



ANALYST BRIEFING

Quarter Ended 31 December 2020

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Table of Contents

- 3** Our Response To COVID-19
- 4** MRCB Financial Summary
- 5** Key Highlights
- 6** Financial Performance
- 10** Segmental Reporting: Overview
- 11** Segmental Reporting:
Property Development & Investment
- 16** Segmental Reporting:
Engineering, Construction & Environment

Our Response To COVID-19

Ensuring A Sustainable Business

Immediate Response

Activated Business Continuity Plan

- Work-from-home implemented seamlessly
- Work at all sites resumed upon implementation of CMCO
- Repurposed marketing budget into rebates/packages for customers
- Conducted sales and marketing activities digitally

Conducted deep business impact assessment

- Ongoing risk assessment and mitigation

Ensured wellbeing of staff and customers

- Introduced SOPs to ensure well-being of employees/customers are safeguarded

Long-term Response to COVID-19 Impact

Revisit the Group's Strategy

- Review upcoming launches
- Ongoing review of organisational structure

Embarked on austerity and cost cutting measures

- Cutting corporate overheads
- All Senior Management have taken a temporary 30% salary cut and reductions in certain benefits/allowances
- Salary cuts and reduction of allowances for employees above a certain grade level

Increased Corporate Social Responsibility Activities Relating to COVID-19

Donated and sponsored **RM1.4 Million** through MRCB's CSR activities and Yayasan MRCB

MRCB Financial Summary

MRCB FY2020 Overview

Revenue RM 1,199 mil. ▼ 9% y-o-y	Loss Before Tax RM (153) mil. ▼ >100% y-o-y
Loss After Tax RM (176) mil. ▼ >100% y-o-y	Net Gearing 0.24x
Total Assets RM 8,353 mil.	Total Equity RM 4,589 mil.
Loss Per Share (3.99) sen ▼ >100% y-o-y	Market Cap RM 2,096 mil.

MRCB Segment Overview

	Property Development	Engineering & Construction	Others
Revenue RM mil.	635	515	49
Revenue Contribution	53%	43%	4%
Operating Profit RM mil. <i>Margin %</i>	47 7.4%	(174) (33.9)%	8 15.5%

FY2020 Key Numbers

RM187 mil. Property Sales	RM1.1 bil. Property Unbilled Sales	RM21.7 bil. External Construction Order Book	RM20.5 bil. Construction Unbilled Order Book
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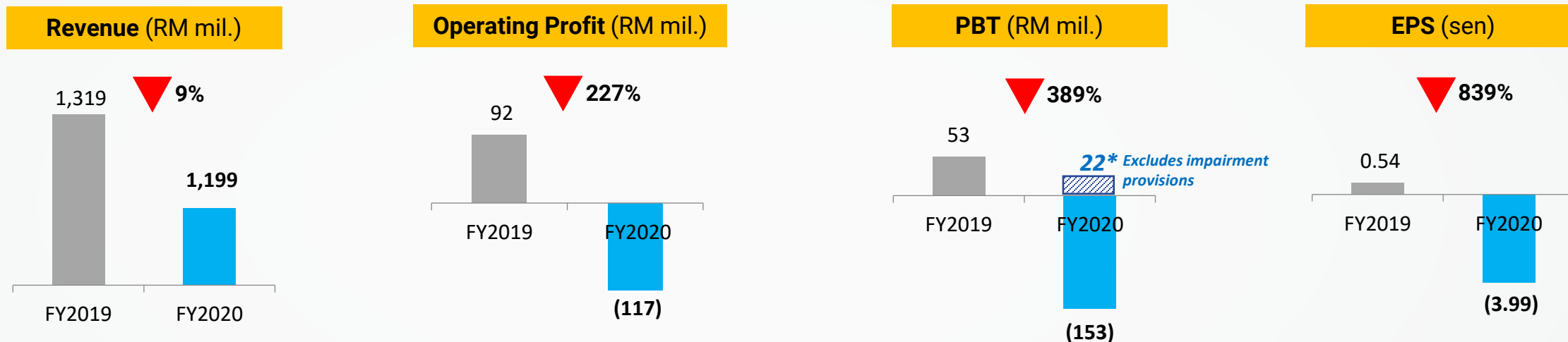
Note:

* **EPS**; Weighted Average No of Shares as at 31 December 2020 = 4,412,046,269

** **Market Cap** as at 31 December 2020; Number of Shares as at 31 December 2020 = 4,412,046,269 x RM0.475

Key Highlights

FY2020 vs. FY2019



Key Highlights

- The lower revenue and profit recorded in FY2020 was mainly due to the prolonged restrictions implemented throughout 2020 and RM175.3 million impairment provisions relating to completed construction projects impacted by the pandemic.
- Revenue largely contributed by Property Development & Investment Division, which was driven by revenue recognition from 1060 Carnegie in Melbourne, but slowed in the 2nd half due to COVID-19 lockdowns in Victoria State, Melbourne.
- Excluding these provisions, the Group would have recorded a profit of RM22.4 million in FY2020, despite the total halt of construction during the MCO period and the low productivity during the CMCO period.
- The decline in Profit Before Tax compared to the corresponding period in 2019 is further amplified by the gain before tax of RM58.8 million from the disposal of the Group's entire 30% equity interest in One IFC Sdn Bhd recorded in Q2 FY2019.
- LRT3 contributed higher PAT of RM8.1 million FY2020 (booked under Share of Results of JV) compared to RM0.6 million in FY2019.
- Sentral REIT and Sentral REIT Management contributed PAT of RM16.0 million.
- Balance sheet remains strong, with net gearing recorded at 0.24 times.

Financial Performance

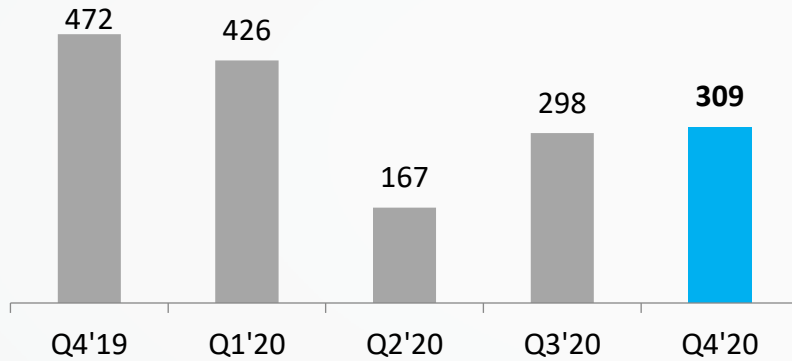
Profit & Loss

RM Million	Q4 (3M)			12M		
	FY2020	FY2019	Y-o-Y Growth %	FY2020	FY2019	Y-o-Y Growth %
Revenue	309	472	(34.5)%	1,199	1,319	(9.1)%
Other Operating Income	14	12	16.5%	48	101	(52.7)%
Total Revenue	323	484	(33.2)%	1,247	1,420	(12.2)%
Operating Expenses	281	457	(38.5)%	1,364	1,328	2.7%
Operating Profit/(Loss)	42	27	57.3%	(117)	92	>(100)%
<i>Operating Profit/(Loss) Margin (%)</i>	13.6%	5.7%		(9.8)%	7.0%	
Finance costs	18	7	>100%	55	46	21.0%
Share of results of associates	5	3	88.3%	16	11	44.5%
Share of results of joint ventures	6	(2)	>(100)%	3	(5)	>(100)%
Profit/(Loss) before taxation	35	20	69.4%	(153)	53	>(100)%
Taxation	7	13	(43.2)%	23	34	(33.0)%
Profit/Loss for the period	27	7	>100%	(176)	19	>(100)%
<i>PAT/(LAT) Margins (%)</i>	8.8%	1.6%		(14.7)%	1.4%	
EPS (sen)	0.61	0.14	>100%	(3.99)	0.54	>(100)%

