



# ANALYST BRIEFING

Quarter Ended 31 December 2022

[www.mrcb.com](http://www.mrcb.com)





# MRCB's ESG Performance in 2022

## Climate Change & the Environment

### Target: Net Zero Carbon\* by 2040

Achieved **reduction** of **carbon emissions intensity** (tCO<sub>2</sub>e/RM) in FY2022 vs 2020 baseline (Scope 1 & Scope 2)

**65%**



### Climate Action Fellow Award

at the UNGCMYB Sustainability Performance Awards 2022

## Social Responsibility

### Target: World Class Work Practices & Community Development



### Most Popular Graduate Employer 2022 Award

for the Property & Development Sector

## Good Corporate Governance

### Target: Best-In-Class Practices & Disclosures

### 2021 MSWG-ASEAN CG Award

• **Excellence Award**  
**Ranked 2<sup>nd</sup> out of 864 companies**  
in overall CG Disclosure

• **Industry Excellence Award**  
**Ranked 1<sup>st</sup>** in Industry Excellence Award  
for CG Disclosure for the Property Sector

**Ranked 1<sup>st</sup> for Transparency**  
**at The Star/FIABCI Malaysia**  
**Developers Awards 2022**

Achieved a **3.2** score for  
**FTSE4GOOD**  
Bursa Malaysia Index



**Platinum**  
**Excellence Award**



**Gold Award** recipient in  
2018, 2019, 2021 and **2022**

Compliance to  
**Malaysian Code**  
**on Corporate**  
**Governance 2021**  
(MCCG 2021)

**41**  
out of  
43 Practices

**3**  
out of  
5 Step-Ups

#### Note:

\* for Scope 1 & Scope 2

Performance shown include those that are most impactful and/or were recently achieved. For a complete list, please refer to <https://ir2.chartnexus.com/mrcb/docs/MRCB-ESG-Brief.pdf>

# MRCB Financial Summary

## MRCB 12M FY2022 Overview

|  |  |
|--|--|
| <b>Revenue</b><br>RM <b>3,205</b> mil.<br>▲ 121% y-o-y       | <b>Profit Before Tax</b><br>RM <b>154</b> mil.<br>▲ 152% y-o-y |
| <b>Profit After Tax</b><br>RM <b>54</b> mil.<br>▲ 697% y-o-y | <b>Net Gearing</b><br><b>0.32x</b>                             |
| <b>Total Assets</b><br>RM <b>9,235</b> mil.                  | <b>Total Equity</b><br>RM <b>4,536</b> mil.                    |
| <b>Earnings Per Share</b><br><b>1.45</b> sen<br>▲ 303% y-o-y | <b>Market Cap</b><br>RM <b>1,318</b> mil.                      |

## MRCB Segment Overview

|                                  | Property Development | Engineering & Construction | Others         |
|----------------------------------|----------------------|----------------------------|----------------|
| <b>Revenue RM mil.</b>           | <b>915</b>           | <b>2,234</b>               | <b>56</b>      |
| <b>Revenue Contribution</b>      | <b>29%</b>           | <b>70%</b>                 | <b>1%</b>      |
| <b>Op. Profit/(Loss) RM mil.</b> | <b>177</b>           | <b>70</b>                  | <b>(6)</b>     |
| <b>Margin %</b>                  | <b>19.3%</b>         | <b>3.1%</b>                | <b>(10.7)%</b> |

## 12M FY2022 Key Numbers

|                                       |  |   |   |
|---------------------------------------|--|---|---|
| <b>RM487.9 mil.</b><br>Property Sales | <b>RM536.5 mil.</b><br>Property Unbilled Sales | <b>RM26.3 bil.</b><br>External Construction Order Book <sup>1</sup> | <b>RM17.4 bil.</b><br>Construction Unbilled Order Book <sup>2</sup> |
|---------------------------------------|--|---|---|

Order Book includes long term Bukit Jalil contract of RM11.0 bil.

<sup>1</sup> External Construction Order Book excluding Bukit Jalil: RM15.3 bil.

<sup>2</sup> Construction Unbilled Order Book excluding Bukit Jalil: RM6.4 bil.

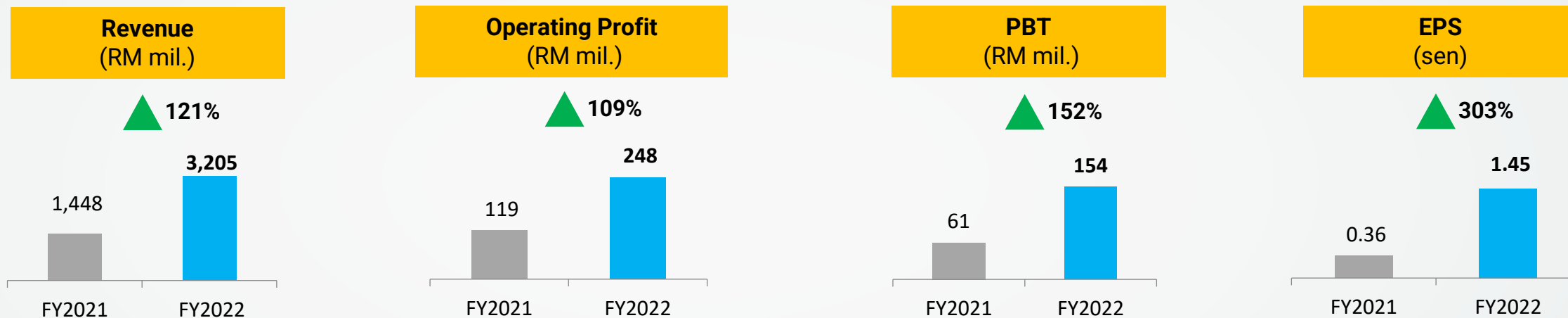
Note:

\* EPS; Weighted Average No of Shares as at 31 Dec 2022 = 4,467,509,508

\*\* Market Cap as at 30 Dec 2022; Number of Shares as at 30 Dec 2022 = 4,467,509,508 x RM0.295

# Key Highlights

## 12M FY2022 vs 12M FY2021



### Key Highlights

- The higher Revenue and Profit in 2022 was mainly due to more normalised operations, which resulted in increased revenue and profit recognition from higher property sales and construction progress.
- Good progress of LRT3 project: physical construction progress of 81% and financial progress of 75% at the end of Dec 2022.
- Property sales of RM487.9 mil.
- Sentral REIT and Sentral REIT Management contributed PAT of RM14.9 mil. vs RM17.8 mil in 2021.
- Balance sheet remains strong, with net gearing of 0.32 times.

