

Continued Earnings Recovery in H1 2022

KUALA LUMPUR, 30 AUGUST 2022 – Malaysian Resources Corporation Berhad (MRCB or the Group) recorded a 2-fold increase in Revenue to RM1.5 billion and a Profit Before Tax of RM59.9 million in H1 2022, compared to a Revenue of RM452.5 million and a Loss Before Tax of RM32.5 million in the corresponding period in 2021. The improved performance was mainly due to more normalised operations after two years of COVID-19 disruptions, which resulted in increased revenue and profit recognition from construction progress.

The Property Development & Investment Division recorded a 21% increase in Revenue to RM331.9 million in H1 2022. This was due to much better operating conditions compared to the corresponding period in 2021, which was impacted by the different phases of Movement Control Orders and the resulting mandated lockdowns and construction site closures that impeded construction progress. The Division recorded a 2-fold increase in Operating Profit to RM43.2 million in H1 2022 from RM16.5 million in the corresponding period in 2021, mainly from its two largest property development projects, Sentral Suites and TRIA 9 Seputeh, reaching higher construction progress of 75% and 80% respectively. In addition, profit for the year was also bolstered by a RM18 million contribution arising from the balance of land injected into the Division's subsidiary Seri Iskandar Development Corporation. The Division saw an increasing trend in property sales, selling RM250.1 million worth of properties in H1 2022 and had unbilled property sales of RM706.7 million at the half year end. The Group's 27.94% equity owned Sentral REIT and associated company, Sentral REIT Management Sdn Bhd, contributed a combined profit after tax of RM8.0 million.

The Engineering, Construction & Environment Division recorded a 6-fold increase in Revenue to RM1.2 billion aided by the RM11.4 billion LRT3 project, which despite shortages in labour supply and key building materials, achieved physical construction progress of 74% and financial progress of 67% as at 30 June 2022. Revenue was also contributed from the construction of Menara KWSP at Kwasa Damansara, Damansara-Shah Alam Elevated Highway Package CB2, Mass Rapid Transit 2 Package V210, Sungai Besi-Ulu Kelang Elevated Expressway Package CA2 and the PR1MA Brickfields Project. The Division recorded an Operating Profit of RM55.7 million in H1 2022 against an Operating Loss of RM33.0 million in the corresponding period in 2021. The Division's long-term external client order book was RM27.2 billion as at 30 June 2022, while the unbilled portion was RM18.4 billion.

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About MRCB

MRCB is a leading urban property and construction company, which has been listed on the Main Board of Bursa Malaysia since 1971.

The Group's activities span three areas: Property Development & Investment; Engineering, Construction & Environment and Facilities Management & Parking.

As the developer of the iconic RM18 billion KL Sentral CBD, MRCB pioneered Transit Oriented Development (TOD) in Malaysia and is setting the standard for future fully integrated TOD projects. MRCB's property development revenues are underpinned by its 1,105-acre urban land bank which has an estimated GDV of RM33 billion. Its property investment activity is conducted through its 27.94% equity stake in MRCB-Quill REIT.

Apart from constructing world class commercial and residential developments, MRCB's Engineering, Construction & Environment Division also has an enviable track record in highways, rail infrastructure, high voltage power transmission projects and the rehabilitation of rivers and coastal areas. The division currently has an external order book of RM27.2 billion.

MRCB's largest shareholder is the Employees Provident Fund.

Visit www.mrcb.com for more information.

Media Contact

Haridas Sivadas

Corporate Communications

Malaysian Resources Corporation Berhad

Direct Line: +603 2786 8034

Email: haridas@mrcb.com

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

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