



FOR IMMEDIATE RELEASE

MMC RECORDS PROFIT BEFORE ZAKAT AND TAXATION OF RM115 MILLION, AN INCREASE OF 29.7%

KUALA LUMPUR, 20 May 2020 – MMC Corporation Berhad (MMC or the Group), a premier utilities and infrastructure group recorded a 29.7% increase in Profit Before Zakat and Taxation (“PBZT”) to RM115 million compared to RM88 million reported in the corresponding financial period ended 31 March 2019 due to higher contributions from Port of Tanjung Pelepas (“PTP”) and Johor Port Berhad (“Johor Port”), higher share of results of associates, namely Malakoff Corporation Berhad (“Malakoff”) and higher interest income and lower operating expenses at Klang Valley Mass Rapid Transit Sungai Buloh-Serdang (“KVMRT-SSP Line”). These were offset with lower contribution from Northport Malaysia Bhd (“Northport”) and Kontena Nasional Berhad (“KNB”).

The Group recorded a revenue of RM1.09 billion compared to RM1.14 billion in the corresponding financial period ended 31 March 2019 due to lower work progress from underground work packages for KVMRT-SSP Line, lower volume handled at Northport and lower contribution from KNB. These were cushioned by higher volume handled at PTP and Johor Port.

Review of Key Operating Companies

The Ports & Logistics division recorded revenue of RM801 million, an increase of 2.6% compared to RM780 million reported in the preceding financial period ended 31 March 2019, mainly due to the higher volume handled at PTP and Johor Port, offset by lower volume handled at Northport and lower contribution from KNB.

The division recorded higher PBZT by RM19 million to RM123 million compared to RM104 million reported in the corresponding financial period ended 31 March 2019 due to higher volume handled at PTP and Johor Port, and gain on disposal of an asset held for sale at Johor Port. These were partially offset by lower contribution from Northport and KNB.



The Energy & Utilities division recorded increase in PBZT to RM41 million compared to RM32 million reported in the corresponding financial period ended 31 March 2019 due to higher contribution from Malakoff attributed to contribution from Alam Flora Sdn Bhd following the completion of acquisition on 5 December 2019, and higher share of profits from its associates.

The Engineering division recorded a revenue of RM264 million compared to RM338 million reported in the corresponding financial period ended 31 March 2019 due to lower work progress from underground work packages for KVMRT-SSP Line.

The division recorded an increase of 23.5% in PBZT to RM61 million from RM49 million reported in the corresponding financial period ended 31 March 2019 attributed to higher interest income and lower operating expenses at KVMRT-SSP Line.

Moving Forward

The Group is cognizant of the challenging business environment in financial year 2020 in view of the global economic contraction arising from the COVID-19 pandemic. Measures taken by the governments all over the world to contain the COVID-19 pandemic have affected global economic activity and the Group expects our performance to be affected, the extent of which will depend on the severity and duration of the outbreak. Nevertheless, the Group continues to exercise prudence in its business dealings to navigate through this challenging year.

The Ports & Logistics division will focus on resource optimisation amid the uncertainty in the global container volume outlook. Continuous vigilant investments into the ports' infrastructures, capacities and capabilities along with the operational efficiency and group-wide cost synergies initiatives are expected to be the anchor to the overall Port & Logistics performance.

The Energy & Utilities division is expected to provide consistent earnings to the Group from the contributions by its associated companies, namely Malakoff and Gas Malaysia Berhad.

The Engineering division will continue to provide earnings visibility for the Group from its substantial existing order book, anchored by the KVMRT-SSP Line project. The division remains active in its efforts to replenish its order book whilst focusing on the execution and timely completion of its existing projects.

MMC Group anticipates the challenging environment to remain in the short to medium term. The Group will continue to monitor the situation closely and to focus on resource optimisation to reduce its operating cost in line with the challenging economic outlook.

Dato' Sri Che Khalib Mohamad Noh, Group Managing Director of MMC Corporation Berhad said, "We are committed to strengthen our market position by focusing on operational performance and efficiency and capability improvements, whilst exploring new opportunities".



Photo caption: MMC's Ports & Logistics division records higher PBZT of RM123 million compared to RM104 million reported in the corresponding financial period ended 31 March 2019.

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About MMC Corporation Berhad

MMC Corporation Berhad (MMC Group) is a leading utilities and infrastructure group with diversified businesses under four divisions, namely Ports and Logistics, Energy and Utilities, Engineering and Industrial Development.

Its key businesses under the Ports and Logistics division include the operations of Pelabuhan Tanjung Pelepas Sdn Bhd, Johor Port Berhad, Northport (Malaysia) Bhd, Penang Port Sdn Bhd, Tanjung Bruas Port Sdn Bhd and Kontena Nasional Berhad. Internationally, MMC has presence in



Saudi Arabia via Red Sea Gateway Terminal Company Limited, a container port terminal within the Jeddah Islamic Port.

Under the Energy and Utilities division, MMC is the single largest shareholder of both Malakoff Corporation Berhad and Gas Malaysia Berhad.

MMC's Engineering division has played a leading role for the implementation of the entire project including the underground works package in completing the 51 km Klang Valley Mass Rapid Transit (KVMRT) Sungai Buloh-Kajang project (SBK Line) and is now the main turnkey contractor for the entire Sungai Buloh-Serdang-Putrajaya project (SSP Line). Prior to this, MMC has successfully completed the 329 km Ipoh-Padang Besar Electrified Double Tracking Project as well as the innovative Stormwater Management and Road Tunnel (SMART) motorway, the first of its kind, dual-purpose tunnel in the world.

MMC is currently, undertaking key civil and infrastructure projects in the country namely Langat Centralised Sewerage Treatment Plant and Langat 2 Water Treatment Plant.

Under Industrial Development, MMC Group's Property develops and manages approximately 5,000 acres of industrial developments in Iskandar Malaysia, Johor and Kulim, Kedah, which include the Senai Airport City, Tanjung Bin Petrochemical & Maritime Industrial Centre (TBPMIC) and the Northern Technocity (NTC). The Senai Airport City, TBPMIC and NTC developments come under the ambit of Group Property's three operating companies – Senai Airport City Sdn Bhd, Seaport Worldwide Sdn Bhd and Northern Technocity Sdn Bhd respectively.

In other businesses, MMC wholly-owns Aliran Ihsan Resources Berhad, a company which specialises in the full spectrum of water treatment and Senai Airport Terminal Services Sdn Bhd, the operator of Senai International Airport in Johor Bahru – a major aviation hub and the main air transportation gateway to Iskandar Malaysia.

Enquiries

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