



ANALYST BRIEFING

Quarter Ended 30 September 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

53% 

reduction in Scope 1 and Scope 2 carbon emissions intensity in 3Q FY2023 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**
- **Early adopter** of Bursa Malaysia's **Centralised Sustainability Intelligence Platform** for the construction sector

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**
- **Silver Award** for Most Consistent Performer Over 5 Years at the **2023 The Edge ESG Awards**

MRCB Financial Summary

MRCB 9M FY2023 Overview

Revenue RM 1,845 mil. ▼ (22)% y-o-y	Profit Before Tax RM 55 mil. ▼ (53)% y-o-y
Profit After Tax RM 21 mil. ▼ (48)% y-o-y	Net Gearing 0.30x
Total Assets RM 8,939 mil.	Total Equity RM 4,513 mil.
Earnings Per Share 0.47 sen ▼ (59)% y-o-y	Market Cap RM 2,055 mil.

MRCB Segment Overview

	Property Development	Engineering & Construction	Others
Revenue RM mil.	460	1,338	48
Revenue Contribution	25%	72%	3%
Operating Profit RM mil.	36	88	2
Margin %	7.8%	6.6%	3.7%

9M FY2023 Key Numbers

RM459.4 mil. Property Sales	RM33.6 mil. Property Unbilled Sales	RM26.1 bil. External Construction Order Book ¹	RM16.1 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: RM5.1 bil.

Note:

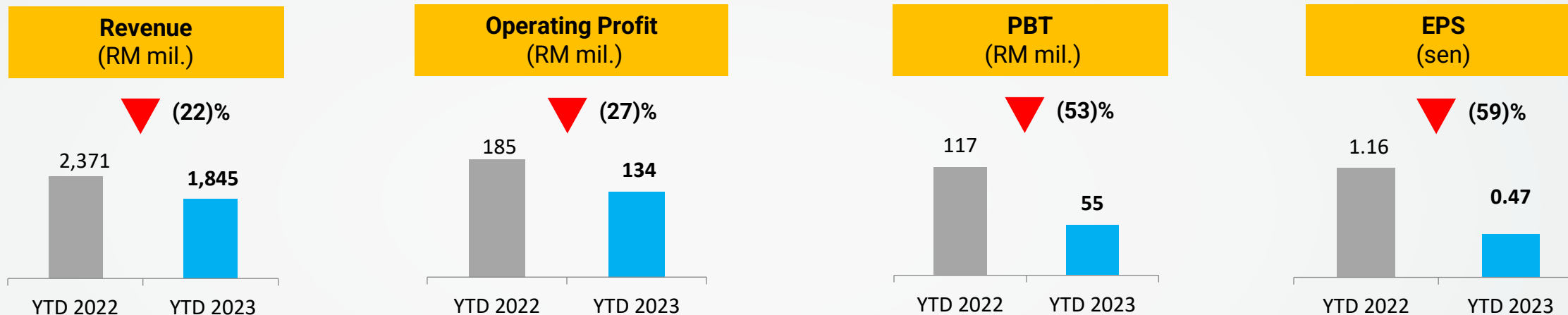
* EPS; Weighted Average No of Shares as at 30 September 2023 = 4,467,509,508

** Market Cap as at 30 September 2023; Number of Shares as at 30 September 2023 = 4,467,509,508 x RM0.460

Due to rounding, numbers presented throughout this and other pages may not add up precisely to the totals provided

Key Highlights

9M FY2023 vs 9M FY2022



Key Highlights

- Lower Revenue and Profit in 9M FY2023 mainly due to the completion of three major infrastructure construction projects in late 2022 and the completion of two major property development projects in H1 2023.
- Higher profit in 2022 was also due to an RM18 million Other Operating Income contribution from the value of land injected into SIDEC.
- Higher profit contribution from ECE Division in 9M FY2023 vs 9M FY2022 contributed by the LRT3 project.
- Disposal of Menara CelcomDigi to Sentral REIT for RM450 million expected to be completed in 4Q 2023.
- Growth to be driven by RM1.5 billion of launches in Australia and Malaysia in 2023 and RM4.0 billion of new launches in New Zealand and Malaysia for 2024, along with a RM30 billion tender book, in addition to the potential redevelopments of Stadium Shah Alam and KL Sentral Station.