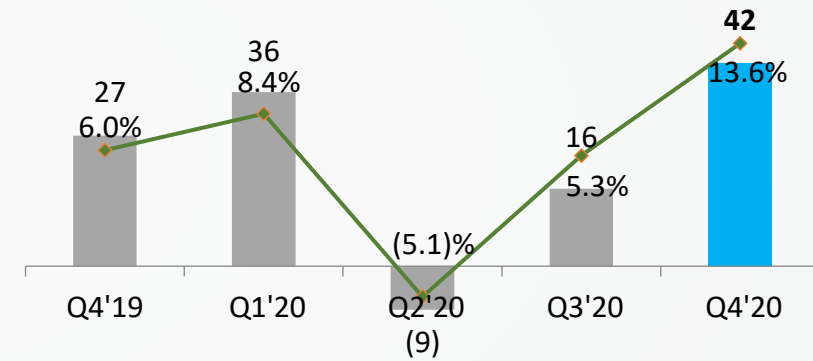
Financial Performance

Quarterly Analysis

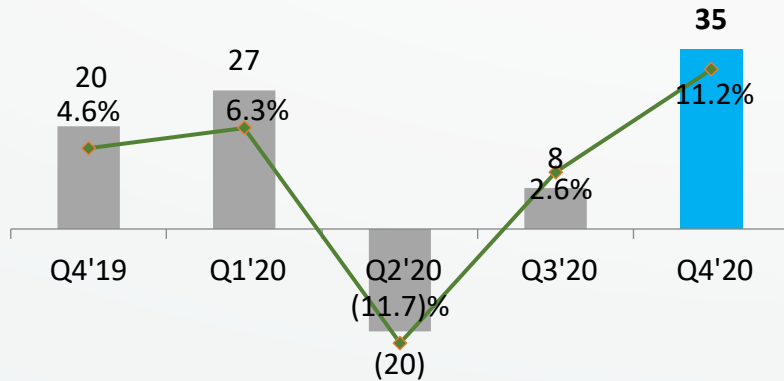
Revenue



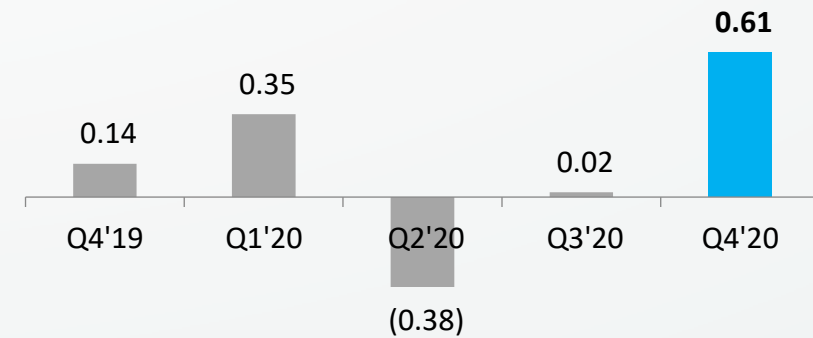
Operating Profit* and Margin*



PBT* and Margin*



EPS* (sen)



Note:

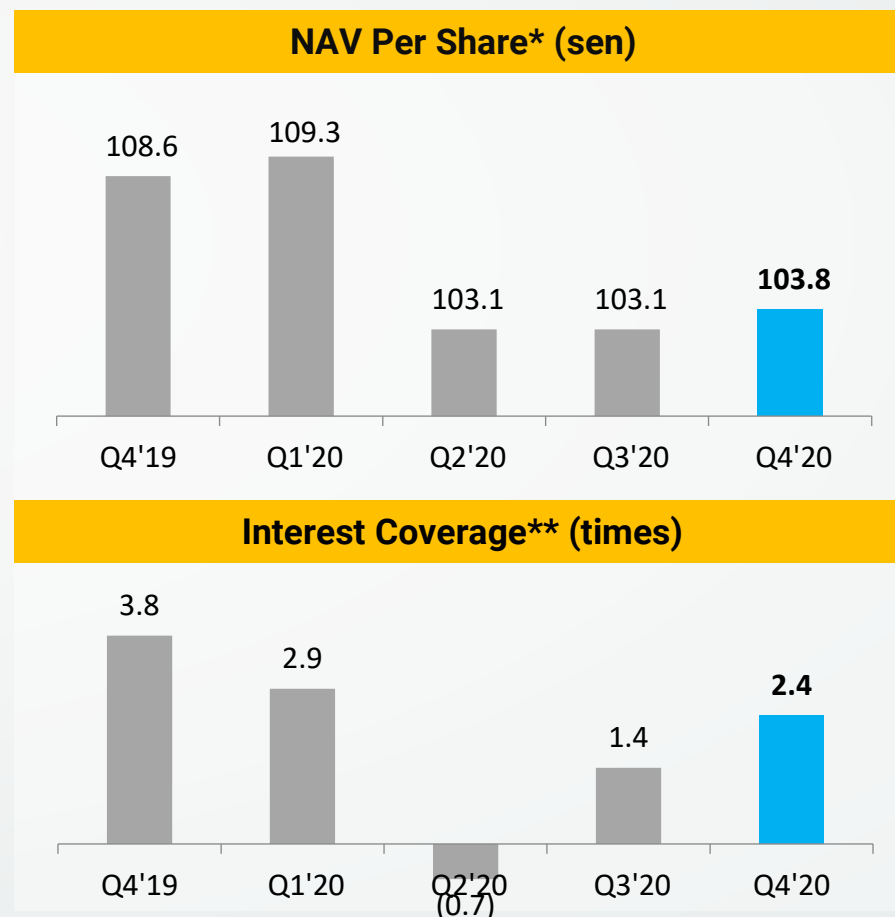
Figures are in RM'mil. and margins in %

* Excludes impairment provisions in Q2 FY2020

Financial Performance

Balance Sheet

RM Million	31 Dec 2020	30 Sep 2020
Total Assets		
Current Assets	3,002	3,023
Non-Current Assets	5,351	5,307
Assets held for sale	-	-
Total Assets	8,353	8,330
Total Liabilities		
Current Liabilities	1,675	1,634
Non-Current Liabilities	2,089	2,135
Total Liabilities	3,764	3,769
Total Equity		
Shareholder's Equity	4,578	4,550
Non Controlling Interests	11	11
Total Equity	4,589	4,561
Net assets per share attributable to the equity holders of the Company (sen)	103.8	103.1



Note:

* **NAV per share**; Number of Shares as at 30 Sep 2020 = 4,412,046,269

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

Financial Performance

Borrowings

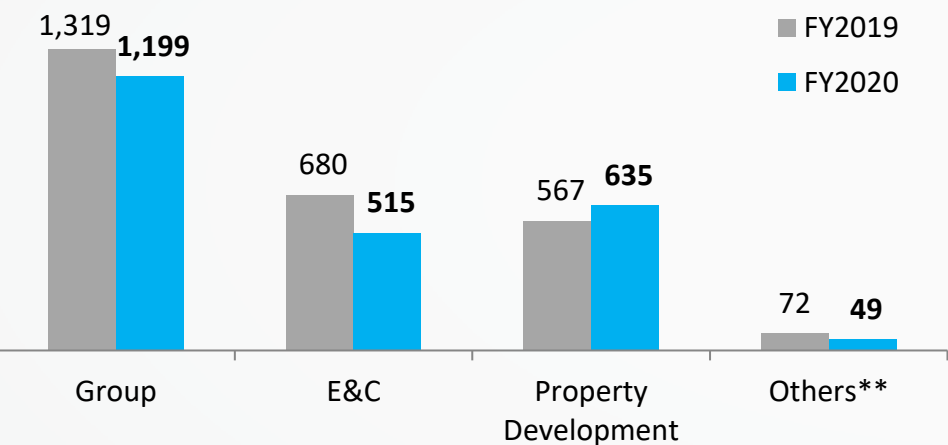
Leverage Profile (RM Million)	31 Dec 2020	30 Sep 2020
Debt		
Short Term Borrowings	639	622
Long Term Borrowings	1,294	1,333
HP creditors	0	0
Total Debt	1,933	1,955
Less: Deposits, cash and bank balances	540	514
Other investment	302	250
Net Debt	1,091	1,191
Total equity	4,589	4,561
Net Gearing	0.24x	0.26x



