

# MMC Corporation Berhad

## Financial Results

### Ended 30 June 2019

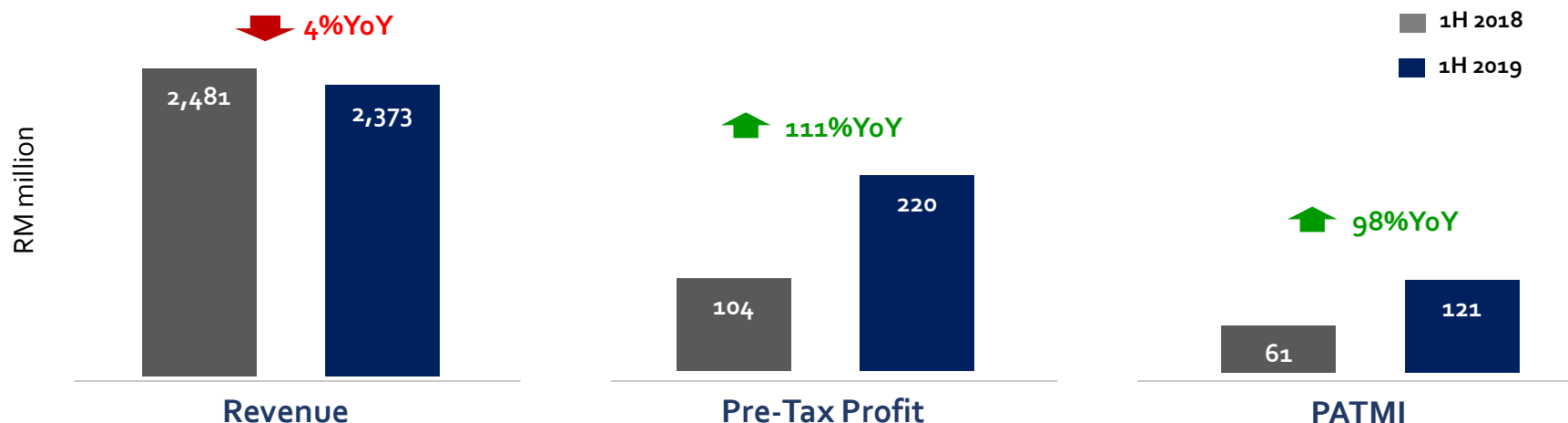
#### (1H2019)