Financial Performance

Profit & Loss

RM Million	Q3 (3M)			9M		
	FY2023	FY2022	Y-o-Y Growth %	FY2023	FY2022	Y-o-Y Growth %
Revenue	504	860	(41.4)%	1,845	2,371	(22.2)%
Other Operating Income	10	6	64.5%	31	41	(24.7)%
Operating Expenses	(467)	(787)	(40.6)%	(1,742)	(2,228)	(21.8)%
Operating Profit	46	79	(41.2)%	134	185	(27.4)%
<i>Operating Profit Margin (%)</i>	9.2%	9.2%		7.3%	7.8%	
Finance costs	(30)	(24)	24.2%	(87)	(72)	20.8%
Share of results of associates	4	3	11.6%	11	7	57.2%
Share of results of joint ventures	(1)	(1)	5.3%	(4)	(3)	14.9%
Profit before taxation	19	57	(67.1)%	55	117	(53.2)%
Taxation	(17)	(41)	(58.3)%	(34)	(76)	(56.0)%
Profit for the period	2	16	(90.3)%	21	40	(48.0)%
<i>PAT Margins (%)</i>	0.3%	1.8%		1.1%	1.7%	
EPS (sen)	0.03	0.53	(94.3)%	0.47	1.16	(59.5)%

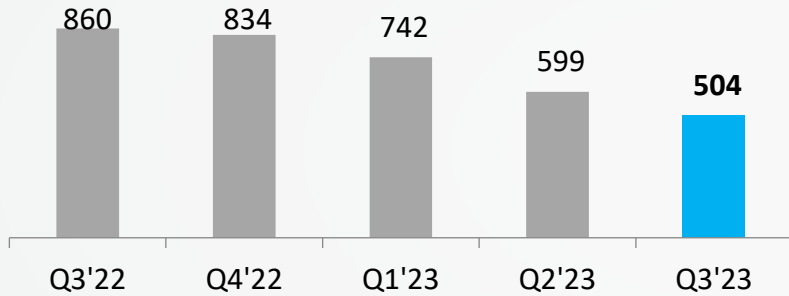
Note:

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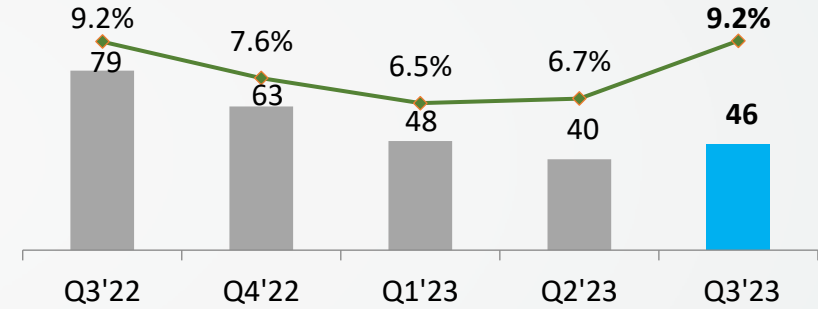
Financial Performance

Quarterly Analysis

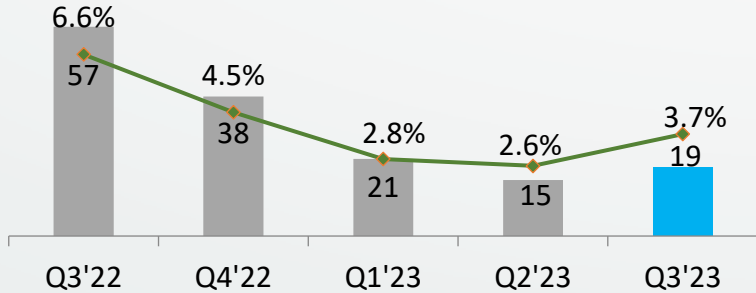
Revenue



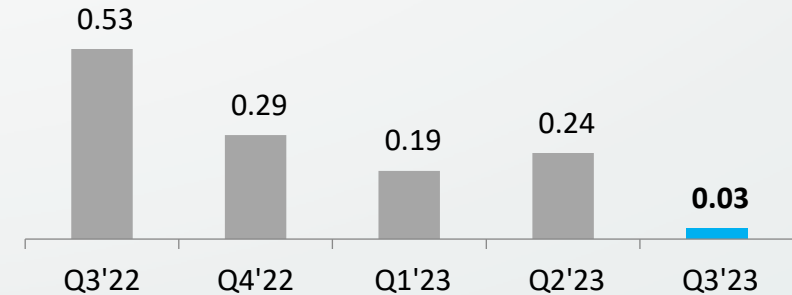
Operating Profit and Margin



PBT and Margin



EPS (sen)



