

**Condensed Consolidated Statement of Comprehensive Income**  
**Quarterly report on unaudited consolidated results**  
**for the period ended 31 March 2020**

	3 months <u>ended</u> <u>31.03.20</u> RM'000 (Unaudited)	3 months <u>ended</u> <u>31.03.19</u> RM'000 (Unaudited)	Cumulative <u>3 months ended</u> <u>31.03.20</u> RM'000 (Unaudited)	Cumulative <u>3 months ended</u> <u>31.03.19</u> RM'000 (Audited)
Revenue	1,086,834	1,143,234	1,086,834	1,143,234
Cost of sales	(610,922)	(705,643)	(610,922)	(705,643)
<b>Gross profit</b>	<u>475,912</u>	<u>437,591</u>	<u>475,912</u>	<u>437,591</u>
Other operating income	49,321	35,302	49,321	35,302
Administrative expenses	(223,514)	(196,457)	(223,514)	(196,457)
Other operating expenses	(87,104)	(80,568)	(87,104)	(80,568)
Finance costs	(171,995)	(170,898)	(171,995)	(170,898)
Share of results of:				
- associates	39,996	34,992	39,996	34,992
- joint ventures	32,190	28,525	32,190	28,525
<b>Profit before zakat and taxation</b>	<u>114,806</u>	<u>88,487</u>	<u>114,806</u>	<u>88,487</u>
Tax expense	(41,785)	(23,581)	(41,785)	(23,581)
<b>Profit for the financial period</b>	<u>73,021</u>	<u>64,906</u>	<u>73,021</u>	<u>64,906</u>
<b>Other comprehensive (loss)/income</b>				
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Movement in associates' capital reserves	(55,996)	(19,159)	(55,996)	(19,159)
Fair value adjustment-cash flow hedge	15,837	(442)	15,837	(442)
Currency translation differences	14,985	(5,512)	14,985	(5,512)
<b>Items that will not be reclassified subsequently to profit or loss:</b>				
Net changes in investments securities at Fair Value Through Other Comprehensive Income/ (Loss) ("FVTOCI")	(320)	20,297	(320)	20,297
<b>Other comprehensive loss for the financial period</b>	<u>(25,494)</u>	<u>(4,816)</u>	<u>(25,494)</u>	<u>(4,816)</u>
<b>Total comprehensive income for the financial period</b>	<u>47,527</u>	<u>60,090</u>	<u>47,527</u>	<u>60,090</u>
<b>Profit attributable to:</b>				
Owners of the Parent	57,882	53,515	57,882	53,515
Non-controlling interests	15,139	11,391	15,139	11,391
	<u>73,021</u>	<u>64,906</u>	<u>73,021</u>	<u>64,906</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Parent	32,388	48,699	32,388	48,699
Non-controlling interests	15,139	11,391	15,139	11,391
	<u>47,527</u>	<u>60,090</u>	<u>47,527</u>	<u>60,090</u>
<b>Earnings per share attributable to owners of the Parent</b>				
- Basic (sen)	1.9	1.8	1.9	1.8

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2019.