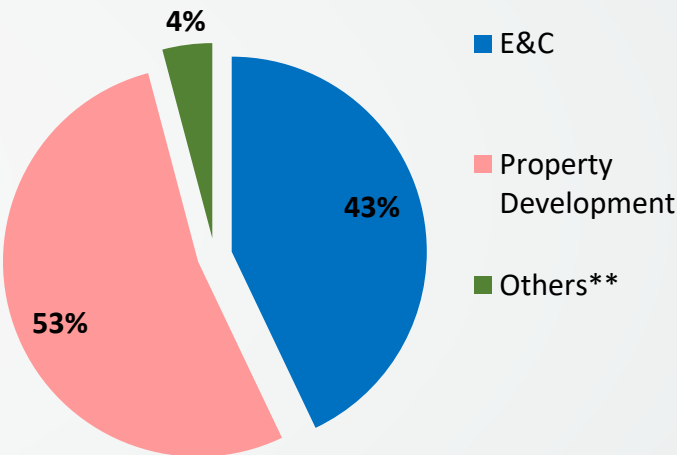
Segmental Reporting

Overview

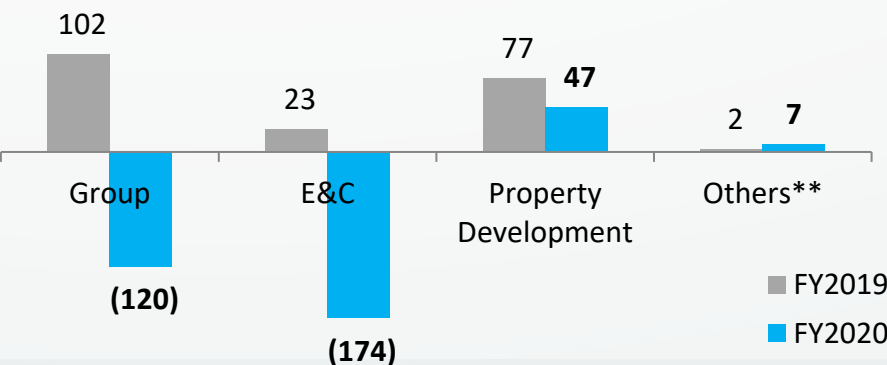
Revenue Split – RM1,199 mil.



Revenue Contribution Analysis



Segmental Profit Split – RM(120) mil.



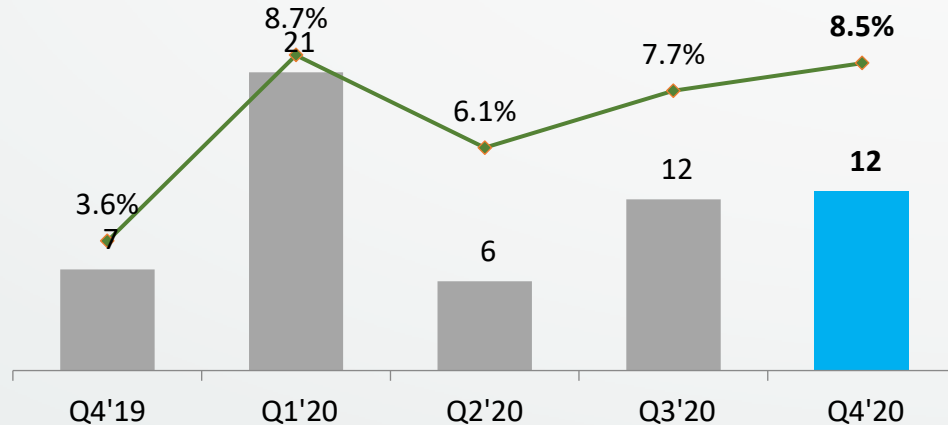
Note:
Figures are in RM'mil. and margins in %
** **Others** include Facilities Management & Parking and Others

Segmental Reporting – Key Highlights

Property Development & Investment

RM Million	Q4 (3M)			12M		
	FY2020	FY2019	Y-o-Y Growth %	FY2020	FY2019	Y-o-Y Growth %
Revenue	146	195	(25.4)%	635	567	12.1%
Profit	12	7	77.0%	47	77	(39.2)%
Profit/(Loss) exc. Impairment Provisions	12	7	77.0%	51	77	(33.9)%
Margin* (%)	8.5%	3.6%		8.0%	13.6%	

Profit* and Margin*



Performance Discussion

Contributed 53% of Group revenue. 12% increase in Revenue in FY2020 vs FY2019, contributed by: 1060 Carnegie in Melbourne, Sentral Suites in KL Sentral, 9 Seputeh in Jalan Klang Lama, and the office towers in PJ Sentral Garden City. The MyIPO Office Tower in PJ Sentral Garden City was completed and handed over on 13 November 2020.

Sentral REIT and Sentral REIT Management contributed PAT of RM16.0 million.

Lower Operating Profit due to minimal construction progress during restriction orders, the lockdown in Victoria State, Australia in 3Q FY2020, and a one-off disposal gain of RM58.8 million recorded in the corresponding period in 2019.