August 2019

#### MMC Group of Companies



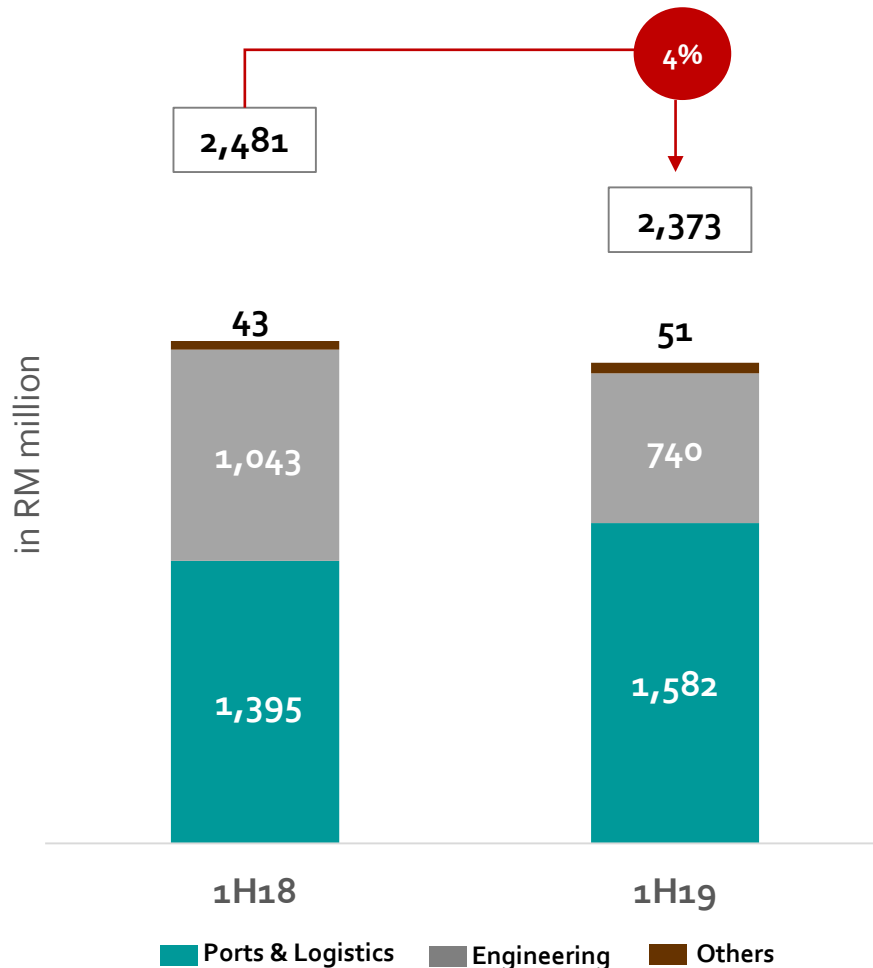


- Group revenue recorded lower by 4%YoY mainly due to:
  - Lower contribution from KVMRT-SSP Line following revision of contract in November 2018; and
  - Lower progress from Langat Sewerage project.
- Group's PBT recorded higher by 111%YoY due to:
  - Higher contributions from port entities;
  - Gain on disposal of an asset held for sale; and
  - Lower administrative costs (excluding depreciation and amortization).

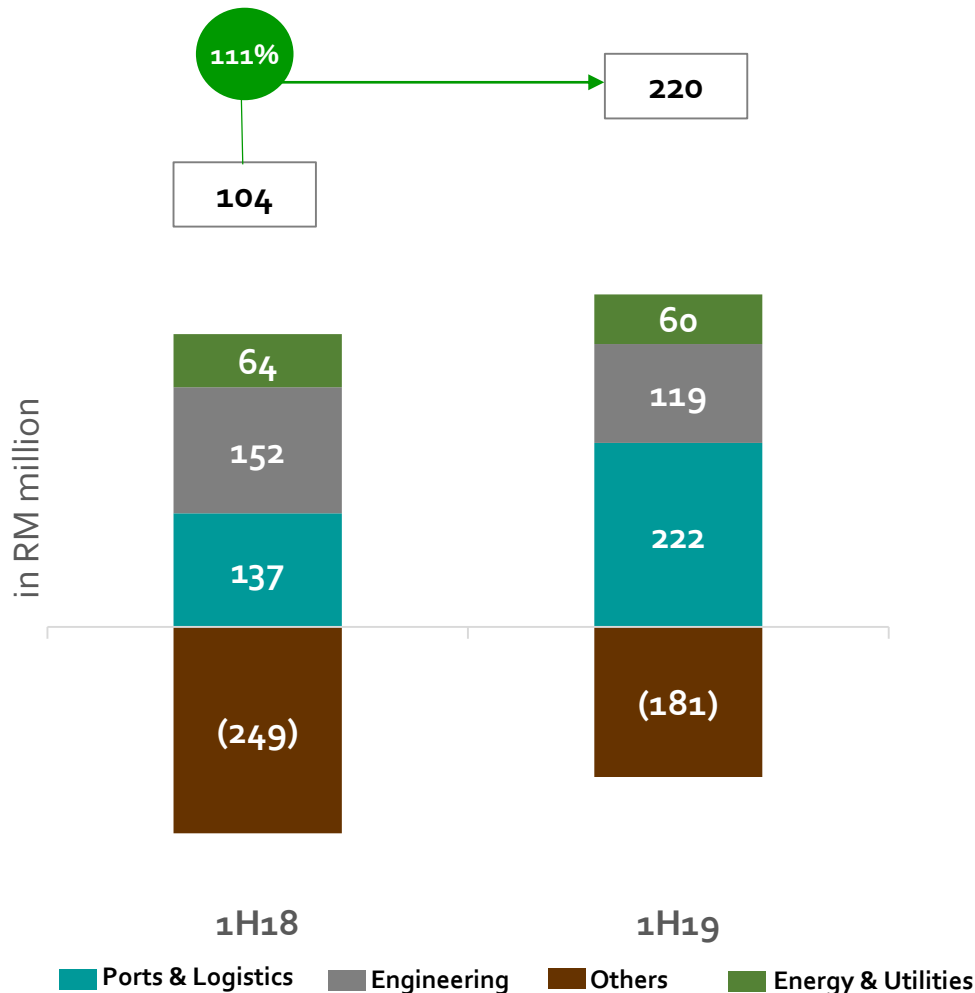
# MMC GROUP: CONSOLIDATED INCOME STATEMENT



