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MALAKOFF REGISTERS A NET PROFIT OF RM50.9 MILLION FOR Q1 FY2022

Lower Contribution from TBE moderated by Improved Performance by TBP & Alam Flora

KUALA LUMPUR, Malaysia – 24 May 2022: Malakoff Corporation Berhad (“Malakoff” or “Group”) recorded RM1,883.8 million in revenue in the quarter ended 31 March 2022 (“Q1 FY2022”), an increase of 39.4% from RM1,351.2 million reported in the corresponding quarter ended 31 March 2021 (“Q1 FY2021”).

The incline in revenue was primarily due to higher energy payments recorded from Tanjung Bin Power Sdn Bhd (“TBP”) and Tanjung Bin Energy Sdn Bhd (“TBE”) given the higher Applicable Coal Price (“ACP”) during the period under review.

The Group registered a Profit After Tax and Minority Interests (“PATMI”) of RM50.9 million in Q1 FY2022 compared to RM60.4 million reported in Q1 FY2021. The 15.7% year-on-year (“YoY”) drop was mainly due to lower contribution from TBE resulting from the plant outage caused by low-pressure turbine blade failure, coupled with higher depreciation charges. This was moderated by improved contribution from TBP given the higher ACP and better performance from Alam Flora Sdn Bhd (“AFSB”) as well as the Group’s foreign investments in associates.

For the period under review, AFSB posted a PATMI of RM26.5 million versus RM17.9 million in the previous corresponding quarter, representing a 48.0% YoY increase. This improvement was mainly driven by an increase in the frequency of services, income from post-flood works and higher domestic waste collected/handled in Q1 FY2022 totalling 531,077 tonnes compared with 494,399 tonnes of waste collected/handled in Q1 FY2021.

The Group’s overseas investments achieved a share of profit totalling RM47.4 million in the current quarter, an increase of 70.5% from RM27.8 million registered in the same quarter in the previous financial year. This was primarily attributable to the Al-Hidd and Shuaibah International Water and Power Plants (“IWPP”) in light of favourable gas margins and lower plant outages.

Anwar Syahrin Abdul Ajib, Managing Director/Chief Executive Officer (“MD/CEO”) of Malakoff remains optimistic of the Group’s performance for the rest of the year as aggressive expansion in the Renewable Energy (“RE”) space is already in the pipeline, together with focused growth in the Environmental Solutions’ non-concession segment.

“The Group recognises the importance of embedding an Environmental, Social and Governance (“ESG”)-driven action plan into its work streams, which subsequently will enable a low-carbon, resource-efficient sustainability agenda to unfold new revenue opportunities in RE and the Environmental Solutions sphere. This is crucial as we embark on our journey towards achieving Net Zero Carbon Emissions by 2050,” he said.

“On 25 March 2022, the Group achieved a key milestone in its sustainability journey by signing a Memorandum of Understanding (“MoU”) with ITOCHU Corporation, one of the largest globally integrated companies, to conduct a feasibility study on decarbonisation via the utilisation of hydrogen/ammonia in the state of Johor. This can result in a huge potential for the development of an ammonia receiving terminal for co-firing/hydrogen usage at our power plants as well as opportunities for bunkering and supply to the industrial complex nearby”.

To date, rooftop solar projects with a total capacity of 11 MWp have commenced operations as Malakoff makes steady progress in advancing the country’s transition to green energy sources. The Group’s solar portfolio currently stands at 39 MW, translating to a total carbon avoidance of 30,601 MT/year. On the Environmental Solutions front, AFSB has completed the physical works of its 120-tonne per day Construction and Demolition Landfill Facility in the state of Pahang. The facility is expected to commence operations in the second half of 2022.

For more details on Malakoff, please visit www.malakoff.com.my

ABOUT MALAKOFF CORPORATION BERHAD

MALAKOFF CORPORATION BERHAD is a multinational Power, Water and Environmental & Waste Management Services Group with core focus in power generation, water desalination, Operations & Maintenance (“O&M”) and environmental services. In Malaysia, Malakoff is the largest Independent Power Producer (“IPP”) with an effective generating capacity of 5,836 MW and effective renewable energy generating capacity of 39 MW. Through Alam Flora Sdn Bhd, Malakoff is also the country’s biggest environmental services company, managing solid waste volume of 5,548 tonnes per day.

Malakoff’s international assets include power and water ventures in Saudi Arabia, Bahrain and Oman, with an effective power generation capacity of 588 MW and water desalination capacity of 472,975 m³/day. Malakoff is also actively looking to venture further into the Middle East and North African region as well as the South-East Asian markets.

Through its wholly owned subsidiary, Malakoff Technical Solutions Sdn Bhd, Malakoff has involvements in O&M services locally and in Saudi Arabia, Oman and Indonesia.

Malakoff’s subsidiary, Alam Flora, provides comprehensive environmental services beyond waste management and public cleansing to its concessions in the Federal Territories of Kuala Lumpur and Putrajaya as well as the state of Pahang.

Malakoff believes in working together with all stakeholders in productive partnerships. As such, the Group takes pride in being a responsible operator and a good corporate citizen in all communities where it operates.

Malakoff is a member of the MMC Group.

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