**Condensed Consolidated Statement of Financial Position**

	As at <b>31.03.20</b> RM' 000 (Unaudited)	As at <b>31.12.19</b> RM' 000 (Audited)
<b>Non-Current Assets</b>		
Property, plant and equipment	8,679,795	8,767,795
Investment properties	1,353,678	1,495,841
Rights-of-use assets	2,049,914	2,087,908
Interests in associates	4,350,927	4,382,475
Investments in joint arrangements	240,227	333,037
Investment securities	32,263	32,583
Inventories	1,913,570	1,916,580
Trade and other receivables	117,239	115,654
Intangible assets	2,329,959	2,333,210
Deferred tax assets	616,468	636,793
	<u>21,684,040</u>	<u>22,101,876</u>
<b>Current Assets</b>		
Inventories	82,941	93,323
Trade and other receivables	1,461,950	1,565,222
Contract assets	222,698	233,554
Derivative financial instruments	11,144	-
Tax recoverable	19,942	22,581
Other investments	1,363,114	1,334,998
Deposits, bank and cash balances	1,209,685	1,074,646
	<u>4,371,474</u>	<u>4,324,324</u>
Assets held for sale	11,039	19,563
	<u>26,066,553</u>	<u>26,445,763</u>
<b>Total Assets</b>		
<b>Equity and Liabilities</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	2,344,276	2,344,276
Reserves	7,032,142	6,999,754
	<u>9,376,418</u>	<u>9,344,030</u>
Non-controlling interests	777,770	762,751
<b>Total equity</b>	<u>10,154,188</u>	<u>10,106,781</u>
<b>Non-Current Liabilities</b>		
Borrowings	7,062,496	7,335,587
Provision for retirement benefits	61,994	77,027
Deferred income	187,309	180,210
Deferred tax liabilities	523,143	523,417
Trade and other payables	173,945	186,862
Contract liabilities	103,521	111,150
Lease liabilities	2,080,795	2,115,281
	<u>10,193,203</u>	<u>10,529,534</u>
<b>Current Liabilities</b>		
Borrowings	3,078,516	3,045,332
Trade and other payables	1,424,649	1,566,223
Contract liabilities	1,012,330	977,660
Lease liabilities	144,871	147,351
Tax payables	49,048	44,633
Deferred income	9,748	24,275
Derivative financial instruments	-	3,974
	<u>5,719,162</u>	<u>5,809,448</u>
<b>Total Liabilities</b>	<u>15,912,365</u>	<u>16,338,982</u>
<b>Total equity and liabilities</b>	<u>26,066,553</u>	<u>26,445,763</u>
Net assets per share attributable to owners of the Parent (sen)	308	307

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2019.

## Condensed Consolidated Statement of Changes in Equity for the financial period ended 31 March 2020

	Attributable to owners of the parent								
	Non-distributable					Distributable			
	Share capital RM'000	Currency translation reserve RM'000	Revaluation reserve* RM'000	Other reserves RM'000	Cash flow hedge reserves RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests (NCI) RM'000	Total equity RM'000
<b>At 1 January 2020</b>	2,344,276	58,118	28,120	(593)	(27,176)	6,941,285	9,344,030	762,751	10,106,781
Net profit for the financial period	-	-	-	-	-	57,882	57,882	15,139	73,021
Other comprehensive (loss)/income	-	(7,250)	-	(320)	(31,880)	13,956	(25,494)	-	(25,494)
<b>Total comprehensive income for the financial period</b>	-	(7,250)	-	(320)	(31,880)	71,838	32,388	15,139	47,527
Acquisition of NCI	-	-	-	-	-	-	-	(120)	(120)
<b>At 31 March 2020</b>	2,344,276	50,868	28,120	(913)	(59,056)	7,013,123	9,376,418	777,770	10,154,188

\* - The revaluation reserves relates to business combination of a subsidiary prior to the adoption of MFRS.

The Condensed Consolidated Statement Of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2019.

## Condensed Consolidated Statement of Changes in Equity for the financial period ended 31 March 2019

	Attributable to owners of the parent					Retained earnings RM'000	Total RM'000	Non- controlling interests (NCI) RM'000	Total equity RM'000
	Non-distributable		Distributable						
	Share capital RM'000	Currency translation reserve RM'000	Revaluation reserve* RM'000	Other reserves RM'000	Cash flow hedge reserves RM'000				
<b>At 1 January 2019</b>	2,344,276	71,072	28,120	(21,512)	19,684	6,816,128	9,257,768	746,389	10,004,157
As previously stated	2,344,276	71,072	28,120	(21,512)	19,684	7,118,010	9,559,650	733,217	10,292,867
Effects of adoption of MFRS 16	-	-	-	-	-	(301,882)	(301,882)	13,172	(288,710)
Net profit for the financial period	-	-	-	-	-	53,515	53,515	11,391	64,906
Other comprehensive (loss)/income	-	(3,009)	-	20,297	(22,104)	-	(4,816)	-	(4,816)
<b>Total comprehensive (loss)/ income for the financial period</b>	-	(3,009)	-	20,297	(22,104)	53,515	48,699	11,391	60,090
Acquisition of NCI	-	-	-	-	-	-	-	(95)	(95)
<b>At 31 March 2019</b>	2,344,276	68,063	28,120	(1,215)	(2,420)	6,869,643	9,306,467	757,685	10,064,152

\* - The revaluation reserves relates to business combination of a subsidiary prior to the adoption of MFRS.

The Condensed Consolidated Statement Of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2019.