in RM million	1H2019			1H2018			Variance (YoY)		
	1H2019	1H2018	Variance (YoY)	Highlights			2Q2019	1Q2019	Variance (QoQ)
Revenue	2,373	2,481	-4%	<ul style="list-style-type: none"> <li>- Lower contribution from KVMRT-SSP Line following revision of contract in November 2018.</li> <li>- Lower progress from Langat Sewerage project.</li> </ul>	1,230	1,143	8%		
Cost of Sales	(1,458)	(1,718)	-15%		(753)	(706)	7%		
<b>Gross Profit</b>	915	762	20%		478	438	9%		
Other operating income	92	77	19%		57	35	63%		
Administrative expenses	(409)	(344)	19%		(212)	(196)	8%		
Other operating expenses	(161)	(227)	-29%		(81)	(81)	0%		
Finance costs	(347)	(259)	34%		(176)	(171)	3%		
Share of results:									
associates	69	54	28%		34	35	-3%		
joint ventures	61	41	49%		33	29	14%		
Profit before zakat & tax	220	104	111%	<ul style="list-style-type: none"> <li>- Higher contributions from port entities.</li> <li>- Gain on disposal of an asset held for sale and lower administrative cost incurred (excluding depreciation and amortization)</li> </ul>	132	88	50%		
Taxation & Zakat	(74)	(19)	289%		(50)	(24)	108%		
Profit attributable to:									
<b>Owners of the Parent</b>	121	61	98%		67	54	24%		
Non-controlling interests	26	24	8%		14	11	27%		
	147	85	73%	82	65	26%			
EPS (sen)	4.0	2.0	100%	2.2	1.8	22%			



- Ports & Logistics – Higher volume handled at PTP and effect from full consolidation of PPSB’s revenue.
- Engineering – Lower contribution from KVMRT-SSP Line following revision of contract in November 2018 and lower progress from Langat Sewerage project.
- Others – Higher passenger volume at Senai Airport.



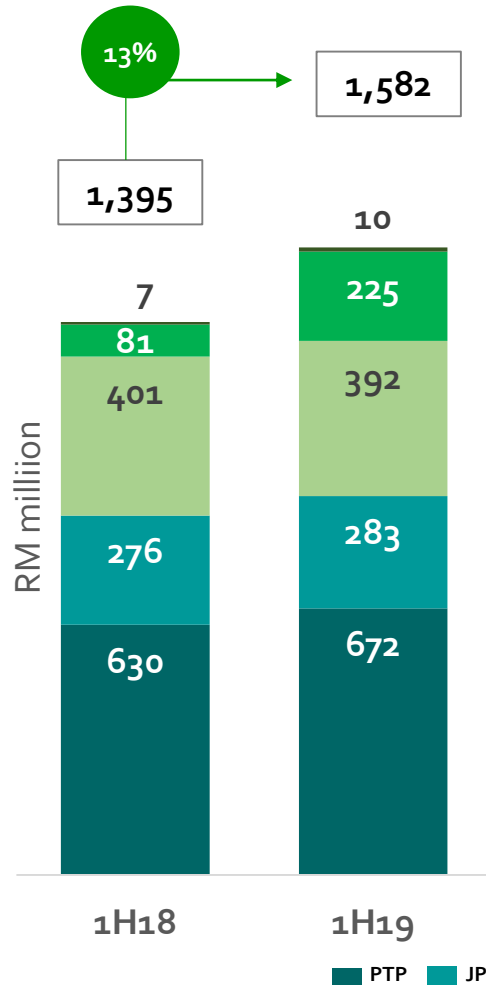
- Ports & Logistics – Higher volume handled at PTP, lower operating cost at JPB and NMB, higher share of results from Red Sea Gateway Terminal as well as full consolidation of PPSB’s results.
- Engineering – Lower contribution from KVMRT-SSP Line and Langat Sewerage project.
- Corporate & Others – Gain on disposal of an asset held for sale, lower finance costs and lower administrative cost incurred.