Revenue increased due to:

- **1060 Carnegie** in Melbourne – 100% completed; 122 (71%) units sold; 113 units settled; 9 left to settle
- **Sentral Suites** (44% completed); **TRIA, 9 Seputeh** (30% completed)

Sales in FY2020: RM187.3 mil, unbilled sales: RM1.1 bil.

Segmental Reporting – Key Highlights

Property Development & Investment

Property Sales of RM187.3 Million

Project	Total Project GDV (RM'mil)	% Sales Achieved* as at 31 December 2020	Sales** Breakdown YTD 2020 (RM'mil)	
Completed Projects				
Sentral Residences	1,439	<div><div></div></div> 99%	28.0	} 49% from Completed Projects
VIVO 9 Seputeh	980	<div><div></div></div> 81%	30.7	
Kalista, Bukit Rahman Putra	102	<div><div></div></div> 85%	6.1	
1060 Carnegie	300	<div><div></div></div> 71%	22.5	
St. Regis	161	<div><div></div></div> 13%	5.0	
Ongoing Projects				
TRIA 9 Seputeh	934	<div><div></div></div> 41%	6.6	} 51% from Ongoing Projects
Sentral Suites	1,535	<div><div></div></div> 84%	70.4	
Alstonia, Bukit Rahman Putra	248	<div><div></div></div> 26%	11.5	
SIDEC	62	<div><div></div></div> 43%	6.5	
TOTAL	5,761		187.3	

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

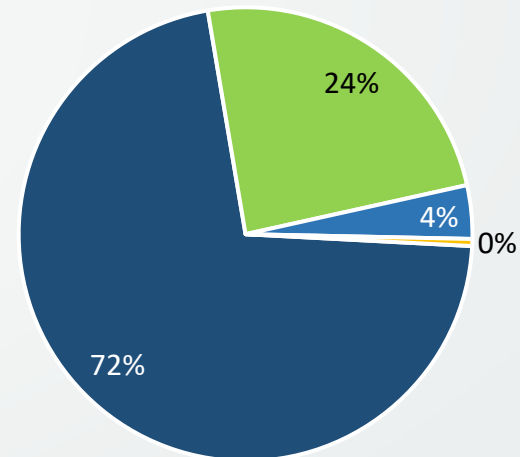
Total Unbilled Sales of RM1.1 Billion

Project	Construction Progress	Revenue Recognised* 12M FY2020 (RM'mil)	Unbilled Sales (RM'mil)
Residential			
Sentral Suites	44.3%	195.0	792.0
TRIA 9 Seputeh	30.0%	45.3	268.0
Alstonia, Bukit Rahman Putra	14.8%	5.2	42.2
Amaryllis, SDEC	7.7%	0.4	5.5
TOTAL		245.9	1,107.7

100%
from
Residential

Breakdown of Unbilled Sales

■ Sentral Suites ■ TRIA ■ Alstonia ■ Amaryllis



Sentral Suites, which makes up 72% of Unbilled Sales, will contribute more revenue and profit as construction progresses

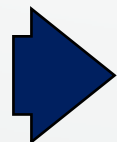
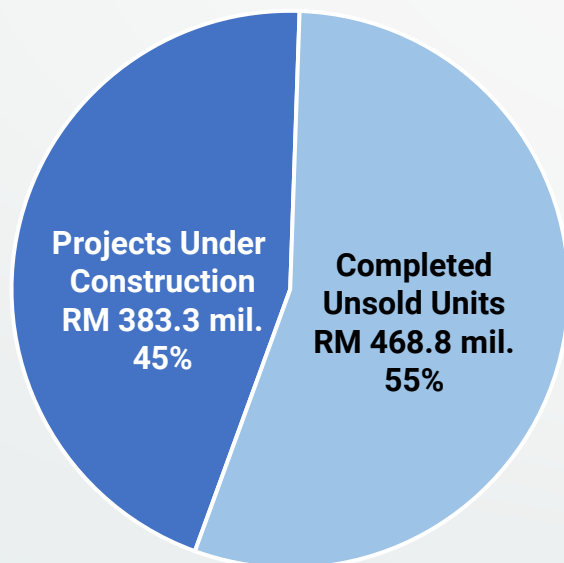
Segmental Reporting – Key Highlights