**Condensed Consolidated Statement of Cash Flows**

	<b>3 months ended <u>31.03.20</u> RM'000 (Unaudited)</b>	<b>3 months ended <u>31.03.19</u> RM'000 (Unaudited)</b>
<b>Cash flows from operating activities</b>		
Profit before zakat and taxation	114,806	88,487
Adjustments for:		
Non-cash items	203,083	154,444
Interest expense	171,995	170,898
Interest income	(11,514)	(7,791)
Share of results in associates and joint ventures	(72,186)	(63,517)
Operating profit before working capital changes	406,184	342,521
Changes in working capital:		
Net change in inventories	13,392	(10,137)
Net change in other current assets	175,171	288,941
Net change in current liabilities	(262,567)	15,780
Cash generated from operations	332,180	637,105
Net tax paid	(14,680)	(23,550)
<b>Net cash generated from operating activities</b>	<b><u>317,500</u></b>	<b><u>613,555</u></b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(75,464)	(87,150)
Purchase of investment properties	(23,377)	(16,169)
Purchase of additional shares in a subsidiary from non-controlling interests	(120)	(95)
Proceeds from sale of property, plant and equipment	3,245	-
Proceeds from sale of assets held for sale	17,209	-
Interest received	11,514	7,791
Dividend received from		
- Associates	19,065	17,873
- Joint Ventures	125,000	-
<b>Net cash generated from/(used in) investing activities</b>	<b><u>77,072</u></b>	<b><u>(77,750)</u></b>
<b>Cash flows from financing activities</b>		
Repayment of loans	(435,300)	(422,000)
Drawdown of loans	177,700	365,647
Interest paid	(154,302)	(170,898)
Movement in designated account and pledged deposits	(93,802)	(101,223)
Government grant received	165,500	-
<b>Net cash used in financing activities</b>	<b><u>(340,204)</u></b>	<b><u>(328,474)</u></b>
Net change in cash and cash equivalents	54,368	207,331
Effects of changes in exchange rate	14,985	(5,512)
Cash and cash equivalents at beginning of financial period	2,384,969	1,593,873
<b>Cash and cash equivalents at end of financial period</b>	<b><u>2,454,322</u></b>	<b><u>1,795,692</u></b>
<b>Cash and cash equivalents comprise:</b>		
Deposits and bank balances	1,209,685	1,921,201
Other investment	1,363,114	-
Deposits and bank balances	2,572,799	1,921,201
Designated accounts	(117,928)	(123,490)
Pledge deposits	(549)	(549)
Bank overdrafts	-	(1,470)
	<b><u>2,454,322</u></b>	<b><u>1,795,692</u></b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2019.

## Notes to the interim financial statements

### 1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting and Appendix 9B (Part A) of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the financial year ended 31 December 2019.

The audited financial statements of the Group for the financial year ended 31 December 2019 were prepared in accordance with MFRSs, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The significant accounting policies and methods adopted in these interim financial statements are consistent with those adopted in the most recent annual audited financial statements for the financial year ended 31 December 2019.

Effective from 1 January 2020, the Group adopted the following:

- Amendments to MFRS 3 Definition of a Business
- Amendments to MFRS 101 and MFRS 108 Definition of Material
- Amendments to MFRS 7, MFRS 9 and MFRS 139 Interest Rate Benchmark Reform
- The Conceptual Framework for Financial Reporting (Revised 2018).

The adoption of the above did not have any material impact on the financial statements of the Group in the period of application.

Malaysian Accounting Standards Board had issued the following amendments to the standards which are effective for the following financial periods:

- (i) Financial period beginning on or after 1 January 2021:
  - MFRS 17 Insurance Contracts
  
- (ii) Financial period beginning on or after 1 January 2022:
  - Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
  
- (iii) Date yet to be announced by MASB:
  - Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investment in Associates and Joint Ventures - Sale or contribution of assets between an investor and its associates/joint ventures. The effective date of these amendments had been deferred and yet to be announced by the Malaysian Accounting Standards Board.

The Group did not early adopt the abovementioned amendments to the standards and is currently assessing their impact.

## **2. Audit qualification**

The report of the auditors on the Group's financial statements for the financial year ended 31 December 2019 was not subject to any qualification.

## **3. Seasonal or cyclical factors**

The Group's operations have not been affected by seasonal or cyclical factors.

**4. Unusual items**

There was no unusual item affecting assets, liabilities, equity, net income or cash flows during the current quarter under review because of their nature, size and incidence.

**5. Changes in financial estimates**

There was no material change in financial estimates reported in prior interim periods that could materially affect the current interim results.

**6. Equity securities**

There was no issuance, cancellation, repurchase, resale and repayment of equity securities during the current quarter ended 31 March 2020.

