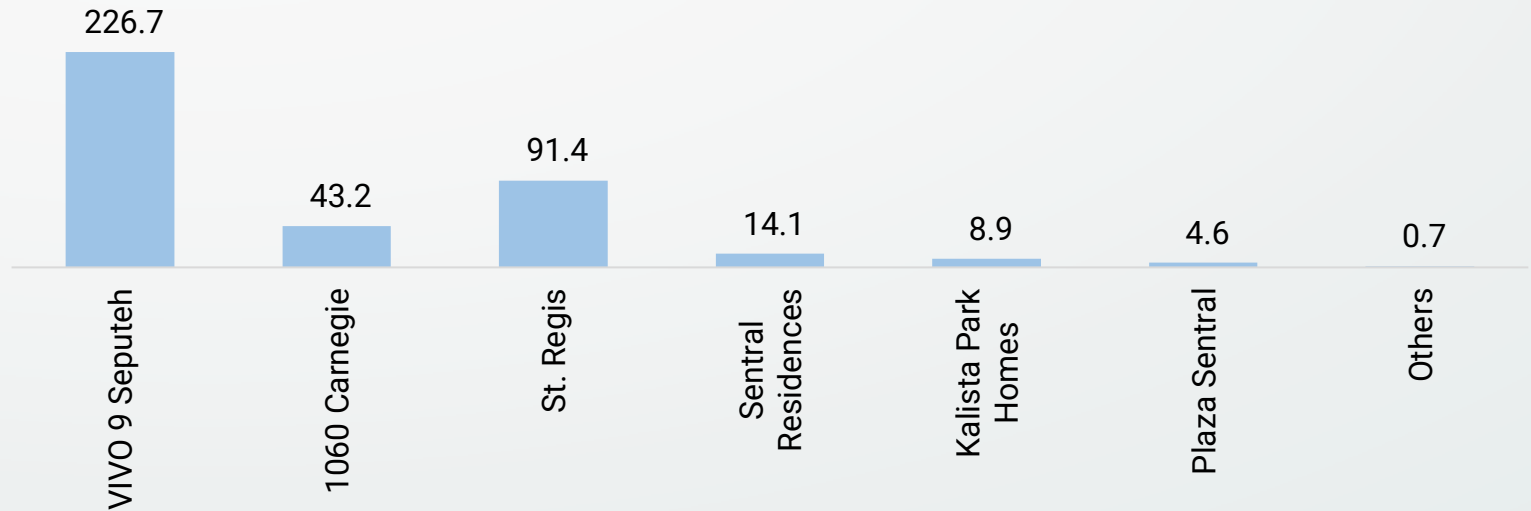
What We Have To Sell: RM0.8 Billion

Projects Under Construction	Completed Unsold Units	Total
RM424.6 mil.	RM389.5 mil.	RM814.1 mil.

Total excluding unlaunched retail/office units in VIVO 9 Seputeh = **RM249.6 mil.**



Breakdown of Completed Unsold Units (RM' mil.)



Property Development & Investment

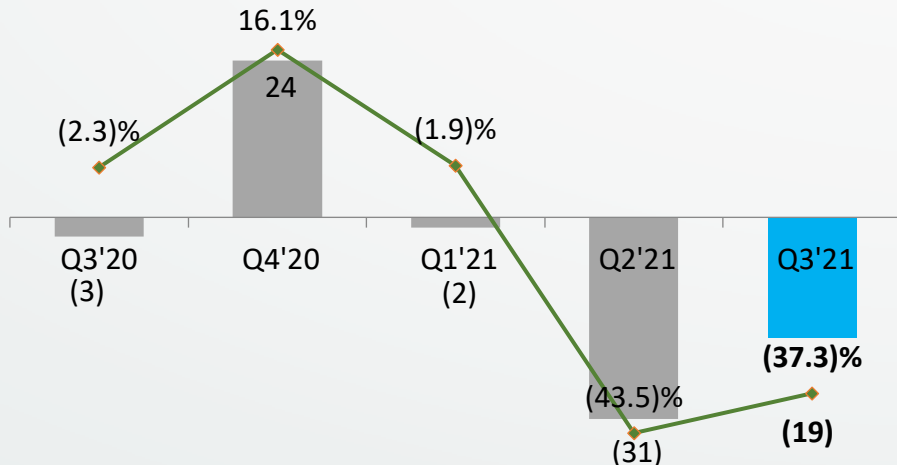
	Land Size (Acres)	GDV RM' mil.	% Stake	Start Date	Completion Date
Transport Oriented Developments					
KL Sentral	5.70	3,949	100%	2022	2027
PJ Sentral Garden City	11.91	2,700	100%	2013	2026
Penang Sentral	21.97	2,698	100%	2015	2027
Cyberjaya City Centre	41.45	5,350	70%	2017	2024
Kwasa Sentral	64.30	10,851	70%	2018	2030
Total	145.33	25,548			
Commercial Developments					
Pulai Land Johor	67.52	770	100%	TBD	TBD
Total	67.52	770			
Residential Developments					
9 Seputeh	17.63	2,680	100%	2014	2026
Sentral Suites	4.75	1,632	100%	2016	2021
1060 Carnegie, Melbourne	1.00	300	100%	2018	2020
Bukit Rahman Putra	14.18	642	100%	2016	2021
Bandar Sri Iskandar (Phase 2C, 2D & 3)	57.40	849	100%	2020	2035
Total	94.96	6,103			
Others					
Suria Subang	3.20	TBD	100%	TBD	TBD
Selbourne 2 Shah Alam	2.37	TBD	100%	TBD	TBD
Metro Spectacular Land, Jalan Putra	10.06	TBD	100%	TBD	TBD
Bukit Beruntung	1.38	TBD	100%	TBD	TBD
Simpang Pulai, Ipoh	22.02	307	100%	TBD	TBD
Total	39.03	307			
Grand Total	346.84	32,727			