# Financial Performance

## Profit & Loss

| RM Million                         | Q4 (3M)     |             |                | 12M         |             |                 |
|------------------------------------|-------------|-------------|----------------|-------------|-------------|-----------------|
|                                    | FY2022      | FY2021      | Y-o-Y Growth % | FY2022      | FY2021      | Y-o-Y Growth %  |
| Revenue                            | 834         | 858         | (2.8)%         | 3,205       | 1,448       | >100%           |
| Other Operating Income             | 17          | 146         | (88.4)%        | 58          | 173         | (66.2)%         |
| Operating Expenses                 | (788)       | (855)       | (7.9)%         | (3,016)     | (1,503)     | >100%           |
| <b>Operating Profit</b>            | <b>63</b>   | <b>149</b>  | <b>(57.7)%</b> | <b>248</b>  | <b>119</b>  | <b>&gt;100%</b> |
| <i>Operating Profit Margin (%)</i> | 7.6%        | 17.4%       |                | 7.7%        | 8.2%        |                 |
| Finance costs                      | (27)        | (27)        | (1.3)%         | (99)        | (89)        | 11.7%           |
| Share of results of associates     | 3           | 4           | (12.6)%        | 10          | 17          | (41.1)%         |
| Share of results of joint ventures | (1)         | (1)         | (9.9)%         | (5)         | 14          | >(100)%         |
| Profit before taxation             | 38          | 124         | (69.5)%        | 154         | 61          | >100%           |
| Taxation                           | (25)        | (49)        | (50.2)%        | (101)       | (55)        | 84.6%           |
| <b>Profit for the period</b>       | <b>13</b>   | <b>74</b>   | <b>(82.4)%</b> | <b>54</b>   | <b>7</b>    | <b>&gt;100%</b> |
| <i>PAT Margins (%)</i>             | 1.6%        | 8.7%        |                | 1.7%        | 0.5%        |                 |
| <b>EPS (sen)</b>                   | <b>0.29</b> | <b>1.68</b> | <b>(82.7)%</b> | <b>1.45</b> | <b>0.36</b> | <b>&gt;100%</b> |

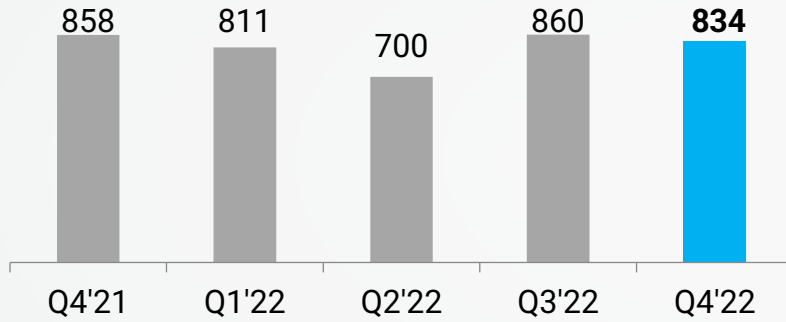
**Note:**

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.

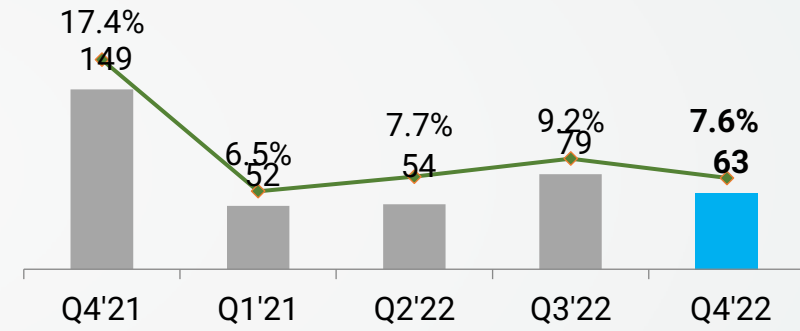
# Financial Performance

## Quarterly Analysis

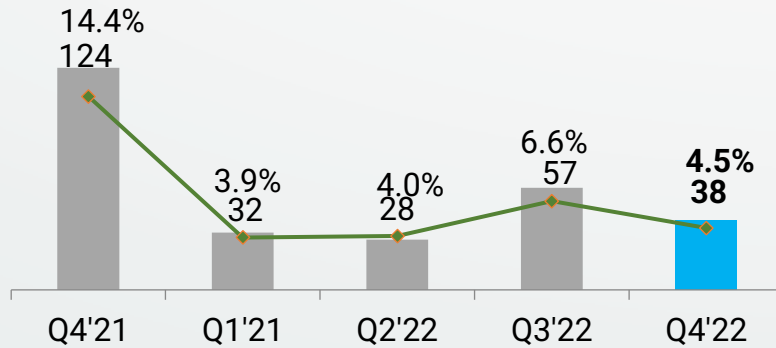
### Revenue



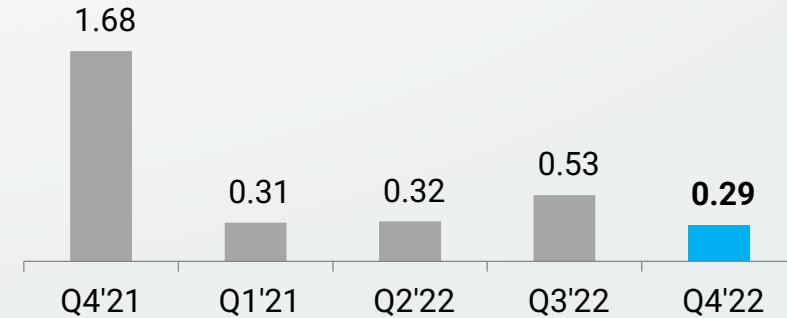
### Operating Profit and Margin



### PBT and Margin



### EPS (sen)



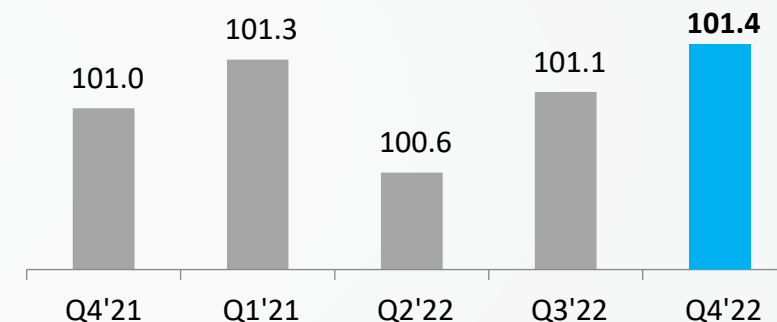
**Note:**  
Figures are in RM'mil. and margins in %  
Q4'21 figures are audited