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

Financial Performance

Tax Analysis – Q3 2023

RM('million)	PBT	CY Tax	Over/(Under)	DTA	Tax Expense	% Tax over PBT
In Malaysia						
Profit Generating Companies	165	(59)	(0.1)	15	(44)	26%
Loss Generating Companies with DTA	(33)	-	(0.2)	7	8	23%
Loss Generating Companies with Tax	(8)	(3)	(0.5)	(0.3)	(4)	(51)%
Loss Generating Companies without DTA	(24)	-	-	-	-	0%
Sub-total for Malaysia Companies	100	(62)	(0.4)	22	(40)	40%
Sub-total for Foreign Companies	(8)	(2)	0	4	2	25%
Total for MRCB Group	92	(64)	(0.4)	27	(38)	41%
Less: Consolidation adjustments	(37)				5	12%
Total	55				(34)	61%

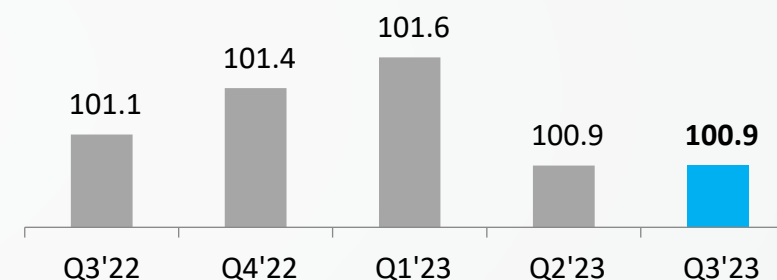
The high tax rate for the 9-months ended 30 September 2023 was due to the higher under provision of tax in previous year, loss generating subsidiary companies but without DTA and consolidation adjustments

Financial Performance

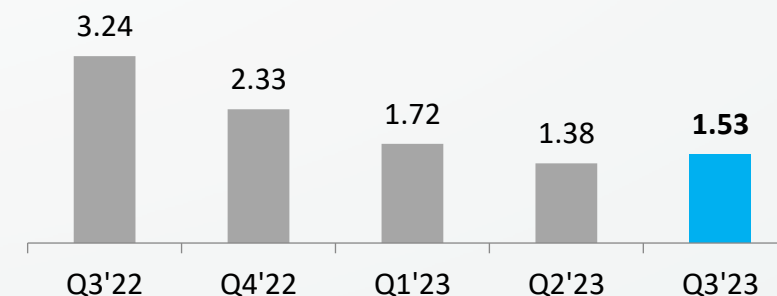
Balance Sheet

RM Million	30 Sept 2023	31 Dec 2022
		(audited)
Total Assets		
Current Assets	3,250	3,547
Non-Current Assets	5,689	5,681
Total Assets	8,939	9,228
Total Liabilities		
Current Liabilities	2,160	2,697
Non-Current Liabilities	2,266	1,995
Total Liabilities	4,426	4,692
Total Equity		
Shareholder's Equity	4,507	4,531
Non Controlling Interests	6	6
Total Equity	4,513	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:

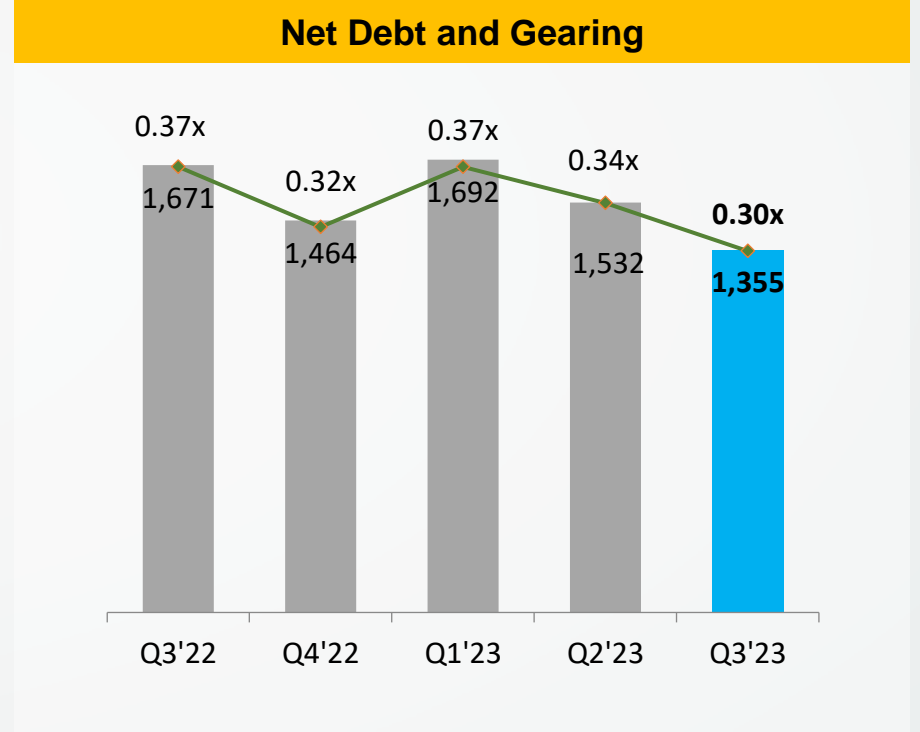
* NAV per share; Number of Shares as of 30 September 2023 = 4,467,509,508

** Based on Profit from operations

Financial Performance

Borrowings

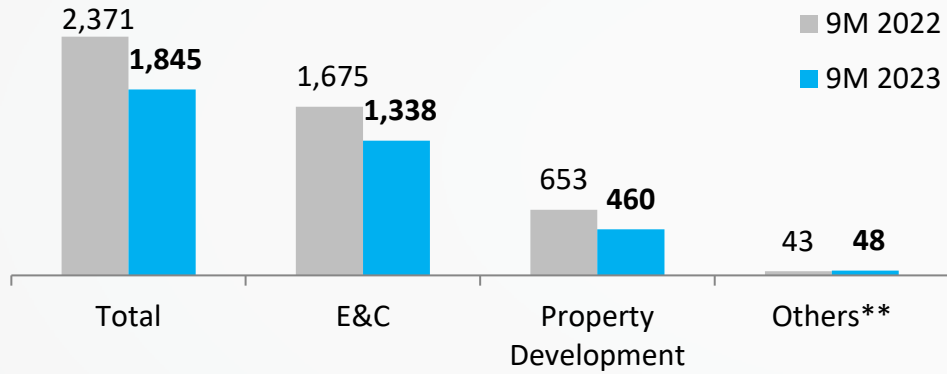
Debt Profile (RM Million)	30 Sept 2023	31 Dec 2022 (audited)
Debt		
Short Term Borrowings	459	841
Long Term Borrowings	1,492	1,216
Total Debt	1,951	2,057
Less: Deposits, cash and bank balances	596	534
Other investment	0	59
Net Debt	1,355	1,464
Total equity	4,513	4,537
Net Gearing	0.30x	0.32x