**7. Dividend paid**

There was no dividend paid during the current quarter ended 31 March 2020.

## 8. Segment Reporting

The Group's segmental reporting for the current financial period ended 31 March 2020 is as follows:

	Ports & Logistics	Energy & Utilities	Engineering	Investment Holding, Corporate & Others	Total
		Gas	Energy		
	RM mil	RM mil	RM mil	RM mil	RM mil
<b><u>PTD 31.03.2020</u></b>					
<u>Revenue</u>					
Total	805	-	-	304	1,131
Inter-segment	(4)	-	-	(40)	(44)
External	801	-	-	264	1,087
<u>Results</u>					
Profit/(loss) before zakat and taxation	123	14	27	61	115
Finance costs	102	-	-	-	172
Depreciation and Amortisation	163	-	-	26	204
EBITDA*	388	14	27	87	491
<b><u>PTD 31.03.2019</u></b>					
<u>Revenue</u>					
Total	783	-	-	364	1,172
Inter-segment	(3)	-	-	(26)	(29)
External	780	-	-	338	1,143
<u>Results</u>					
Profit/(loss) before zakat and taxation	104	13	19	49	88
Finance costs	97	-	-	-	171
Depreciation and Amortisation	130	-	-	16	164
EBITDA*	331	13	19	65	423

\*EBITDA - Earnings/(loss) before interest, tax, depreciation and amortisation.

**9. Property, plant and equipment**

There was no revaluation of property, plant and equipment during the current quarter ended 31 March 2020.

**10. Material events subsequent to the end of current interim period**

There was no material event subsequent to the end of the current quarter.

**11. Changes in composition of the Group**

There was no change in the composition of the Group for the current quarter ended 31 March 2020.

**12. Changes in contingent liabilities or contingent assets**

There was no change in contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 December 2019 except for the following bank guarantees issued to third parties:

	31.03.20	31.12.19
	RM mil	RM mil
Subsidiaries	189.2	198.9

Bank guarantees issued to third parties are mainly in relation to performance bonds and payment guarantees for utilities facilities.

**13. Provision of financial assistance**

Pursuant to paragraph 8.23(1)(ii) of Bursa Securities Listing Requirements, the financial assistance provided by MMC is as follows:

- a) MMC and Gamuda Berhad ("Gamuda") joint venture was awarded the Underground Works Package for the Klang Valley Mass Rapid Transit ("KVMRT") Sungai Buloh-Kajang ("SBK") Line in 2012. MMC and Gamuda then established a joint venture company known as MMC Gamuda KVMRT (T) Sdn Bhd, a special purpose vehicle ("SPV"), to undertake the underground works package with each holding 50% interest. As required under the award, MMC have issued a Parent Company Guarantee to guarantee the due performance and obligations of the SPV.
  
- b) On 17 January 2020, MMC and Gamuda's jointly-controlled entity, MMC Gamuda KVMRT (PDP SSP) Sdn Bhd, a SPV with each holding 50% interest, executed the Supplemental Agreement to the Project Delivery Partner (PDP) Agreement for the KVMRT Sungai Buloh-Serdang-Putrajaya ("SSP") Line ("Supplemental Agreement"). As required under the Supplemental Agreement, MMC issued a Parent Company Guarantee to guarantee the due performance and obligations of the SPV.

As at the reporting date, the aforementioned guarantees have not been called as the SPVs are fulfilling their performance obligations required under the Projects.

**14. Capital commitments**

Capital commitments of the Group not provided for in the interim financial report are as follows:

	31.03.20	31.12.19
	RM mil	RM mil
Property, plant and equipment:		
Authorised and contracted for	524.5	593.7

## **Additional information required by the Bursa Securities Listing Requirements**

### **15. Review of performance**

For the financial period ended 31 March 2020, the Group recorded RM1,086.8 million in revenue, a 4.9% decrease from RM1,143.2 million reported 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 Malaysia Berhad ("NMB") and lower contribution from logistics services (Kontena Nasional Berhad ("KNB")). These were cushioned by higher volume handled at Pelabuhan Tanjung Pelepas ("PTP") and Johor Port ("JPB").

The Group's Profit before zakat and taxation increased to RM114.8 million compared with RM88.5 million reported in the corresponding financial period ended 31 March 2019 due to the following:-

- i) Higher contributions from PTP and JPB;
- ii) Gain on disposal of an asset held for sale in JPB;
- iii) Higher share of results of associates, namely Malakoff; and
- iv) Higher interest income and lower operating expenses at KVMRT-SSP Line.