# Financial Performance

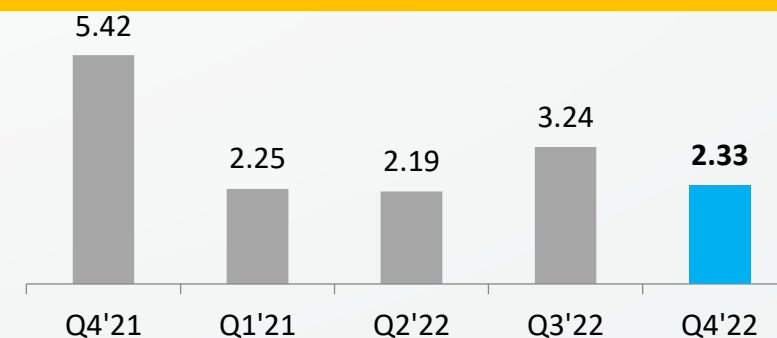
## Balance Sheet

| RM Million  | 31 Dec 2022   | 31 Dec 2021   |
|---|---------------|---------------|
| <b>Total Assets</b>   |               |               |
| Current Assets  | 3,577         | 3,651         |
| Non-Current Assets  | 5,658         | 5,554         |
| <b>Total Assets</b>   | <b>9,235</b>  | <b>9,205</b>  |
| <b>Total Liabilities</b>  |               |               |
| Current Liabilities   | 2,702         | 2,451         |
| Non-Current Liabilities   | 1,997         | 2,214         |
| <b>Total Liabilities</b>  | <b>4,699</b>  | <b>4,665</b>  |
| <b>Total Equity</b>   |               |               |
| Shareholder's Equity  | 4,530         | 4,512         |
| Non Controlling Interests   | 6             | 28            |
| <b>Total Equity</b>   | <b>4,536</b>  | <b>4,540</b>  |
| <b>Net assets per share attributable to the equity holders of the Company (sen)</b> | <b>101.40</b> | <b>101.00</b> |

### NAV Per Share\* (sen)



### Interest Coverage\*\* (times)



Note:

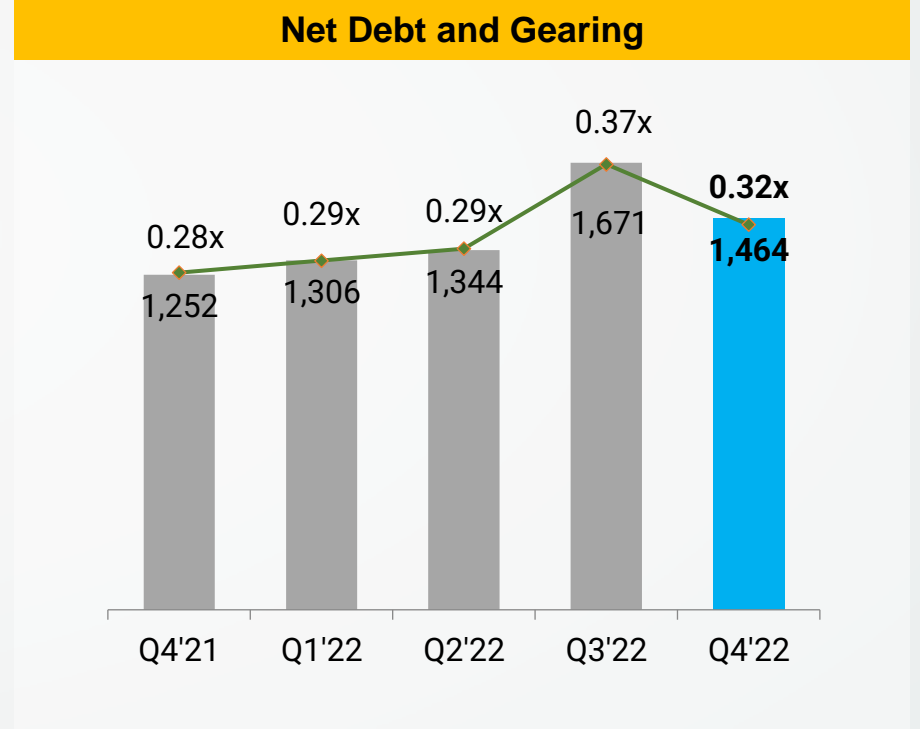
\* **NAV per share**; Number of Shares as of 31 Dec 2022 = 4,467,509,508

\*\* Based on Profit from operations

# Financial Performance

## Borrowings

| Leverage Profile (RM Million)          | 31 Dec 2022  | 31 Dec 2021  |
|--|--------------|--------------|
| <b>Debt</b>                            |              |              |
| Short Term Borrowings                  | 841          | 479          |
| Long Term Borrowings                   | 1,216        | 1,453        |
| <b>Total Debt</b>                      | <b>2,057</b> | <b>1,932</b> |
| Less: Deposits, cash and bank balances | 534          | 579          |
| Other investment                       | 59           | 101          |
| <b>Net Debt</b>                        | <b>1,464</b> | <b>1,252</b> |
| Total equity                           | 4,536        | 4,540        |
| <b>Net Gearing</b>                     | <b>0.32x</b> | <b>0.28x</b> |