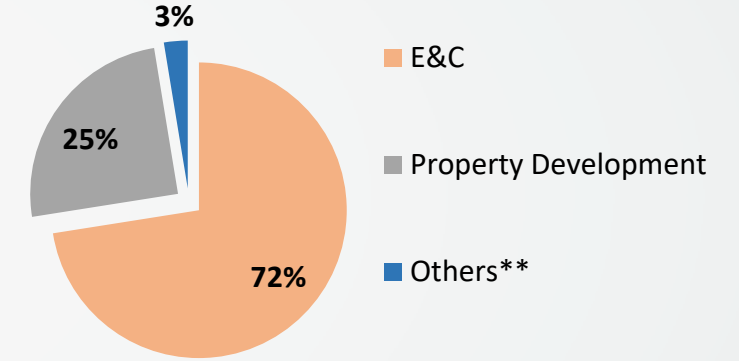
Segmental Reporting

Overview

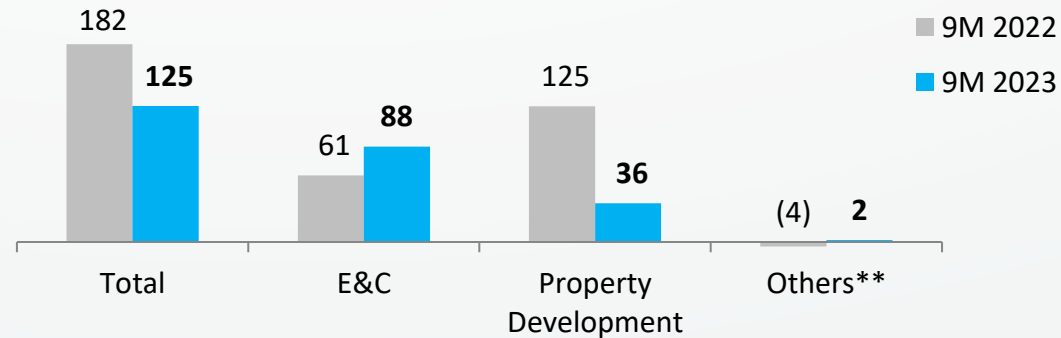
Revenue Split – RM1,845 million



Revenue Contribution Analysis



Segmental Profit Split – RM125 million



Note:

Figures are in RM'mil. and margins in %

** **Others** include Facilities Management & Parking and Others

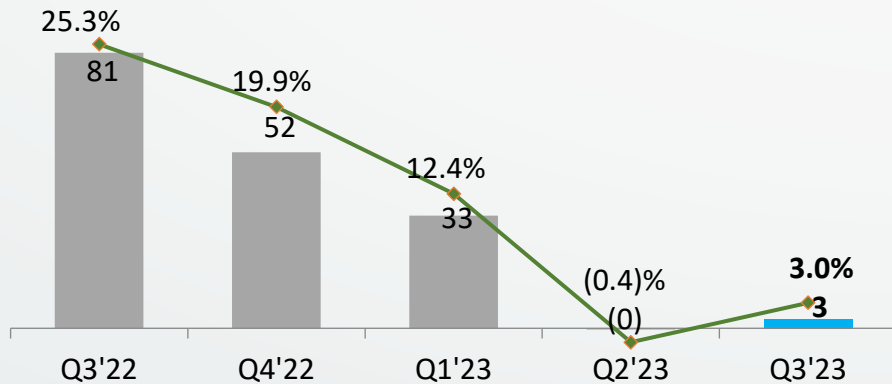
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Segmental Reporting

Property Development & Investment

RM Million	Q3 (3M)			9M		
	FY2023	FY2022	Y-o-Y Growth %	FY2023	FY2022	Y-o-Y Growth %
Revenue	90	322	(72.0)%	460	654	(29.7)%
Profit	3	81	(96.6)%	36	125	(71.4)%
Margin* (%)	3.0%	25.3%		7.8%	19.1%	

Profit and Margins



Performance Discussion

Contributed 25% of Group revenue 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 RM11.7 million.

Lower revenue and profit due to:-

- The completion of Sentral Suites in March 2023 and the completion of TRIA 9 Seputeh in May 2023; and
- The higher profit in 2022 also due to RM18 million contribution from the value of the remaining land injected into SIDEC.

Property Sales for 9-month ended Sept 2023: RM459.4 million, Unbilled Sales: RM33.6 million.
Sales for 10-month ended Oct 2023 : RM512.7 million.

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

Segmental Reporting

Property Development & Investment

Property Sales of RM459.4 Million

Project	Total Project GDV (RM'mil)	% Sales Achieved* as at 30 September 2023	Sales** Breakdown YTD 2023 (RM'mil)
Completed Projects			
Sentral Suites - Residential	1,535	88%	62.7
Sentral Suites - Commercial	102	51%	14.8
VIVO 9 Seputeh – Residential	982	87%	33.6
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	74%	180.3
Ongoing Projects			
Alstonia, Bukit Rahman Putra	248	62%	25.6
Amaryllis, SIDEC	17	100%	0.6
Lilium, SIDEC	32	61%	8.6
26 VISTA, Gold Coast, Australia	1,173	10%	122.2
TOTAL	5,886		459.4

66%
from Completed Projects

34%
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.