# QUARTERLY SEGMENTAL BREAKDOWN

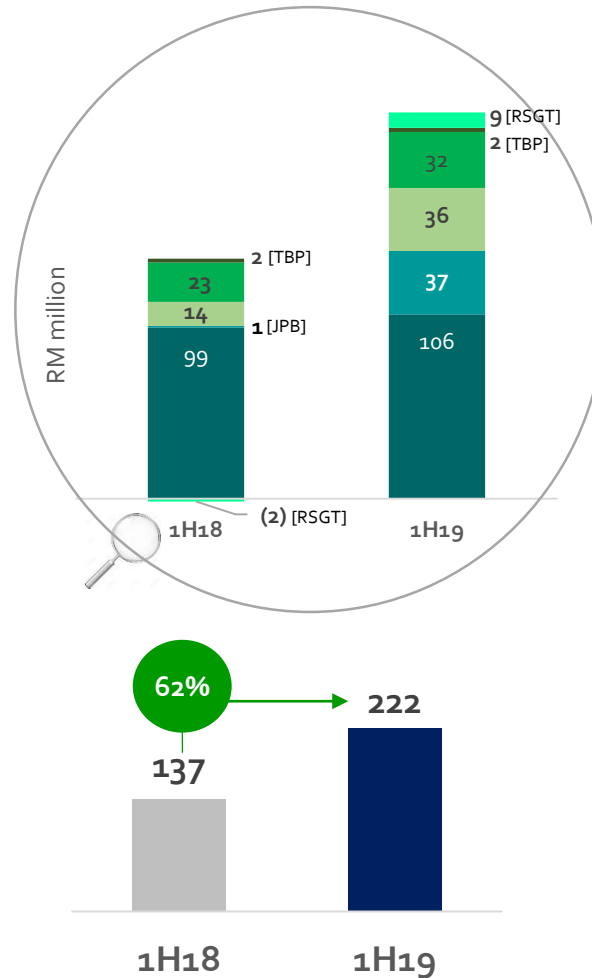


Quarterly Segmental breakdown	1H2019			Variance (YoY)	Highlights	2Q2019		
	1H2019	1H2018	Variance (YoY)			2Q2019	1Q2019	Variance (QoQ)
Revenue:								
Ports & Logistics	1,582	1,395	13%	Lower contribution from KVMRT-SSP Line following revision of contract in November 2018 and lower progress from Langat Sewerage project	802	780	3%	
Engineering	740	1,043	-29%		402	338	19%	
Corporate & Others	51	43	18%		26	25	4%	
<b>Total revenue</b>	<b>2,373</b>	<b>2,481</b>	<b>-4%</b>		<b>1,230</b>	<b>1,143</b>	<b>8%</b>	
Profit before Tax:								
Ports & Logistics	222	137	62%	Higher volume handled at PTP, lower operating cost at JPB and NMB, higher share of results from Red Sea Gateway Terminal as well as full consolidation of PPSB's results.	119	104	14%	
Energy & Utilities	60	64	-6%		29	32	-9%	
Engineering	119	152	-22%	Gain on disposal of an asset held for sale, lower finance cost and lower administrative cost incurred.	68	49	39%	
Corporate & Others	(181)	(249)	-27%		(84)	(97)	-13%	
<b>Total PBT</b>	<b>220</b>	<b>104</b>	<b>111%</b>		<b>132</b>	<b>88</b>	<b>50%</b>	

## Revenue



## Pre-tax profit



## Operational Statistics

### Port of Tanjung Pelepas

Volume	1H19	Growth (YoY)
Container (in mil. TEUs)	4.6	5%

### Johor Port Berhad

Throughput (in mil. FWT)	1H19	Growth (YoY)
Liquid bulk	7.1	0%
Dry bulk	1.9	-7%
Break bulk	0.4	-14%
<b>Total Conventional</b>	<b>9.4</b>	<b>-3%</b>
Container (in mil. TEUs)	0.5	6%

### Northport (M) Bhd

Throughput (in mil. FWT)	1H19	Growth (YoY)
Liquid bulk	1.2	2%
Dry bulk	1.2	-13%
Break bulk	1.4	13%
RORO	0.7	157%
<b>Total Conventional</b>	<b>4.5</b>	<b>10%</b>
Container (in mil. TEUs)	1.3	-3%