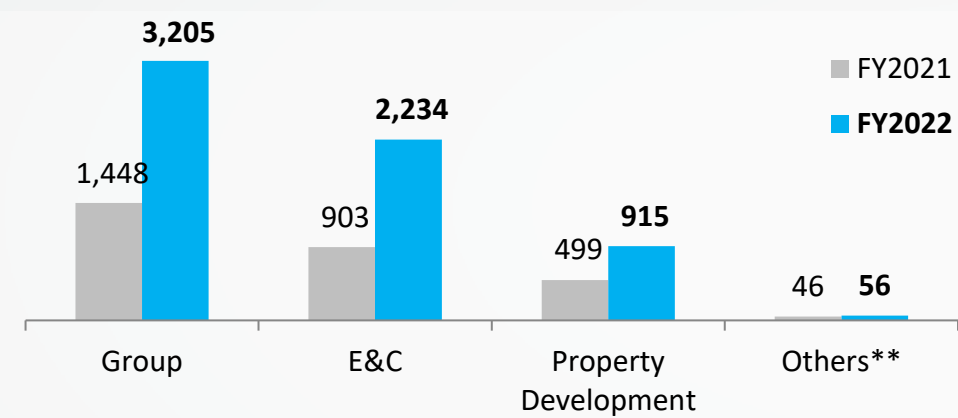




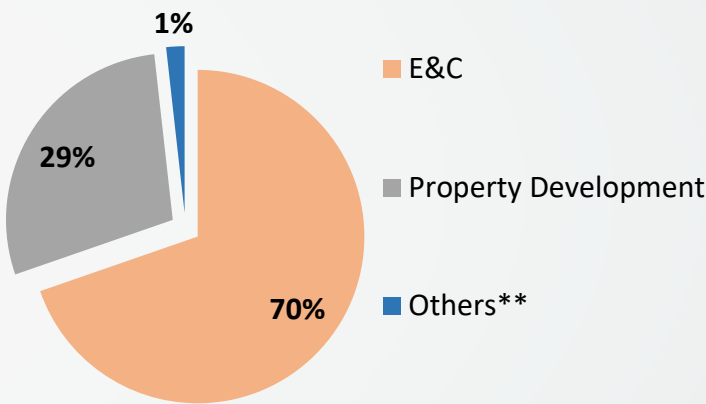
# Segmental Reporting

## Overview

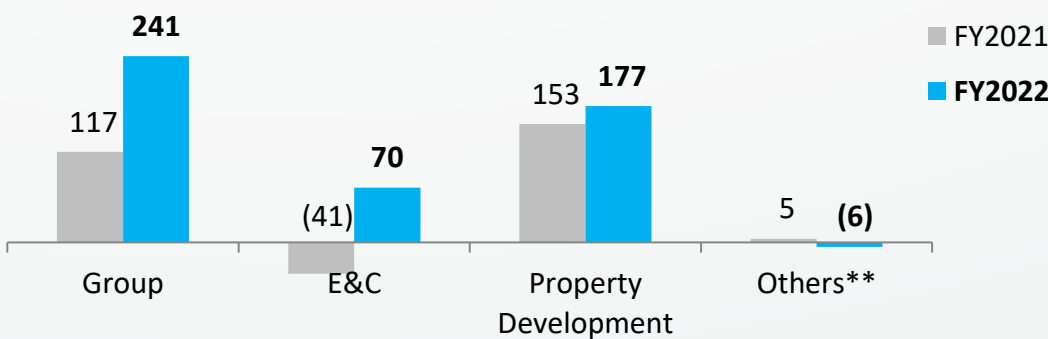
Revenue Split – RM3,205 mil.



Revenue Contribution Analysis



Segmental Profit Split – RM241 mil.



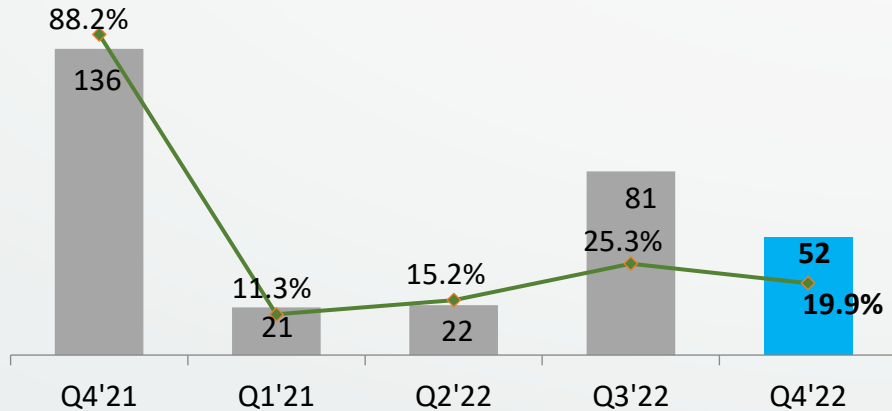
**Note:**  
Figures are in RM'mil. and margins in %  
\*\* **Others** include Facilities Management & Parking and Others

# Segmental Reporting

## Property Development & Investment

| RM Million    | Q4 (3M)   |            |                | 12M        |            |                |
|---------------|-----------|------------|----------------|------------|------------|----------------|
|               | FY2022    | FY2021     | Y-o-Y Growth % | FY2022     | FY2021     | Y-o-Y Growth % |
| Revenue       | 261       | 153        | 71.6%          | 915        | 498        | 83.6%          |
| <b>Profit</b> | <b>52</b> | <b>136</b> | <b>(61.7)%</b> | <b>177</b> | <b>153</b> | <b>15.2%</b>   |
| Margin* (%)   | 19.9%     | 88.2%      |                | 19.3%      | 30.8%      |                |

### Profit and Margin



### Performance Discussion

**Contributed 29% 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, as well as recurring rental income.

Sentral REIT and Sentral REIT Management contributed PAT of RM14.9 million.

#### Higher revenue and profits due to:-

- Better operating conditions and higher construction progress in 2022 compared to in 2021, which was impacted by the MCO, mandated lockdowns, the closure of foreign borders and construction site closures.
- Strong recovery in sales of completed unsold inventory as well as units from on-going property development projects under construction

**Property Sales in 2022: RM487.9 mil, Unbilled Sales: RM536.5 mil.**

Sales for 1-month ended Jan 2023 : RM41.9 mil. vs. RM4.8 mil in Jan 2022

Note:

Figures are in RM'mil. and margins in %

# Segmental Reporting

## Property Development & Investment

### Property Sales of RM487.9 Million

| Project   | Total Project GDV (RM'mil) | % Sales Achieved* as at 31 Dec 2022 | Sales** Breakdown YTD 2022 (RM'mil) |                                      |
|---|----------------------------|-------------------------------------|-------------------------------------|--------------------------------------|
| Completed Projects                                  |                            |                                     |                                     | 54%<br>from<br>Completed<br>Projects |
| Sentral Residences                                  | 1,439                      | 100%                                | 9.5                                 |                                      |
| VIVO 9 Seputeh – Residential                        | 982                        | 84%                                 | 6.4                                 |                                      |
| VIVO 9 Seputeh – Commercial (incl. retail car park) | 266                        | 87%                                 | 209.3                               |                                      |
| Kalista, Bukit Rahman Putra                         | 102                        | 91%                                 | 5.3                                 |                                      |
| 1060 Carnegie – Residential                         | 296                        | 100%                                | 8.8                                 |                                      |
| 1060 Carnegie – Commercial                          | 29                         | 56%                                 | 0.0                                 |                                      |
| St. Regis   | 164                        | 32%                                 | 22.2                                |                                      |
| Ongoing Projects                                    |                            |                                     |                                     | 46%<br>from<br>Ongoing<br>Projects   |
| TRIA 9 Seputeh                                      | 939                        | 55%                                 | 100.2                               |                                      |
| Sentral Suites - Residential                        | 1,535                      | 85%                                 | 53.6                                |                                      |
| Sentral Suites - Commercial                         | 102                        | 37%                                 | 18.0                                |                                      |
| Alstonia, Bukit Rahman Putra                        | 248                        | 52%                                 | 43.6                                |                                      |
| Amaryllis, SDEC                                     | 17                         | 96%                                 | 0.0                                 |                                      |
| Lilium, SDEC  | 32                         | 34%                                 | 11.0                                |                                      |
| TOTAL   | 6,151                      |                                     | 487.9                               |                                      |

