



PRESS RELEASE
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MHB Achieves Revenue of RM984.5 million in the First Quarter of 2024

Malaysia Marine and Heavy Engineering Holdings Berhad (“MHB” or “Group”) wishes to announce its financial results for the first quarter ended 31 March 2024. For the said period, the Group achieved a revenue of RM984.5 million with a pre-tax profit of RM10.9 million.

The Heavy Engineering segment reported a higher revenue of RM869.1 million in the current quarter compared to RM404.2 million in the corresponding quarter, primarily due to higher revenue from ongoing projects. The segment posted an operating profit of RM0.3 million in the current quarter compared to an operating loss of RM8.7 million in the corresponding quarter in tandem with the increase in revenue.

During the quarter, Heavy Engineering segment has successfully sailed away SK408W Jerun Development Project’s Central Processing Platform (CPP) topside as per agreed schedule. The project has entered its final phase which is the hook-up and commissioning at offshore as per plan.

In addition to Jerun Development Project as mentioned above, the other ongoing projects for the Heavy Engineering segment which are progressing as per their schedule include the following:

- i) Engineering, Procurement, Construction, Installation and Commissioning (EPCIC) of Kasawari Gas Development Project for PETRONAS Carigali Sdn Bhd (PCSB) which is at the final stage of its hook-up and commissioning at offshore;
- ii) Engineering, Procurement and Construction (EPC) of Rosmari-Marjoram Gas Project’s solar powered offshore platform for Sarawak Shell Berhad awarded in October 2022;
- iii) EPCIC Alliance of Kasawari Carbon Capture & Storage (CCS) Project for PCSB awarded in November 2022;
- iv) Engineering, Procurement, Construction and Installation (EPCI) of five (5) wellhead platforms, five (5) subsea pipelines and host tie-ins works for Carigali-PTTEPI Operating Company Sdn Bhd (CPOC) awarded in February 2023; and
- v) EPC subcontract of TenneT’s 2GW Programme’s first Offshore Substation (OSS) High Voltage Direct Current (HVDC) platform which includes the topside and jacket for the IJmuiden ver Alpha Project, an offshore wind farm in the Netherlands for Petrofac International (UAE) LLC awarded in November 2023.

The Marine segment registered a higher revenue of RM115.4 million compared to RM92.1 million in the corresponding quarter, mainly due to higher dry-docking and repair services. The segment reported a higher operating profit of RM13.8 million in the current quarter compared to an operating profit of RM12.9 million in the corresponding quarter, in line with higher revenue.

For the three (3) months period, the Marine segment completed the repair and maintenance works on 22 vessels of various categories, including two (2) Liquefied Natural Gas Carriers (LNGC).



The Group's total assets and total equity at the end of the period under review stood at RM3.9 billion and RM1.3 billion, respectively.

Managing Director & Chief Executive Officer, Mohd Nazir Mohd Nor said, "Oil prices have been relatively stable the past three months as a result of tighter global supply from heightened geopolitical situation and the prospect of extended OPEC+'s supply restrictions which will spur oil majors spending on capital expenditure for upstream activities in 2024 given the crucial global energy security. Additionally, growing low-carbon solutions in supporting the global net-zero ambitions would continue to create more business opportunities. As such, we are well-positioned to capitalise on these favourable trends to achieve a balanced portfolio in both the conventional and clean energy spaces."

Mohd Nazir further elaborated, "As for the Marine segment, the greater demand for upstream activities will benefit this segment from the conversion projects. However, intense competition amongst peers remains a challenge given the increasing number of new LNGC-repair yards in neighbouring countries and China. Considering the stable oil and gas market, we aim to broaden our customer base and seize opportunities in conversion projects."

"It is anticipated that geopolitical and operating landscapes will remain volatile coming from supply chain disruption and price escalations. Therefore, we will continue our efforts to improve the contracting strategies to mitigate these risks." added Mohd Nazir.



About MHB

Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) is a globally trusted energy and marine solutions provider for a wide range of offshore and onshore facilities and vessels.

With an illustrious 50-year history of proven excellence and a reputation for delivering integrated solutions to international energy clients, we operate the largest fabrication yard in Malaysia and one of the largest in Southeast Asia. Our specialisation lies in energy offshore construction, including deepwater facilities, marine repair, conversion services, and marine refurbishment, with a niche focus on Liquefied Natural Gas (LNG) carriers.

Today, MHB is at the forefront of the green energy revolution, spearheading initiatives in renewable energy and decarbonisation. Leveraging our extensive expertise, we construct carbon capture facilities, advanced offshore wind farm substations, and provide fabrication services for green hydrogen facilities, supporting our clients' aspirations for cleaner and more sustainable energy solutions.

Our capabilities and track record in summary:

- *Full range engineering, procurement, construction, installation & commissioning (EPCIC) services for offshore structures*
- *Complete offshore facility conversion services in one location*
- *Comprehensive ship repair, refurbishment, upgrading and life extension of various types of vessels and rigs*

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