



**FOR IMMEDIATE RELEASE**

## **MMC RECORDS 9 MONTHS PROFIT BEFORE ZAKAT AND TAXATION OF RM367 MILLION**

**KUALA LUMPUR, 25 November 2020** – MMC Corporation Berhad (“MMC or the Group”), a premier utilities and infrastructure group, recorded a cumulative Profit Before Zakat and Taxation (“PBZT”) of RM367 million compared with RM341 million reported in the corresponding financial period ended 30 September 2019. This increase was mainly due to higher volume handled at Port of Tanjung Pelepas (“PTP”), gain on disposal of an asset held for sale at Johor Port Berhad (“Johor Port”), higher share of results of associates, namely Malakoff Corporation Berhad (“Malakoff”), and lower finance cost incurred. However, these were partially offset by lower contribution from Klang Valley Mass Rapid Transit Sungai Buloh-Serdang-Putrajaya Line (“KVMRT-SSP Line”) and Northport (Malaysia) Bhd (“Northport”), as well as lower passenger and cargo volumes at Senai Airport Terminal Services Sdn Bhd (“Senai International Airport”).

For the financial period ended 30 September 2020, the Group recorded RM3.20 billion in revenue from RM3.62 billion reported in the corresponding financial period ended 30 September 2019 due to lower work progress from KVMRT-SSP Line, lower passenger and cargo volumes at Senai International Airport and lower volume handled at Northport and Penang Port Sdn Bhd (“Penang Port”). These were partially offset by higher volume handled at PTP.

### **Review of Key Operating Companies**

The Ports & Logistics division recorded slightly lower revenue of RM2.33 billion compared with RM2.36 billion reported in the corresponding financial period ended 30 September 2019 due to lower volume handled at Northport and Penang Port, offset by higher volume handled at PTP.

The division recorded higher PBZT by RM32 million to RM347 million compared with RM315 million reported in the corresponding financial period ended 30 September 2019 attributed to higher volume handled at PTP and gain on disposal of an asset held for sale at Johor Port, offset by lower contribution from Northport.



The Energy & Utilities division recorded an increase in PBZT to RM119 million compared with RM107 million reported in the corresponding financial period ended 30 September 2019 due to higher contribution from Malakoff attributed to contribution from Alam Flora Sdn Bhd, higher contributions from its associates, lower operations and maintenance costs and higher contribution from its subsidiary, Tanjung Bin Energy Sdn. Bhd., following settlement agreement reached with its contractor.

The Engineering division recorded lower revenue of RM811 million compared with RM1.18 billion reported in the corresponding financial period ended 30 September 2019 mainly due to lower work progress from KVMRT-SSP Line, affected by unprecedented movement control order.

The division recorded lower PBZT of RM176 million from RM192 million reported in the corresponding financial period ended 30 September 2019 due to lower work progress from KVMRT-SSP Line.

### **Moving Forward**

The Group is cognisant of the challenging business environment in the financial year 2020 in view of COVID-19 pandemic and its impact on the global and domestic economic conditions. That said, with timely and effective standard operating procedures set in place by the Government to contain the spread of COVID-19 cases, economic and business activities are able to resume progressively. The Group views this development as positive progress towards economic recovery. Notwithstanding the positive developments, the Group will continuously monitor and ensure timely response towards COVID-19 situation to facilitate recovery and growth of our businesses.

The Port and Logistics division has been showing improvement in performance, underpinned by economic recovery momentum since the resumption of the global and domestic trade activities. The division will continue to utilise its assets and resources in the most optimal ways coupled with on-going cost management on the back of a positive container volume outlook for the rest of the year. Continuous investments into the ports' infrastructures, operational efficiency and cost-synergy initiatives across the Group are expected to be the key drivers to the overall Port & Logistics performance in the short and medium terms.

The Energy & Utilities division remains resilient to the impact of COVID-19 and is expected to contribute steady earnings from its two (2) associated companies, namely Malakoff and Gas Malaysia.



The Engineering division is expected to provide earnings visibility for the Group from its substantial existing orderbook, anchored by KVMRT-SSP Line project. The division is committed and remains active in its effort to secure new projects on the back of the anticipated economic activity from COVID-19 recovery, whilst focusing on the execution and timely completion of its existing projects.

Dato' Sri Che Khalib Mohamad Noh, Group Managing Director of MMC Corporation Berhad said "Moving forward, under this challenging but improving business environment, the Group is committed to strengthening our financial and market positions by focusing on operational excellence and cost optimisation, whilst exploring new business opportunities.

Notwithstanding the exceptional challenges this year, the Group expects the financial performance for the current year to be satisfactory. We will continue leveraging on our collective businesses' strengths and long-standing industry experience and expertise to contribute towards industry growth and nation building."



*Photo caption: An increase of volume handled at PTP has contributed to higher Profit Before Zakat and Taxation in MMC's Ports & Logistics division.*

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## About MMC Corporation Berhad

*MMC Corporation Berhad (“MMC”) 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 includes the port 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, a logistics provider. 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, Malakoff Corporation Berhad is the largest Independent Power Producer in Malaysia and its subsidiary, Alam Flora Sdn Bhd, is one of the leading environmental management companies in the country. Under Gas Malaysia Berhad, we are the supplier of reticulated natural gas in Peninsular Malaysia operating and maintaining 2,468 kilometres of gas pipeline. Through Aliran Ihsan Resources Berhad, we provide full-fledge water services using high technology treatment in Malaysia.*

*MMC’s Engineering Division has played a leading role as the Project Delivery Partner and underground works package contractor in completing 51 kilometres Klang Valley Mass Rapid Transit (“KVMRT”) Kajang Line (previously known as Sungai Buloh-Kajang Line) including 9.5 kilometres underground works. Currently, we are the main turnkey contractor for 52.2 kilometres KVMRT Putrajaya Line (previously known as Sungai Buloh-Serdang-Putrajaya Line). MMC also successfully completed the 329-kilometre 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 in the final stage of completing the Langat Centralised Sewerage Treatment Plant (920,000 Population Equivalent) and Langat 2 Water Treatment Plant (1,130 Million Litres Per Day).*

*MMC’s Industrial Development Division develops and manages approximately 5,000 acres of industrial developments namely Senai Airport City (“SAC”) and Tanjung Bin Industrial Park (“TBIP”) in Iskandar Malaysia, Johor and Northern Technocity (“NTC”) in Kulim Kedah. The SAC, TBIP and NTC developments come under the ambit of Industrial Development division’s three operating companies – Senai Aiport City Sdn Bhd, Seaport Worldwide Sdn Bhd and Northern Technocity Sdn Bhd respectively.*

*In other business, through Senai Airport Terminal Services Sdn Bhd, we are the operator of Senai International Airport in Johor Bahru – the southern aviation hub and an important gateway to Iskandar Malaysia.*

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