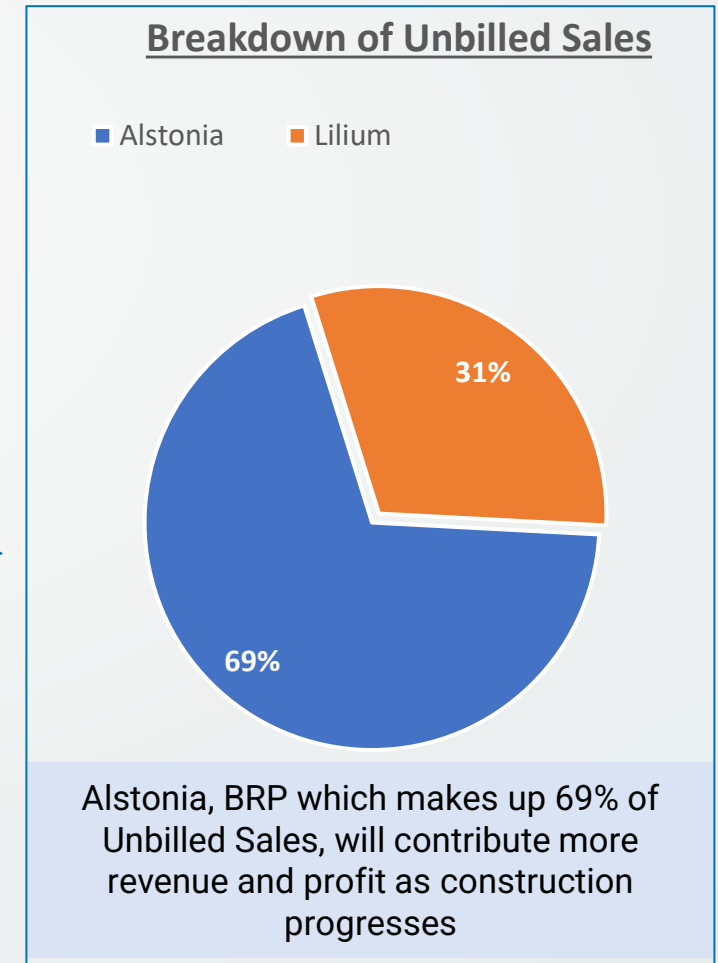
** Sales are the total value of SPAs signed and stamped YTD.

Segmental Reporting

Property Development & Investment

Total Unbilled Sales from Ongoing Projects of RM33.6 Million

Project	Construction Progress	Revenue Recognised* In FY2023 (RM'mil)	Unbilled Sales** (RM'mil)
Residential			
Alstonia, Bukit Rahman Putra	80.0%	40.5	23.3
Lilium, SIDEC	55.3%	8.8	10.3
TOTAL		49.3	33.6