Property Development & Investment

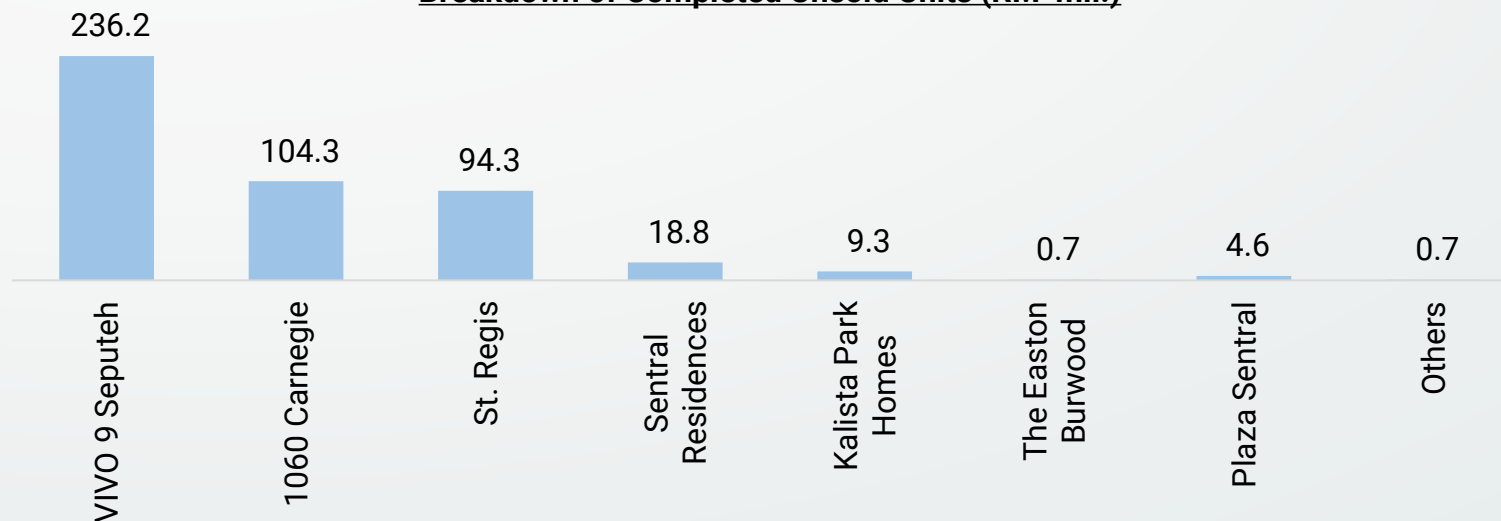
What We Have To Sell: RM0.9 Billion

Projects Under Construction	Completed Unsold Units	Total
RM383.3 mil.	RM468.8 mil.	RM852.1 mil.

Total excluding unlaunched retail units in 1060 Carnegie and VIVO 9 Seputeh = **RM669.6 mil.**



Breakdown of Completed Unsold Units (RM' mil.)



Property Development & Investment

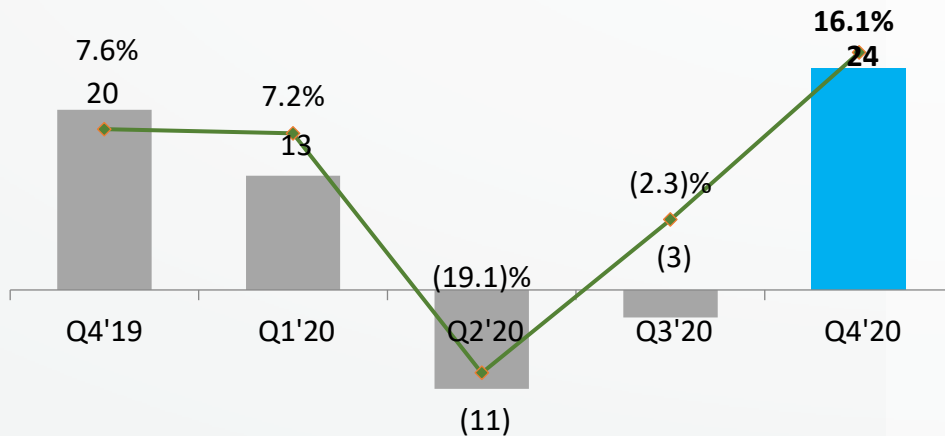
	Land Size (Acres)	GDV RM' mil.	% Stake	Start Date	Completion Date
Transport Oriented Developments					
KL Sentral: Lot F	5.70	3,949	100%	2022	2027
PJ Sentral Garden City	11.91	2,700	100%	2013	2026
Penang Sentral	21.97	2,698	100%	2015	2027
Cyberjaya City Centre	41.45	5,350	70%	2017	2024
Kwasa Sentral	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	290	100%	2018	2020
Bukit Rahman Putra	14.18	642	100%	2016	2021
Bandar Sri Iskandar (Phase 2C, 2D & 3)	57.40	849	70%	2020	2035
Total	94.96	6,093			
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	51%	TBD	TBD
Total	15.63	-			
Grand Total	323.44	32,411			

