

CONSTRUCTION SITE CLOSURES CONTINUED TO IMPACT PERFORMANCE IN Q3

KUALA LUMPUR, 26 NOVEMBER 2021 - Malaysian Resources Corporation Berhad (MRCB) recorded a 34% decline in Revenue to RM590.3 million and a Loss Before Tax of RM62.6 million in the 9 months ended 30 September 2021, compared to a Loss Before Tax of RM190.4 million in the corresponding period in 2020. The lower Revenue was due to the Enhanced and Full Movement Control Orders that resulted in construction site closures between June and August 2021 which were much longer than those during the same period in 2020, and thereafter major disruptions in the building materials supply chain. This significantly impacted construction progress that was already impacted by on-going Covid-19 restrictions and an on-going shortage of workers. The 67% narrowing of losses was due to a RM197.4 million provision made for the impairment of contract assets, trade and other receivables as a result of the pandemic in 2020.

The Property Development & Investment Division recorded a 29% decline in Revenue to RM345.9 million and a 60% decline in Profit to RM17.6 million in the 9 months ended 30 September 2021, compared to RM489.4 million and RM44.4 million respectively in the corresponding period in 2020. The lower Revenue and Profit was largely due to only 45 units achieving financial settlement at 1060 Carnegie in Melbourne in the 9 months ended 30 September 2021, compared to 104 units in the corresponding period in 2020. Revenue and profit recognition was also hampered by slow construction progress due to site closures and restrictions in Malaysia, affecting contributions from Sentral Suites in KL Sentral, the 9 Seputeh mixed residential development in Jalan Klang Lama and Alstonia in Bukit Rahman Putra. The Division sold RM165.2 million worth of properties in the first 9 months of 2021 and had unbilled property sales of RM941 million.

The Engineering, Construction & Environment Division recorded Revenue of RM206.5 million and a Loss of RM51.7 million in the first 9 months of 2021. Revenue was mainly contributed by the construction of the EPF Headquarters at Kwasa Sentral, Damansara-Shah Alam Elevated Highway Package CB2, Mass Rapid Transit Line 2 Package V210, and Sungai Besi-Ulu Kelang Elevated Expressway Package CA2. The Loss, while showing a marked improvement compared to the corresponding period in 2020, was largely due to site closures and significant supply chain disruptions which continued to impact construction progress.

The Group's LRT3 project joint venture company, Setia Utama LRT 3 Sdn Bhd (SULSB) (formerly known as MRCB George Kent Sdn Bhd), contributed Profits After Tax of RM18.8 million compared with RM1.6 million in the corresponding period in 2020, due to higher construction progress. Following the acquisition of the remaining 50% equity interest, SULSB is now a wholly owned indirect subsidiary, and the Group, will now be able to recognise 100% of the profits from SULSB moving forward.

-End-



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 347-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 RM27.4 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