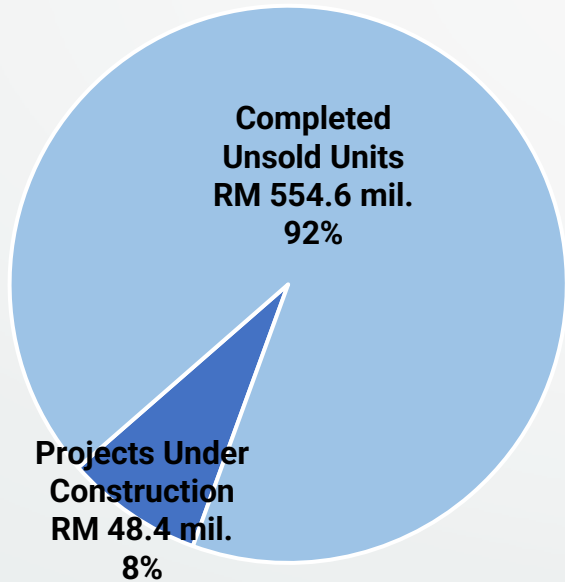


Segmental Reporting

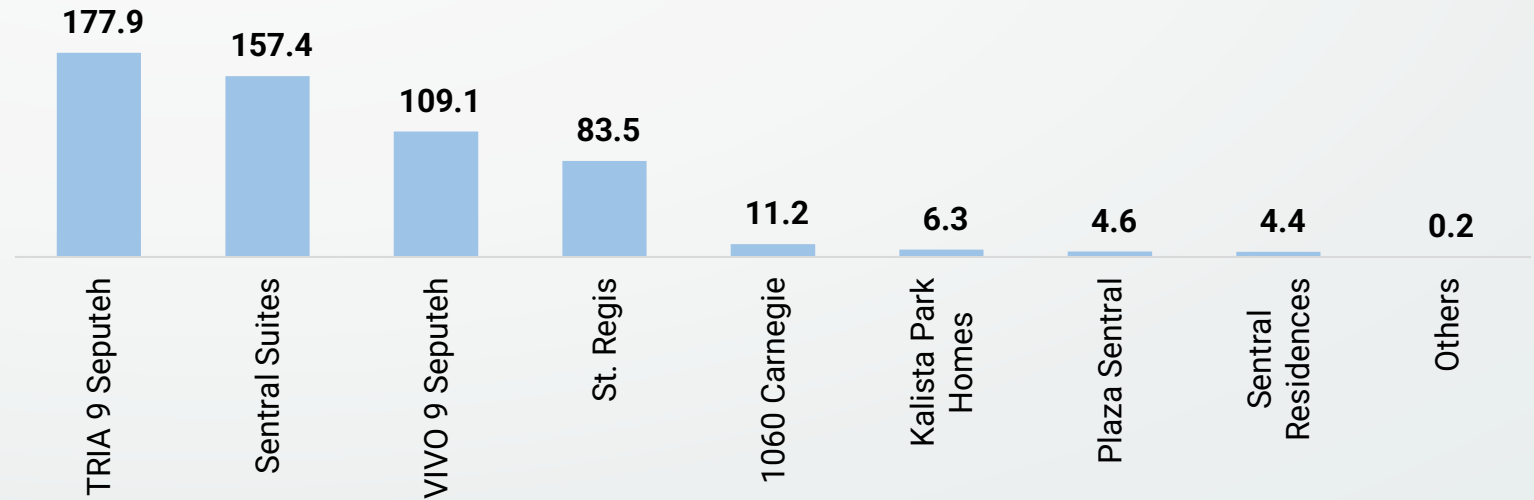
Property Development & Investment

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

Unsold Projects Under Construction	Completed Unsold Units*	Total
RM48.4 million	RM554.6 million	RM603.0 million



Breakdown of Completed Unsold Units (RM' million)



Segmental Reporting

Property Development & Investment

Property Projects in the Pipeline – RM6.8 Billion*

2023 Launches		GDV	Units
VISTA, Surfer's Paradise, Gold Coast	2Q**	~1,200 (AUD391 mil)	280
Kwasa Sentral Plot F (Residensi Tujuh)	4Q	RM384 mil	573
Total 2023		RM1,584 mil	853 units
2024 Launches			
The Symphony Center, Auckland	2Q	~1,300 (NZD452 mil)	77
Bledisloe House, Auckland City Center	TBD	~0.4 bil (NZD137 mil)	En Bloc
Bukit Jalil Sentral, Phase 1A and 1B	4Q	RM900 mil	1,200
Lot F, KL Sentral CBD	4Q	RM1,000 mil	TBD
9 Seputeh, Parcel A	4Q	RM400 mil	490
Total 2024		RM4,000 mil	1,767 units
2025 Launches			
Lot R, KL Sentral CBD	2Q	RM72 mil	110
Tower 1, PJ Sentral	TBD	RM626 mil	900
Tower 5, PJ Sentral	TBD	RM486 mil	En Bloc
Total 2025		RM1,184 mil	1,010 units

Note:

* Expected launch dates, GDV and units are subject to changes, depending on prevailing property market

** Launched in April 2023

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 in

April 2023

280

Units

Sales rate as of October 2023

12%



VISTA, Surfers Paradise, Gold Coast



Residensi Tujuh, Kwasa Damansara City Center

GDV

RM384 mil.