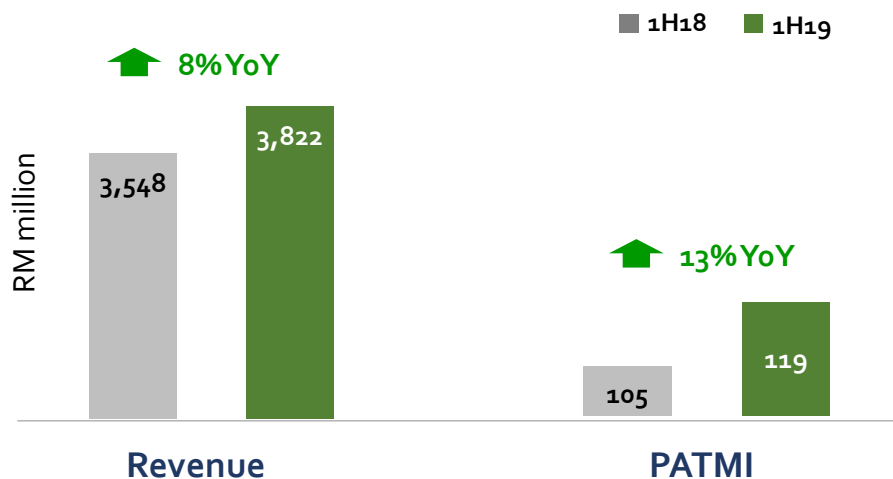
### Penang Port Sdn Bhd

Throughput (in mil. FWT)	1H19	Growth (YoY)
Liquid	2.2	2%
Dry bulk	1.9	-22%
Break bulk	0.8	-14%
<b>Total Conventional</b>	<b>4.8</b>	<b>-11%</b>
Container (in mil. TEUs)	0.7	-1%

### Tanjung Bruas Port

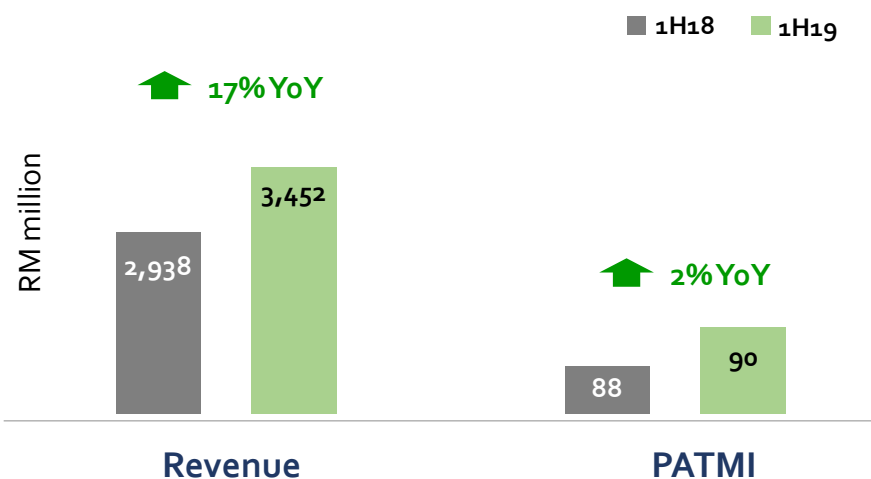
Volume ('000 FWT)	1H19	Growth (YoY)
<b>Total Conventional</b>	<b>439</b>	<b>36%</b>
Container (in '000 TEUs)	3.4	N/a

## MALAKOFF Company Level



- Higher revenue recorded due to higher energy payment recorded from TBP coal plant on the back of higher applicable coal price.
- Higher profit primarily attributed to improved contribution from TBE coal plant given the shorter plant outage duration, lower barging and demurrage costs following timely completion of coal unloading jetty coupled with lower net finance costs. However, these were partially offset by lower contributions from associates investments.

## GAS MALAYSIA Company Level

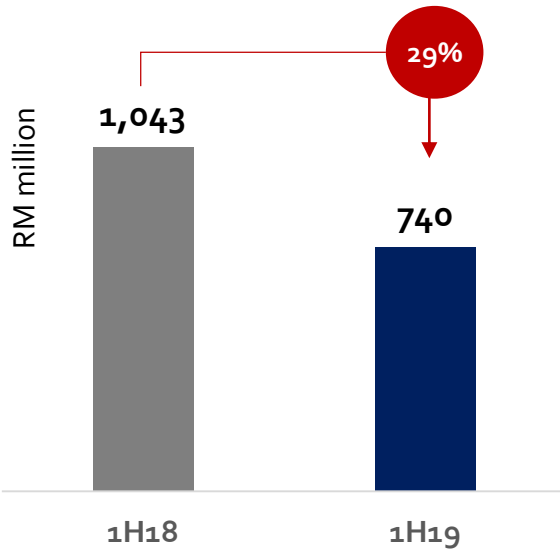


- Higher revenue mainly due to higher natural gas tariff and higher volume of gas sold.