These were offset with lower contribution from NMB and KNB as explained above.

#### Ports & Logistics

The segment recorded revenue of RM800.6 million, an increase of 2.6% compared with RM780.4 million reported in the corresponding financial period ended 31 March 2019, mainly due to the higher volume handled at PTP and JPB, offset by lower volume handled at NMB and lower contribution from KNB.

The segment recorded higher Profit before zakat and taxation by RM18.8 million to RM122.7 million compared with RM103.9 million reported in the corresponding financial period ended 31 March 2019 due to higher volume handled at PTP and JPB, and gain on disposal of an asset held for sale at JPB. These were partially offset by lower contribution from NMB and KNB.

#### Energy & Utilities

The segment recorded increase in Profit before zakat and taxation to RM41.4 million compared with RM31.5 million reported in the corresponding financial period ended 31 March 2019 due to higher contribution from Malakoff attributed to contribution from Alam Flora following completion of acquisition on 5 December 2019, and higher share of profits from its associates.

#### Engineering

The segment recorded revenue of RM264.4 million, a decrease of 21.8% compared with RM337.9 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 segment recorded increase of 23.5% in Profit before zakat and taxation to RM61.0 million from RM49.4 million reported in the corresponding financial period ended 31 March 2019 attributed to higher interest income and lower operating expenses at KVMRT-SSP Line.

#### Investment Holding, Corporate & Others

The segment recorded revenue of RM21.8 million, a decrease of 12.8% compared with RM25.0 million reported in the

corresponding financial period ended 31 March 2019 due to lower passenger and cargo volumes at Senai Airport.

The segment recorded higher Loss before zakat and taxation by RM13.0 million to RM110.4 million compared with RM97.4 million reported in the corresponding financial period ended 31 March 2019 due to lower contribution from Senai Airport and higher other operating expenses.

#### **16. Variation of results against immediate preceding quarter**

The Group recorded lower Profit before zakat and taxation by RM77.4 million in the current quarter compared with RM192.2 million in the immediate preceding quarter due to no reversal of provision at Double Track project, lower volume handled at NMB and KNB, and lower contribution from associates. These were cushioned by gain on disposal of an asset held for sale at JPB, higher volume handled at PTP and no provision for impairment of receivables in the current quarter.

#### **17. Current prospects**

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 Port and Logistics division will focus on resource optimization 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.

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

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

Moving forward, the Group is committed to strengthen our market position by focusing on operational performance and efficiency and capability improvements, whilst exploring new opportunities.

**18. Profit before zakat and taxation**

Profit before zakat and taxation is stated after (crediting)/charging the following items:

	3 months ended 31.03.20	3 months ended 31.03.19	Cumulative 3 months ended 31.03.20	Cumulative 3 months ended 31.03.19
	RM mil	RM mil	RM mil	RM mil
Interest income	(11.5)	(7.8)	(11.5)	(7.8)
Depreciation	201.2	160.4	201.2	160.4
Amortisation	3.3	3.3	3.3	3.3
Gain on disposal of:				
- property, plant and equipment	(0.4)	-	(0.4)	-
- assets held for sale	(8.7)	-	(8.7)	-

**19. Profit forecast or profit guarantee**

The Group did not issue any profit forecast or profit guarantee for the reporting period in a public document.

**20. Tax expense**

	3 months ended 31.03.20	3 months ended 31.12.19	Cumulative 3 months ended 31.03.20	Cumulative 3 months ended 31.12.19
	RM mil	RM mil	RM mil	RM mil
Current tax expense				
- current	(22)	(38)	(22)	(38)
- prior years	-	4	-	4
Deferred tax expense				
- current	(20)	10	(20)	10
	<u>(42)</u>	<u>(24)</u>	<u>(42)</u>	<u>(24)</u>

The Group's effective tax rate for the period ended 31 March 2020 was higher than the statutory income tax rate principally due to effect of non-deductible expenses for tax purposes.

**21. Status of corporate proposals announced**

There is no corporate proposal announced and/or pending completion as at the date of this announcement.

**22. Investment securities**

Fair value of financial instruments

Fair values recognised in the statement of financial position are measured using the following fair value hierarchy:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted price included with level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, observable inputs).