Segmental Reporting – Key Highlights

Engineering, Construction & Environment

RM Million	Q3 (3M)			9M		
	FY2021	FY2020	Y-o-Y Growth %	FY2021	FY2020	Y-o-Y Growth %
Revenue	50	132	(62.0)%	206	363	(43.2)%
Profit	(19)	(3)	>100%	(52)	(199)	(74.0)%
Margin* (%)	(37.3)%	(2.3)%		(25.0)%	(54.7)%	

Profit* and Margin*



Performance Discussion

Contributed 35% of Group Revenue, largely from: EPF Headquarters at Kwasa Sentral, and the DASH, MRT2 and SUKE projects.

Lower revenue compared to the corresponding period in 2020 was mainly due to the EMCO and FMCO, as well as major disruptions in the building materials supply chain.

The lower loss in 9M FY2021 was due to a RM197.4 million provision made in 2020 for the impairment of contract assets, trade and other receivables as a result of the pandemic.

LRT3 project contributed higher profit after tax of RM18.8 mil vs RM1.6 mil in 2020 due to higher construction progress achieved in 2021. The Group will recognise 100% of profits moving forward.

External construction order book : RM27.4 bil.

Unbilled construction order book : RM19.9 bil.

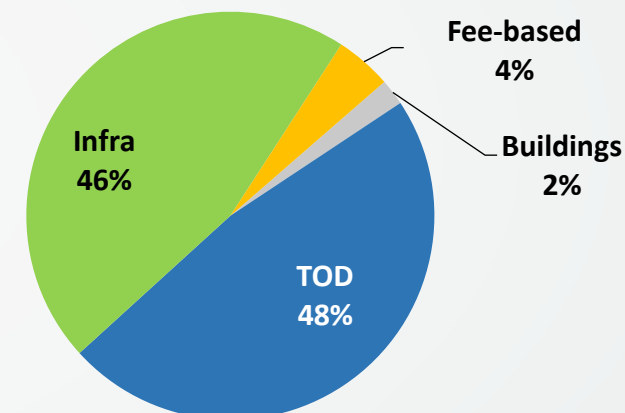
Key Highlights & Activities

Engineering, Construction & Environment: Order Book

Unbilled External Order Book – RM19,917 mil.* as at 30 Sept 2021

External Contracts (RM Million)	Contract Value	Progress***
Buildings:		
Desaru Convention Centre	62	99%
PR1MA Brickfields	335	20%
FINAS	170	8%
Infra:		
MRT2 V210 Package - 2.6km Guideway	497	89%
SUKE - CA2 Package	317	60%
LRT3**	11,372	61%
DASH – CB2 Package	393	85%
Transit Oriented Development (TOD) projects:		
Bukit Jalil Sentral (provisional contract costs)	10,116	0%
Kwasa Utama C8 (provisional TCC)	2,916	57%
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	27,399	

External Order Book Analysis



Top Projects

No	Project Name	Order Book Value	% of Total Order Book
1.	LRT3	11,372	41.5%
2.	Bukit Jalil Sentral	10,957	40.0%
3.	Kwasa Utama C8	3,093	11.3%
4.	MRT2 – V210 Package	497	1.8%
5.	DASH – CB2 Package	393	1.4%
6.	PR1MA Brickfields	335	1.2%

Note:

* Unbilled External Order Book excluding Bukit Jalil: RM9.0 bil.

** Contract value after acquisition of remaining equity interest in SULSB; progress shown is physical progress

*** Denotes financial progress



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