Location

Kwasa Damansara City Centre, a neo-urban city featuring a 94-acre integrated development that will feature world-class infrastructures.

29
Storeys

573
Units

Launched in
Sept
2023



Residensi Tujuh



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

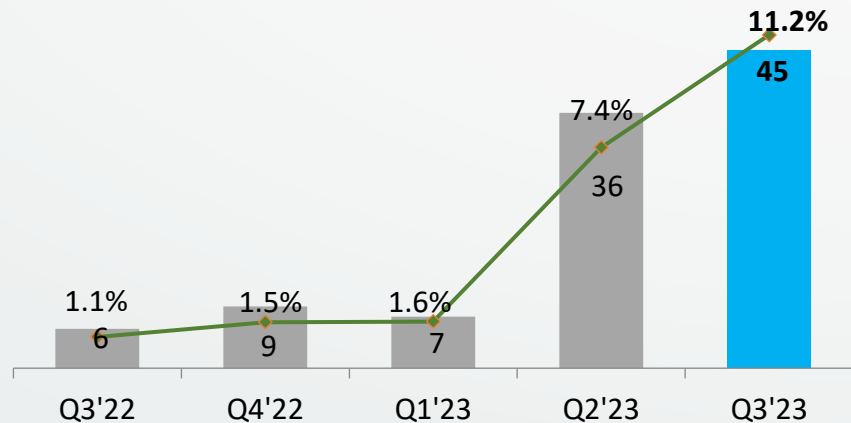


Segmental Reporting

Engineering, Construction & Environment

RM Million	Q3 (3M)			9M		
	FY2023	FY2022	Y-o-Y Growth %	FY2023	FY2022	Y-o-Y Growth %
Revenue	397	523	(23.9)%	1,338	1,675	(20.1)%
Profit	45	6	706.5%	88	61	43.1%
Margin* (%)	11.2%	1.1%		6.6%	3.7%	

Profit and Margins



Performance Discussion

Contributed 72% of Group Revenue from: LRT3 and Muara Sg Pahang Phase 3 project

Lower revenue and higher profit due to:

- The lower revenue due to completion of DASH Package CB2, Kwasa Utama C8 and MRT Package V210 infrastructure projects in late 2022; and
- The higher profit was from the LRT3 project

LRT3 project achieved physical construction progress of 89% and financial progress of 85% as at 30 Sept 2023:

Total Contract Value: RM11.4 bil	% Contract Value	% Physical Completion
Systems works	25%	87%
Civil works	75%	91%

Tenderbook: RM30 bil. (excl. potential redevelopment of Shah Alam Stadium and KL Sentral Station)
External Order book: RM26.1 billion; Unbilled: RM16.1 billion

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

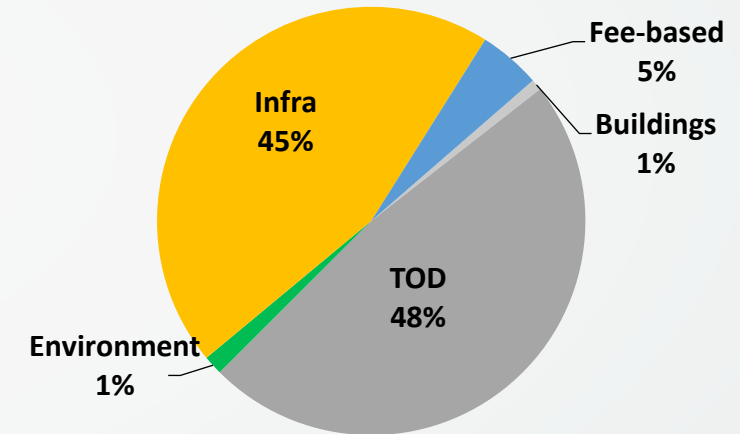
Segmental Reporting

Engineering, Construction & Environment: Order Book

Unbilled External Order Book – RM16,089 mil.¹ as at 30 September 2023

External Contracts (RM Million)	Contract Value	Progress ²
Buildings:		
FINAS	220	13%
Infrastructure:		
SUKE - CA2 Package	317	90%
LRT3	11,427	85%
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	16%
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%



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