**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

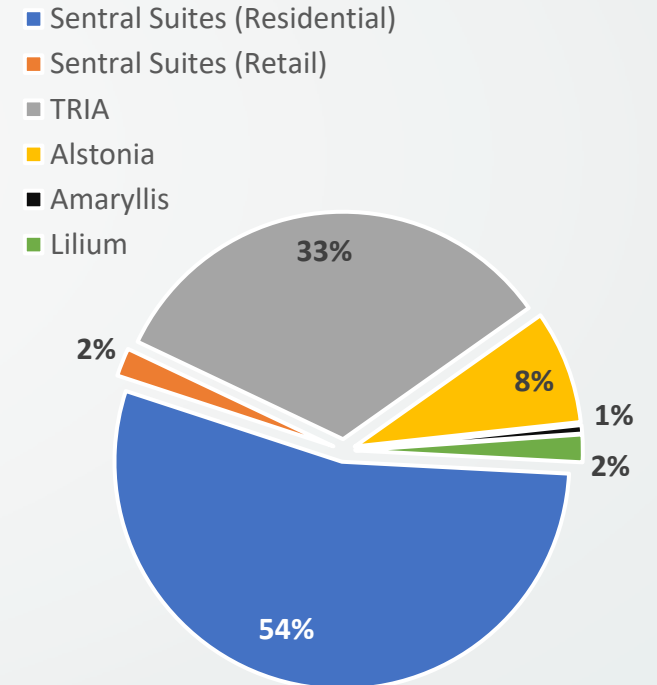
Total Unbilled Sales of RM536.5 Million

| Project                      | Construction Progress | Revenue Recognised*<br>In FY2022<br>(RM'mil) | Unbilled Sales**<br>(RM'mil) |
|------------------------------|-----------------------|--|------------------------------|
| <b>Residential</b>           |                       |  |                              |
| Sentral Suites               | 88.9%                 | 316.0  | 290.8                        |
| TRIA 9 Seputeh               | 88.3%                 | 150.1  | 177.9                        |
| Alstonia, Bukit Rahman Putra | 55.0%                 | 37.3   | 43.3                         |
| Amaryllis, SDEC              | 87.2%                 | 9.0  | 3.2                          |
| Lilium, SDEC                 | 5.1%                  | 0.5  | 10.5                         |
| <b>Commercial</b>            |                       |  |                              |
| Sentral Suites               | 87.7%                 | 26.7   | 10.8                         |
| <b>TOTAL</b>                 |                       | <b>539.6</b>                                 | <b>536.5</b>                 |

98%  
from  
Residential

2%  
from  
Commercial

### Breakdown of Unbilled Sales



Sentral Suites (residential), which makes up 54% of Unbilled Sales, will contribute more revenue and profit as construction progresses

Note:

\*Revenue Recognised refers to properties that have been sold to buyers, which will be recognised progressively as the properties are constructed.

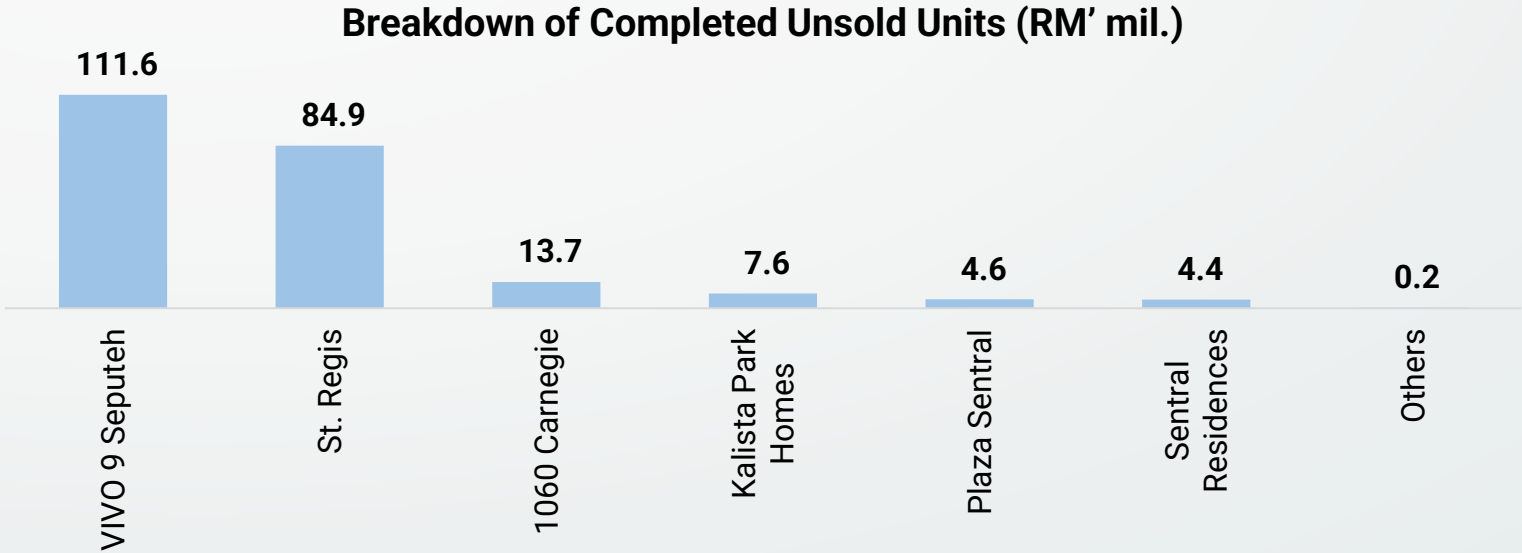
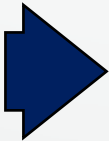
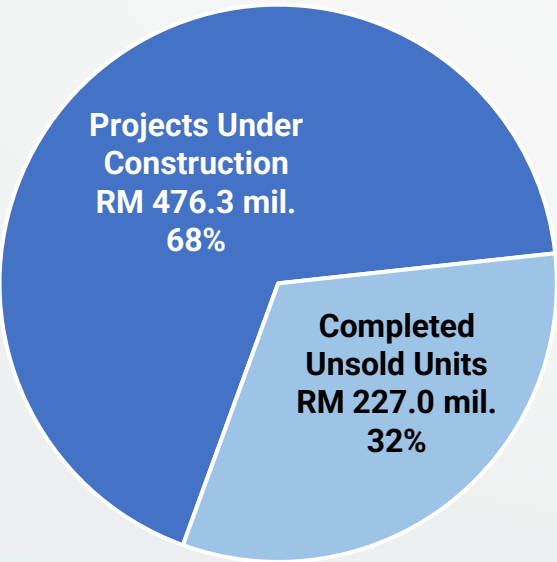