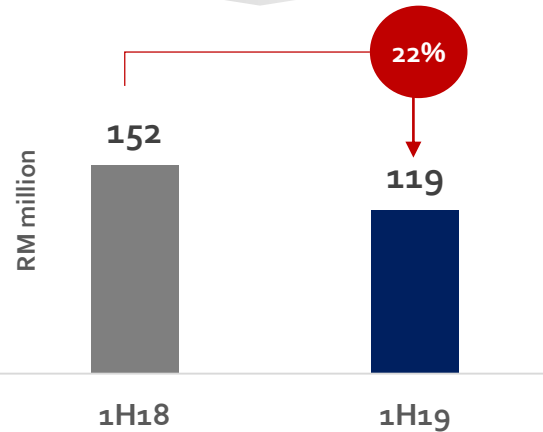
## Revenue

Lower contribution from KVMRT-SSP Line following revision of contract in November 2018 as well as lower progress from Langat Sewerage Project



## Pre-tax profit

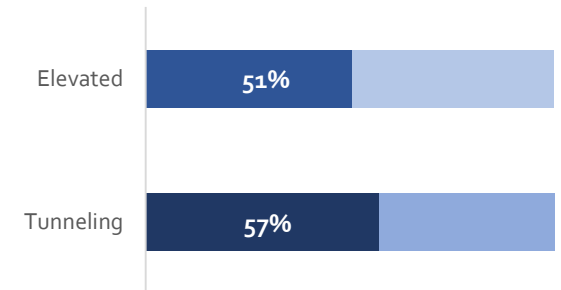
Lower contribution from KVMRT-SSP Line and Langat Sewerage project



## KVMRT Project Progress



## Sungai Buloh – Serdang – Putrajaya Line (SSP)



\*As of June 2019

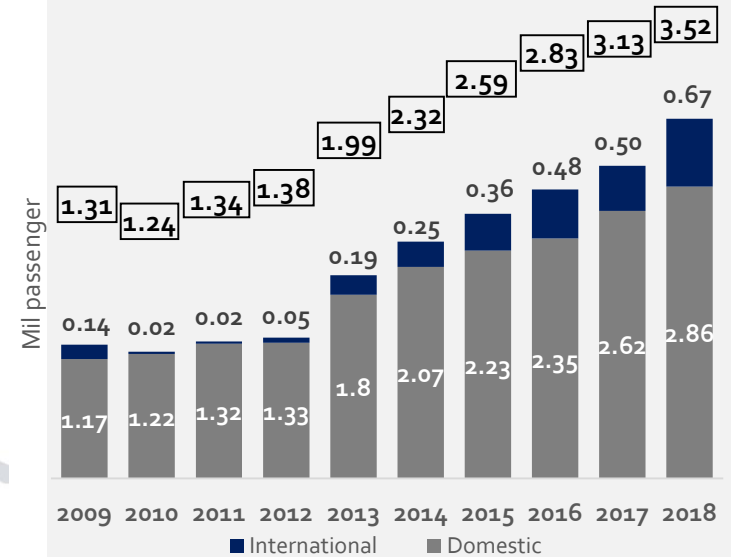


## Operational Statistics

### Senai Airport Terminal

Operational Data	1H19	Growth (YoY)
Passengers Traffic ('000)		
Domestic	1,756	29%
International	350	11%
<b>Total</b>	<b>2,105</b>	<b>26%</b>
Cargo (tonnage)	7,528	57%

### Passengers handled (2009 – 2018)





### Ports & Logistics

- Operational and cost synergies would further improve the performance of its Ports & Logistics division
- Continuous investments into the ports' infrastructure, capacities and capabilities along with execution of operational plans are expected to deliver positive results.



### Energy & Utilities

- Positive contribution from its two associates namely:
  - ✓ Malakoff
  - ✓ Gas Malaysia



### Engineering

- Substantial existing order-book anchored by KVMRT-SSP Line.
- Other on-going project:
  - a. Langat 2 Water Treatment Plant
  - b. Langat Centralized Sewerage Treatment Project

Overall, the Group expects to strengthen our capabilities with a focus on operating performance and efficiency, whilst exploring new opportunities.

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# Thank You

MMC Corporation Berhad | Group Strategy  
+603 2071 1122 | [investor@mmc.com.my](mailto:investor@mmc.com.my)