Segmental Reporting – Key Highlights

Engineering, Construction & Environment

RM Million	Q4 (3M)			12M		
	FY2020	FY2019	Y-o-Y Growth %	FY2020	FY2019	Y-o-Y Growth %
Revenue	152	259	(41.4)%	515	680	(24.2)%
Profit	24	20	23.2%	(174)	23	>(100)%
Profit/(Loss) exc. Impairment Provisions	24	20	23.2%	(4.1)	23	>(100)%
Margin* (%)	16.1%	7.6%		(0.8%)	3.4%	

Profit* and Margin*



Performance Discussion

Contributed 43% of Group Revenue; mostly contributed in Q1 pre-MCO. Largely from EPF Headquarters at Kwasa Sentral, DASH, SUKE, MRT2 projects.

Decrease in Revenue due to the complete halt in construction works during the MCO and the lower productivity during the CMCO/RMCO, which impacted construction progress and revenue recognition.

Loss due to provisions for the impairment of contract assets, trade and other receivables likely to be impacted as a result of the pandemic in Q2 FY2020. However, some recoveries were subsequently made, reducing the Division's provision to RM170.2 million.

Completed projects in 2020: Larkin Stadium, Johor (RM68 mil.) and PR1MA Kajang (RM173 mil.)

LRT3: RM8.1 mil. profit earned and booked under Share of Joint Ventures vs. RM0.6 mil. in 12M FY2019.

External construction order book : RM21.7 bil.

Unbilled construction order book : RM20.5 bil.

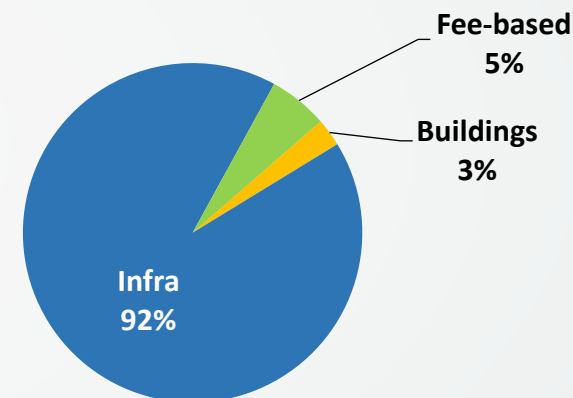
Segmental Reporting – Key Highlights

Engineering, Construction & Environment

Unbilled External Order Book – RM20,450 mil.

External Contracts (RM Million)	Contract Value	Progress
Buildings:		
Desaru Convention Centre	62	99%
PR1MA Brickfields	335	13%
FINAS	170	7%
Putrajaya School	9	0%
Infra:		
MRT2 V210 Package - 2.6km Guideway	497	80%
Kwasa Utama C8 (provisional TCC)	2,958	47%
DASH - Package CB2	341	88%
LRT3	5,686	46%
Bukit Jalil Sentral (provisional contract costs)	10,116	0%
SUKE - CA2 Package	317	51%
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	21,712	

External Order Book Analysis



Top Projects

No	Project Name	Order Book Value	% of Total Order Book
1.	Bukit Jalil Sentral	10,957	50.5%
2.	LRT3	5,686	26.2%
3.	Kwasa Utama C8	3,135	14.4%
4.	MRT2 – V210 Package	497	2.3%
5.	DASH – CB2 Package	341	1.6%
6.	PR1MA Brickfields	335	1.5%

Note:

* Refers to 50% of total contract value awarded to MRCB George Kent Sdn Bhd; profits booked under Share of Results of JV



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