



PRESS RELEASE

30 November 2021

For Immediate Release

TRC's operations continue to improve in 3Q21

- *3Q21 core* net profit grew 10.5% to RM8.7 million on continuous contribution from construction segment, property development and investments in Australia*
- *Unbilled construction orderbook of RM1.2 billion and property development unbilled sales of RM120 million; provides earnings visibility until 2024.*

Selangor, Malaysia, 30 November 2021 - TRC Synergy Berhad (TRC; the Group; Bloomberg: TRC:MK) a leading construction, civil engineering, and property development company, saw continued improvements in profitability, with higher core* net profit in the third quarter ended 30 September 2021 (3Q21).

Core net profit in 3Q21 grew 10.5% to RM8.7 million from RM7.9 million a year ago. The higher profitability was attributed to enhanced efficiency in projects execution, as well as positive performance from property development and investments in Australia.

The core earnings growth was achieved despite a reduction in revenue to RM143.9 million versus RM190.0 million previously, mainly due to the impact of the Full Movement Control Order (FMCO) on construction sector activity in 3Q21.

“TRC was able to record growth and improved margins despite FMCO, partly due to our effective Group-wide cost controls during this challenging time, as well as our enhanced efficiency in executing the various projects.

We have RM1.2 billion worth of unbilled construction orderbook to be recognized until 2024, and includes major projects such as MRT2, LRT3, and Pan Borneo Highway. Additionally, our property development division has RM120 million worth of unbilled property sales, which will further complement our earnings until 2022.”

Tan Sri Dato’ Sri Sufri bin Hj Mohd Zin
Group Managing Director, TRC Synergy Berhad

On non-adjusted basis, Group net profit stood at RM5.9 million in 3Q21, increasing marginally from RM5.7 million previously. 3Q21 non-adjusted net profit included unrealised foreign exchange losses of RM2.9 million, compared to unrealised gain of RM0.3 million in 3Q20.

For the nine months ended 30 September 2021 (9M21), Group core net profit expanded 13.1% to RM16.2 million from RM14.4 million a year ago. 9M21 group revenue rose 11.8% to RM522.0 million from RM467.0 million previously.

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On prospects, Tan Sri Dato' Sri Sufri commented: "TRC is on strong footing, with our construction segment now operating at near optimal levels, as we expedite works to catch up on loss time due to the FMCO in 3Q21."

"We also look forward to participate in more construction and engineering projects in 2022, as the sector's activity improves under the National Recovery Plan. Meanwhile, our property development segment and investments in Australia are expected to contribute positively in 2022."

Financial summary (unaudited consolidated results)								
RM' mil	3 Months 3Q21 Ended 30.9.2021		3 Months 3Q20 Ended 30.9.2020		9 Months 9M21 Ended 30.9.2021		9 Months 9M20 Ended 30.9.2020	
Revenue	143.9		190.0		522.0		467.0	
	Reported	Core*	Reported	Core*	Reported	Core*	Reported	Core*
Net Profit attributable to Owners of the Parent	5.9	8.7	5.7	7.9	15.0	16.2	16.5	14.4
Basic EPS (Sen)	1.25	1.85	1.22	1.68	3.17	3.45	3.48	3.03

***Note:**

Core figures were derived after:

- (1) adjustment(s) made for allowance / write-back arising from impairments, written-off / recovery for investment in associate; and
- (2) adjustment(s) made for unrealised gain / loss arising from FOREX movement. It was related to advances given to our foreign subsidiaries within the Group, and these monetary items denominated in foreign currency were retranslated at foreign exchange rates ruling at the reporting date. Any change in foreign exchange rates between the current and the previous reporting date will result in unrealised forex gain/loss.

About TRC Synergy Berhad (<https://www.trc.com.my/>)

Established in 1984, TRC Synergy Berhad has closed to four decades of experience in civil engineering, construction and property development in Malaysia, and with investments in Australia.

The Group has proven track record of timely execution capabilities and technical expertise in the construction industry, and has completed more than RM10.0 billion worth of projects including airports, universities, high rise buildings, roads, railways, amongst others.

Prominent projects completed include construction works for Kelana Jaya LRT Line Extension, Sungai Buloh MRT Maintenance Depot, upgrading of Labuan Airport and Kuala Terengganu Airport, modernization of Brunei International Airport, Royal Malaysian Navy's submarine base in Sepangar Bay Sabah, and Parcel B of KL Eco City integrated development.

As at 30 September 2021, the Group's construction division has an unbilled orderbook of RM1.2 billion comprising highway, railway, building construction and other projects, to be fulfilled until 2024.

Issued for and on behalf of TRC Synergy Berhad by Aquilas Advisory (Malaysia) Sdn Bhd

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