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MMC RECORDS HALF-YEAR PROFIT BEFORE ZAKAT AND TAXATION OF RM494 MILLION

KUALA LUMPUR, 23 August 2021 – MMC Corporation Berhad (“MMC” or “Group”), a premier utilities and infrastructure group recorded a Profit Before Zakat and Taxation (“PBZT”) of RM494 million compared to RM243 million reported in the corresponding financial period ended 30 June 2020 in line with higher volume handled at Port of Tanjung Pelepas (“PTP”) and Northport (Malaysia) Bhd (“Northport”), gain on sublease of land at PTP and lower finance costs incurred. These were offset by lower work progress from Klang Valley Mass Rapid Transit (“KVMRT”) Putrajaya Line and Langat Sewerage project as the projects are nearing completion, lower passenger volume at Senai Airport Terminal Sdn Bhd (“Senai International Airport”) due to COVID-19 pandemic, and no sale of land at Senai Airport City (“SAC”).

For the financial period ended 30 June 2021, the Group recorded RM2.29 billion in revenue from RM2.08 billion reported in the corresponding financial period ended 30 June 2020 mainly due to higher volume handled at PTP and Northport. These were offset by lower contribution from KVMRT Putrajaya Line, Langat Sewerage project and Senai International Airport, and no sale of land at SAC as mentioned above.

Review of Key Operating Companies

The Ports and Logistics division recorded revenue of RM1.82 billion compared to RM1.53 billion reported in the corresponding financial period ended 30 June 2020 due to higher volume handled at PTP and Northport.

Correspondingly, the division recorded a PBZT of RM465 million compared to RM219 million reported in the corresponding financial period ended 30 June 2020 attributed to higher volume handled at PTP and Northport, gain on sublease of land at PTP and lower finance costs.

The Engineering division recorded revenue of RM448 million compared to RM506 million reported in the corresponding financial period ended 30 June 2020 mainly due to lower work progress from KVMRT Putrajaya Line and Langat Sewerage project as the projects are nearing completion and impact of COVID-19.



The division recorded PBZT of RM99 million compared to RM121 million reported in the corresponding financial period ended 30 June 2020 in line with lower revenue as explained above.

Moving Forward

The Group is positive on the growth prospects of its business divisions in FY2021 in line with the global economic recovery. MMC's key business divisions will continue to play important roles in enabling and facilitating economic growth by providing essential needs and services across all economic sectors. Additionally, the Group remains vigilant on the market changes in response to the ongoing Movement Control Orders 3.0 ("MCO 3.0") and the high number of COVID-19 cases recently recorded.

The Port and Logistics division is expected to continue the positive momentum in line with the expected economic recovery and growth this year. The division will continue to optimise the utilisation of its assets and resources and exercise stringent cost management. Over the short to medium terms, the division will focus on prioritising its investments and capital allocation in the ports' infrastructures and operational efficiencies as part of strengthening its service capacities to meet the market demand.

The Energy and Utilities division, namely Malakoff Corporation Berhad and Gas Malaysia Berhad, remains as a key component to the Group and is expected to contribute steady earnings from its staple services across all economic sectors.

Despite the ongoing MCO 3.0 and its challenges, the Engineering division is committed to complete its outstanding contracts within the allocated time and costs and the division remains active in its efforts to secure new mega projects on the back of the economic recovery and Budget 2021 announcement that aims to revive the economic sectors.

Dato' Sri Che Khalib Mohamad Noh, Group Managing Director of MMC Corporation Berhad said, "With better and timely preventive measures and broader coverage of vaccination, the Group views that the economic recovery is sustainable. We are committed to strengthening our financial and market positions by focusing on operational excellence and cost optimisation, whilst exploring new business opportunities. Overall, the Group expects to sustain its financial and operational performance for FY2021 and will stay resilient through the year."



Photo caption: PTP recorded a higher container throughput volume at 5.56 million TEUs in the first half 2021 due to various operational improvement initiatives and consistency in productivity

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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 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, MMC is the single largest shareholder of both Malakoff Corporation Berhad, the country's largest Independent Power Producer and Gas Malaysia Berhad, a total energy solutions provider. Through Aliran Ihsan Resources Berhad, we are a pioneer in wastewater recycling technology and a water treatment specialist.

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) Kajang Line (formerly known as Sungai Buloh-Kajang Line) and is now the main contractor for the entire KVMRT Putrajaya Line (formerly known as Sungai Buloh-Serdang-Putrajaya Line). MMC is also currently, undertaking key civil and infrastructure projects in the country namely Langkat Centralised Sewage Treatment Plant and Langkat 2 Water Treatment Plant.



Notably, MMC completed the 329 km Ipoh-Padang Besar Electrified Double Tracking Project and the innovative Stormwater Management and Road Tunnel (SMART) motorway, the first of its kind, dual-purpose tunnel in the world.

MMC's Industrial Development division develops and manages approximately 5,000 acres of industrial developments in Iskandar Malaysia, Johor and Kulim, Kedah, which includes the Senai Airport City, Tanjung Bin Industrial Park and the Northern Technocity.

In other business, MMC wholly-owns Senai Airport Terminal Services Sdn Bhd, the operator of Senai International Airport in Johor Bahru – an emerging southern aviation hub and important gateway to Iskandar Malaysia.

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