# Segmental Reporting

## Property Development & Investment

What We Have To Sell: RM0.7 Billion (by Gross Development Cost)

| Unsold Projects Under Construction | Completed Unsold Units | Total        |
|------------------------------------|------------------------|--------------|
| RM476.3 mil.                       | RM227.0 mil.           | RM703.3 mil. |



# Segmental Reporting

## Property Development & Investment

### Property Projects in the Pipeline – RM5.0 Billion

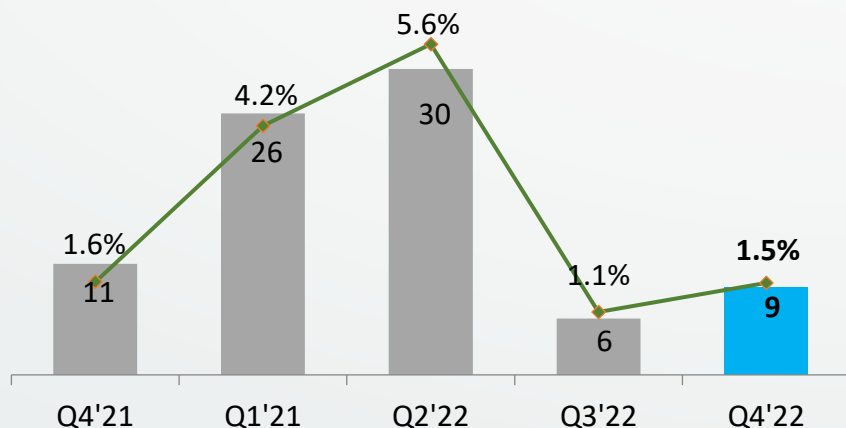
| 2023 Launches                          |     |                     |                    |
|--|-----|---------------------|--------------------|
| VISTA, Surfer's Paradise, Gold Coast   | 1Q  | ~1,200 (AUD391 mil) | 280                |
| Kwasa Sentral Plot F (Residensi Tujuh) | 1Q  | 329                 | 573                |
| <b>Total 2023</b>                      |     | <b>RM1,529 mil</b>  | <b>853 units</b>   |
| 2024 Launches                          |     |                     |                    |
| Bukit Jalil Sentral, Phase 1A          | 1Q  | 808                 | 1,200              |
| The Symphony Center, Auckland          | 2Q  | ~1,300 (NZD452 mil) | 77                 |
| Lot J, KL Sentral 2024                 | 4Q  | 229                 | 266                |
| Tower 5, PJ Sentral                    | 4Q  | 486                 | 340                |
| <b>Total 2024</b>                      |     | <b>RM2,823 mil</b>  | <b>1,883 units</b> |
| 2025 Launches                          |     |                     |                    |
| Tower 1, PJ Sentral                    | TBD | 626                 | 999                |
| <b>Total 2025</b>                      |     | <b>RM626 mil</b>    | <b>999 units</b>   |

# Segmental Reporting

## Engineering, Construction & Environment

| RM Million    | Q4 (3M)  |           |                | 12M       |             |                 |
|---------------|----------|-----------|----------------|-----------|-------------|-----------------|
|               | FY2022   | FY2021    | Y-o-Y Growth % | FY2022    | FY2021      | Y-o-Y Growth %  |
| Revenue       | 559      | 697       | (19.9)%        | 2,234     | 903         | >100%           |
| <b>Profit</b> | <b>9</b> | <b>11</b> | <b>(20.7)%</b> | <b>70</b> | <b>(41)</b> | <b>&gt;100%</b> |
| Margin* (%)   | 1.5%     | 1.6%      |                | 3.1%      | (4.5)%      |                 |

### Profit and Margin



### Performance Discussion

**Contributed 70% of Group Revenue, largely from:** LRT3, SUKE and PR1MA projects.

**Higher revenue and profit** largely due to the full-year impact of recognition from the LRT3 project, which reached physical construction progress of 81% and financial progress of 75% as at 31 Dec 2022.

**Open Tender book is RM30 bil.**

- In Q2 FY2022 awarded Muara Sg. Pahang Phase 3 project worth RM380 mil.
- Excludes tenders already won but where the project's value has yet to be confirmed, such as the Shah Alam Stadium rebuilding/refurbishment project.

**Completed projects in 2022 :**

MRT2 V210 Package - 2.6km Guideway (RM497 mil. contract value)

DASH - CB2 Package (RM400 mil. contract value)

**External construction order book : RM26.3 bil; Unbilled construction order book : RM17.4 bil.**

Note:

Figures are in RM'mil. and margins in %

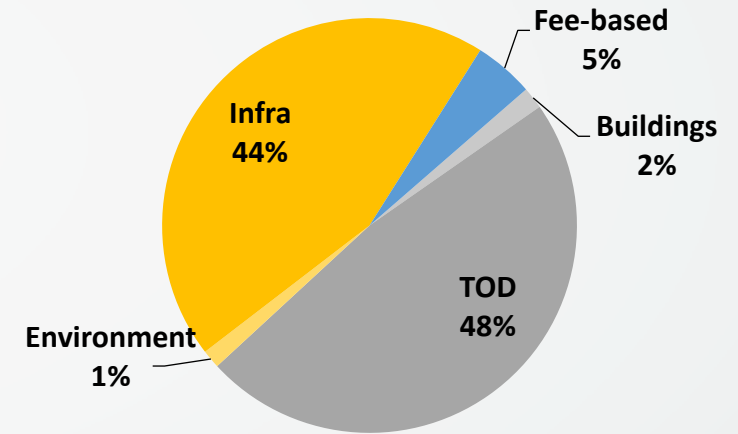
# Segmental Reporting

## Engineering, Construction & Environment: Order Book

Unbilled External Order Book – RM17,375 mil.<sup>1</sup> as at 31 Dec 2022

| External Contracts (RM Million)                     | Contract Value | Progress <sup>2</sup> |
|---|----------------|-----------------------|
| <b>Buildings:</b>                                   |                |                       |
| PR1MA Brickfields                                   | 276            | 50%                   |
| FINAS   | 170            | 13%                   |
| <b>Infrastructure:</b>                              |                |                       |
| SUKE - CA2 Package                                  | 317            | 85%                   |
| LRT3  | 11,372         | 75%                   |
| <b>Transit Oriented Development (TOD) projects:</b> |                |                       |
| Bukit Jalil Sentral (provisional contract costs)    | 10,116         | 0%                    |
| Kwasa Utama C8 (provisional TCC)                    | 2,478          | 0% <sup>3</sup>       |
| <b>Environment:</b>                                 |                |                       |
| Muara Sg Pahang Phase 3                             | 380            | 0%                    |
| <b>Fee-based orders:</b>                            |                |                       |
| Kwasa Utama, C8 - management contract               | 177            |                       |
| Kwasa Land - PDP Infra                              | 176            |                       |
| Bukit Jalil Sentral - management contract           | 841            |                       |
| Semarak City Phase 1 - management contract          | 27             |                       |
| <b>Total</b>  | <b>26,330</b>  |                       |

External Order Book Analysis



Top Projects

| No | Project Name            | Order Book Value | % of Total Order Book |
|----|-------------------------|------------------|-----------------------|
| 1. | LRT3                    | 11,372           | 43.2%                 |
| 2. | Bukit Jalil Sentral     | 10,957           | 41.6%                 |
| 3. | Kwasa Utama C8          | 2,655            | 10.1%                 |
| 4. | Muara Sg Pahang Phase 3 | 380              | 1.4%                  |
| 5. | SUKE – CA2 Package      | 317              | 1.2%                  |

Note:

<sup>1</sup> Unbilled External Order Book *excluding* Bukit Jalil: RM6.4 bil.

<sup>2</sup> Denotes financial progress

<sup>3</sup> Refers only to the remaining RM2.5 bn of the total contract value that has not yet been awarded.



Mitigate against concentration risk to ensure more consistent/sustainable returns

## DIVERSIFICATION

### 1. NEW PROPERTY SEGMENTS

- Diversify away from the premium commercial and residential high-rise developments into the **industrial/logistics segment** e.g. Ipoh Raya Integrated Park.
- Acquire land from areas **outside of Klang Valley and Selangor**.

### 2. GEOGRAPHICAL EXPANSION

- Majority of projects are in Malaysia, within the Klang Valley and Selangor.
- Continue to look for other opportunities in **Australia**, where we are already well-established.
- Venture further into **New Zealand** by leveraging on our Aotea Central Over Station project.

### 3. NEW MARKETS

- Identify and venture into new markets.
- Leverage on opportunities such as the **growing aged population** and **millennial living/working preferences**.
- Leverage opportunities brought about by climate change, such as **waste-to-energy/renewable energy** and **modular construction**.

# 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

## Type of development:

- Residential high-rise with amenities
- Site area 0.766 acres
- 280 apartment units, 51 storeys

## Targeted development:

2023

## Targeted completion:

2026





# The Symphony Centre, Auckland City Center

## GDV:

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

## Location:

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

## Type of development:

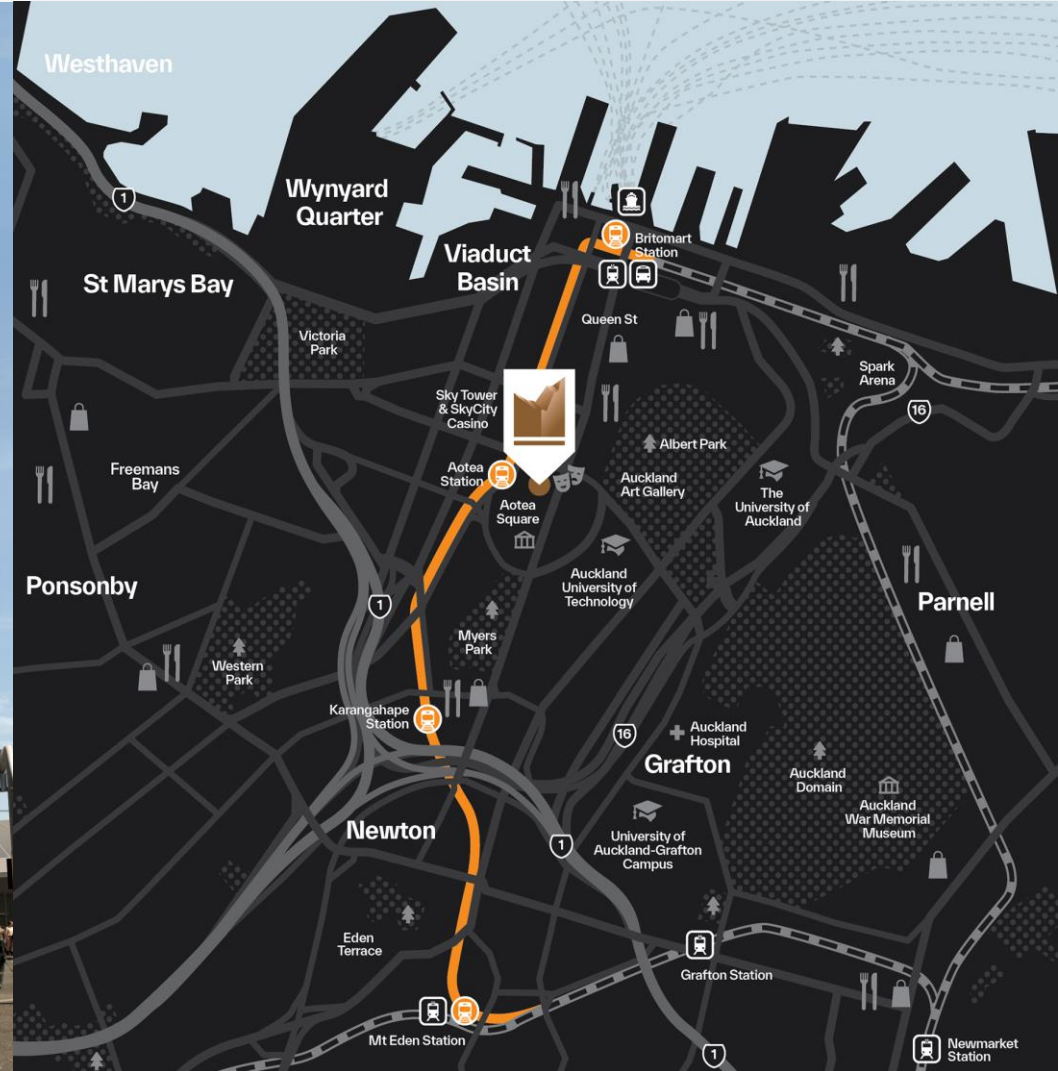
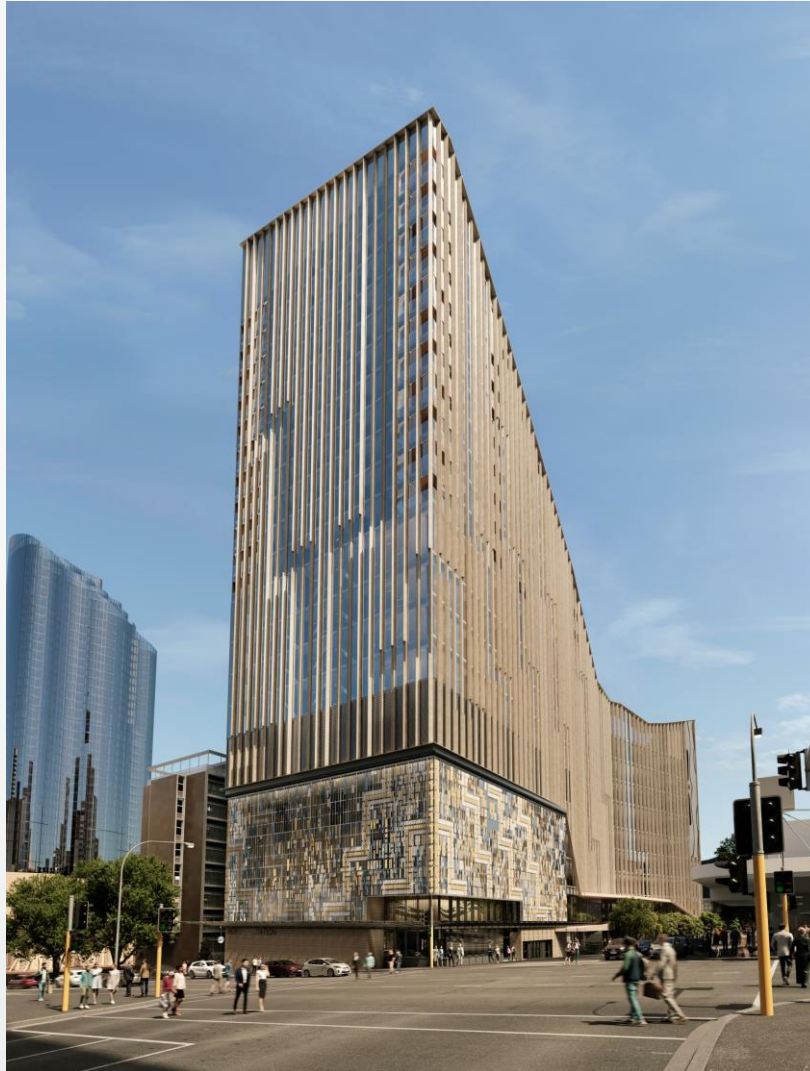
- 21-storey building with a mixture of retail and commercial space and 70+ luxury apartments with integrated access to Aotea Station
- Site area 1.08 acres

