



**PRESS RELEASE**  
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## **MHB Achieves Improved Financial Performance in the Nine (9) Months of 2024**

<b>Nine months of 2024 – At a Glance</b>
<ul style="list-style-type: none"><li>• <b>Revenue of RM2.8 billion</b></li><li>• <b>Pre-tax profit of RM101.2 million</b></li><li>• <b>Heavy Engineering Segment:</b><ul style="list-style-type: none"><li>○ <b>Delivered two (2) offshore projects</b></li><li>○ <b>Current ongoing projects;</b><ul style="list-style-type: none"><li>▪ One (1) project is currently in the final stage of completing offshore activities prior to facility handover</li><li>▪ Three (3) projects are under construction at MMHE West and East Yards</li></ul></li><li>○ Pursued a balanced portfolio in both conventional and clean energy spaces:<ul style="list-style-type: none"><li>▪ MHB was <b>awarded</b> its <b>second offshore wind project</b></li></ul></li></ul></li><li>• <b>Marine Segment:</b><ul style="list-style-type: none"><li>○ Completed the repair and maintenance works on 64 vessels of various categories, including ten (10) Liquefied Natural Gas Carriers (LNGC)</li><li>○ Penetrated Greece's shipping market with the dry-docking and cargo tank repair works on two (2) LNGCs</li><li>○ Secured two (2) conversion projects:<ul style="list-style-type: none"><li>▪ Mobile Offshore Drilling Unit (MODU) into a Water Injection Facilities (WIF); and</li><li>▪ An LNGC into a Floating Storage Unit (FSU)</li></ul></li></ul></li></ul>

Malaysia Marine and Heavy Engineering Holdings Berhad ("MHB" or "Group") wishes to announce its financial results for the nine (9) months period ended 30 September 2024. For the said period, the Group achieved a revenue of RM2.8 billion with a pre-tax profit of RM101.2 million.

The Heavy Engineering segment recorded higher revenue of RM2,478.5 million, compared to RM1,965.3 million revenue in the corresponding period. The increase is mainly due to higher revenue from ongoing projects, as these projects advanced into the construction stage. At the operating profit level, the segment posted an operating profit of RM87.5 million, mainly due to the recognition of cost recovery claims during the period against an operating loss of RM506.5 million in the corresponding period from the additional costs provision resulted from the revised schedules and price escalation impact for ongoing projects.

The Marine segment's revenue of RM312.5 million in the current period was RM86.8 million higher than the corresponding period revenue of RM225.7 million, mainly due to higher dry-docking activities and repair services. The segment reported an operating profit of RM33.9 million in the current period, RM13.5 million higher compared to an operating profit of RM20.4 million in the corresponding period mainly contributed by the higher revenue.



Managing Director & Chief Executive Officer, Mohd Nazir Mohd Nor said, “For Heavy Engineering segment, upstream capital expenditure spending is expected to remain stable amidst ongoing energy security concern and geopolitical conflicts which will create opportunity for us. While demand for oil and gas remains strong in the era of energy transition, we aim to advance our growth by capitalising on the opportunities in both conventional and new energy sectors.”

Mohd Nazir further elaborated, “Meanwhile, the Marine segment aims to expand its conversion portfolio given the potential opportunities in upstream activities. The rapid expansion of LNG fleet would also benefit us in repair and maintenance services, though this may be offset by the expected deferment of LNGC dry-docking to meet robust demand in the upcoming winter. Nevertheless, we foresee stiff competition to persist in the Marine business with the Chinese and neighbouring yards.”

“Current geopolitical conflicts are likely to continue affecting supply chain, leading to price escalations and volatile operating landscapes. We remain focused on improving our contracting strategies through a risk sharing arrangement such as alliance concept, reimbursable or cost-plus basis, in response to these challenging market conditions.” 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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