Investment securities comprise of quoted shares and are measured at fair value through other comprehensive income. A reconciliation from opening balances to fair value measurement on level 1 of the fair value hierarchy is as follows:

	31.03.20	31.12.19
	RM mil	RM mil
At 1 January	32.6	11.7
Net(loss)/gain transferred to equity	(0.3)	20.9
At 31.03.20/31.12.19	32.3	32.6

**23. Borrowings**

	31.03.20	31.12.19
	RM mil	RM mil
Current		
- secured	1,674	1,663
- unsecured	1,405	1,382
	<u>3,079</u>	<u>3,045</u>
Non-current		
- secured	2,608	2,882
- unsecured	4,454	4,454
	<u>7,062</u>	<u>7,336</u>
Total borrowings	<u>10,141</u>	<u>10,381</u>

All borrowings of the Group are denominated in Ringgit Malaysia.

**24. Changes in material litigation**a) Claim against Hood bin Osman

Kontena Nasional Berhad ("KNB"), a 99.1% indirect subsidiary of MMC, had served a Writ of Summons and a Statement of Claim on Hood bin Osman, the former Chief Executive Officer of KNB, on 15 May 2018.

KNB's claim against Hood bin Osman is premised primarily on breach of employment contract, fraud and various breaches of duty of care under common law and the Companies Act 2016. KNB claims, among others, damages in the sum of RM66,590,105.43, general damages, full indemnity against any claims arising from the transactions, interest and costs.

The matter was heard before the Shah Alam High Court from 3 to 6 February 2020. The High Court fixed 20 May 2020 for clarification.

b) Arbitration against CCJV P1 Engineering and Construction Sdn. Bhd.

Pursuant to a Subcontract on Project Customs Broker Service (On-Shore) dated 5 May 2015, JP Logistics Sdn. Bhd. ("JPL"), a wholly-owned subsidiary of Johor Port Bhd., which in turn is a wholly-owned subsidiary of MMC Corporation Bhd., had provided to CCJV P1 Engineering and Construction Sdn. Bhd. ("CCJV") storage services, involving storage of CCJV's plant and machineries, accumulating to a sum of RM52,076,296.12 ("Storage Charges"). CCJV disputes the said charges and refuses to satisfy payment of the charges to JPL.

On 3 April 2019, JPL commenced arbitration proceedings by serving a Notice of Arbitration against CCJV ("Notice of Arbitration").

The arbitrator fixed 8 to 12 June 2020 as the hearing dates for this matter.

c) Adjudication Proceedings by Integrated Marine Works Sdn Bhd Against Pelabuhan Tanjung Pelepas Sdn Bhd

On 28 February 2020 Integrated Marine Works Sdn Bhd ("IMW") issued a Notice of Adjudication stated as issued under the Construction Industry Payment and Adjudication Act 2012 ("Adjudication Notice") to Pelabuhan Tanjung Pelepas Sdn Bhd ("PTP"), a 70%-owned subsidiary of MMC Corporation Berhad, claiming the sum of RM 64,247,313.13, including interest and costs.

The Adjudication Notice is premised on a dispute arising out of the Contract for the Deepening of Navigation Channel at Pelabuhan Tanjung Pelepas dated 8 November 2017 between IMW and PTP.

An adjudicator has yet to be appointed for the matter.

Save as disclosed above, there has been no significant change in material litigation, including the status of pending material litigation in respect of the Company and its subsidiaries during the current quarter under review.

## 25. Dividend Payable

No interim dividend has been recommended by the Directors during the current quarter ended 31 March 2020 (31 March 2019 : Nil).

## 26. Earnings per ordinary share

Basic Earnings Per Ordinary Share

	3 months ended	3 months ended	Cumulative 3 months ended	Cumulative 3 months ended
	<u>31.03.20</u>	<u>31.03.19</u>	<u>31.03.20</u>	<u>31.03.19</u>
Profit for the financial period attributable to owners of the Parent (RM mil)	57.9	53.5	57.9	53.5
Weighted average number of ordinary shares in issue ('mil)	3,045.1	3,045.1	3,045.1	3,045.1
Basic earnings per ordinary share (sen)	1.9	1.8	1.9	1.8

**27. Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution by the Directors as of 20 May 2020.

By Order of the Board

Ahmad Aznan Mohd Nawawi (L.S. No.0009371)

Sazlin Ayesha Abdul Samat (L.S. No.0008112)

Secretaries

Kuala Lumpur

20 May 2020.