## Targeted development:

2024

## Targeted completion:

2027



# Bledisloe House, Auckland City Center

## GDV:

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

## Location:

A Government building located on Wellesley Street West, next to The Symphony Center.

## Type of development:

- Refurbishment of a late 1950s heritage building
- A heritage conservation assessment has been completed and it is identified that the exterior appearance of the building is to be retained

## Targeted development:

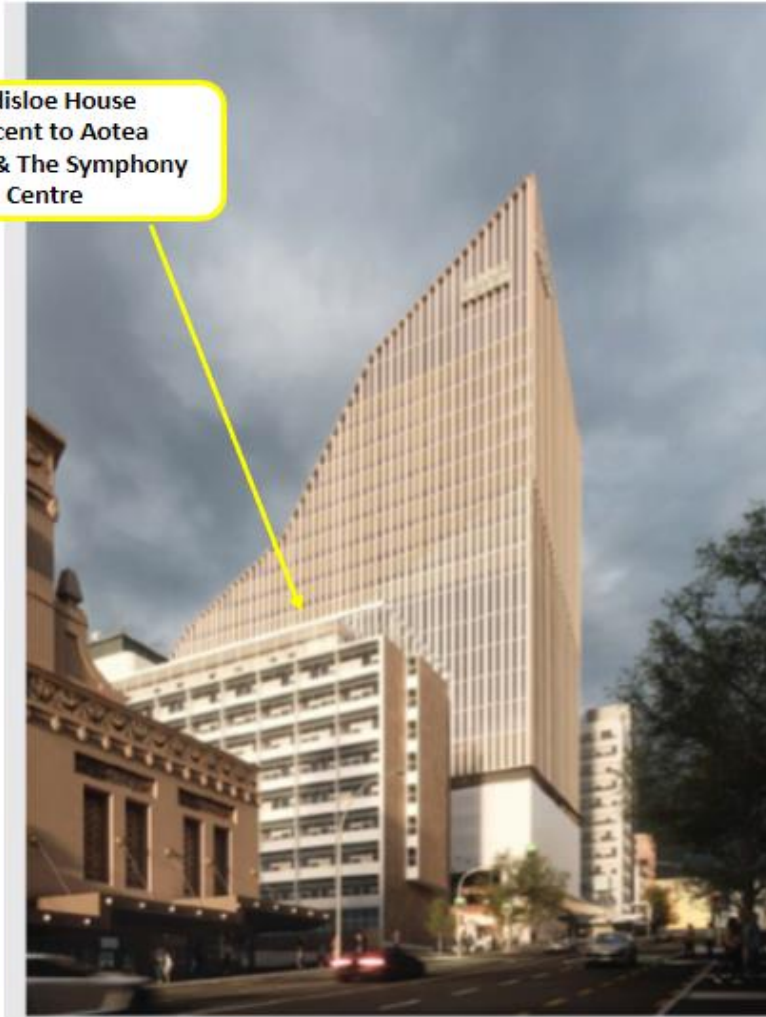
2024

## Targeted completion:

2027



View Across Aotea Square



View Along Wellesley Street





**MALAYSIAN RESOURCES CORPORATION BERHAD (7994-D)**

Level 30, Menara Allianz Sentral, No. 203, Jalan Tun Sambanthan, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia

**Tel: 603 2786 8080 / 603 2859 7070 Fax: 603 2780 7988**

**[www.mrcb.com](http://www.mrcb.com)**

