

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
Quarterly Report on Unaudited Consolidated Results
For the Period Ended 30 September 2024

	3 months ended 30.09.2024 RM'000 (Unaudited)	3 months ended 30.09.2023 RM'000 (Unaudited)	Cumulative 9 months ended 30.09.2024 RM'000 (Unaudited)	Cumulative 9 months ended 30.09.2023 RM'000 (Unaudited)
Revenue	2,219,156	2,154,493	6,807,055	6,804,535
Cost of sales	(1,993,186)	(2,055,336)	(5,957,164)	(6,881,741)
Gross profit/(loss)	225,970	99,157	849,891	(77,206)
Other income	97,772	5,297	134,624	43,747
Administrative expenses	(54,676)	(65,763)	(172,387)	(181,215)
Other operating expenses	(54,025)	(60,264)	(155,303)	(146,437)
Results from operating activities	215,041	(21,573)	656,825	(361,111)
Finance income	19,399	18,693	54,891	58,012
Finance costs	(125,448)	(142,485)	(383,310)	(429,551)
Net finance costs	(106,049)	(123,792)	(328,419)	(371,539)
Share of profit of equity-accounted associates and joint ventures, net of tax	35,173	38,410	75,030	87,519
Profit/(Loss) before tax	144,165	(106,955)	403,436	(645,131)
Tax (expense)/benefit	(43,994)	21,443	(121,821)	133,582
Profit/(Loss) for the period	100,171	(85,512)	281,615	(511,549)
Other comprehensive (expense)/income, net of tax				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit liabilities	(262)	212	(262)	715
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge	(695)	278	(1,551)	(2,657)
Share of (loss)/gain on hedging reserve of equity-accounted associates and joint ventures	(3,689)	59,337	(3,047)	46,946
Foreign currency translation differences for foreign operations	(24,737)	14,090	(21,228)	32,443
	(29,121)	73,705	(25,826)	76,732
Other comprehensive (expense)/income for the period	(29,383)	73,917	(26,088)	77,447
Total comprehensive income/(expense) for the period	70,788	(11,595)	255,527	(434,102)

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Profit/(Loss) attributable to:				
Equity holders of the Company	86,880	(85,623)	242,655	(480,039)
Non-controlling interests	13,291	111	38,960	(31,510)
Profit/(Loss) for the period/year	<u>100,171</u>	<u>(85,512)</u>	<u>281,615</u>	<u>(511,549)</u>
Total comprehensive income/(expense) attributable to:				
Equity holders of the Company	57,497	(11,706)	216,567	(402,592)
Non-controlling interests	13,291	111	38,960	(31,510)
Total comprehensive income/(expense) for the period/ year	<u>70,788</u>	<u>(11,595)</u>	<u>255,527</u>	<u>(434,102)</u>
Earnings/(Loss) per ordinary share (sen)				
Basic/diluted	1.20	(2.24)	3.91	(10.79)

Condensed Consolidated Statements Of Financial Position
As At 30 September 2024

	As at 30.09.2024 RM'000 (Unaudited)	As at 31.12.2023 RM'000 (Audited)
Assets		
Property, plant and equipment	10,359,884	10,454,238
Right-of-use assets	100,758	104,002
Investment properties	16,400	16,400
Concession assets	113,609	122,831
Intangible assets	2,054,567	2,260,095
Investments in associates	586,691	586,110
Investments in joint ventures	744,537	745,099
Other investments	2,484	2,484
Derivative financial assets	-	24,309
Trade and other receivables	7,606	9,081
Deferred tax assets	296,001	275,475
Total non-current assets	14,282,537	14,600,124
Derivative financial assets	18,162	69,991
Trade and other receivables	1,711,618	1,563,347
Inventories	977,175	846,937
Current tax assets	159,885	163,639
Other investments	422,064	485,596
Cash and cash equivalents	1,846,931	2,571,016
Total current assets	5,135,835	5,700,526
Total assets	19,418,372	20,300,650
Equity		
Share capital	5,693,055	5,693,055
Treasury shares	(98,647)	(98,647)
Reserves	308,402	334,228
Accumulated losses	(1,321,469)	(1,438,891)
Equity attributable to owners of the Company	4,581,341	4,489,745
Perpetual sukuk	800,000	800,000
Non-controlling interests	245,867	257,102
Total equity	5,627,208	5,546,847
Liabilities		
Loans and borrowings	7,048,561	7,878,379
Lease liabilities	13,591	11,511
Employee benefits	86,109	88,065
Provision for decommissioning costs	234,816	227,080
Provision for concession assets	132,414	126,851
Deferred income	2,363,734	2,604,748
Deferred tax liabilities	908,963	849,949
Total non-current liabilities	10,788,188	11,786,583

Condensed Consolidated Statements Of Financial Position
As At 30 September 2024

	As at 30.09.2024 RM'000 (Unaudited)	As at 31.12.2023 RM'000 (Audited)
Trade and other payables	1,472,157	1,453,572
Current tax liabilities	8,967	10,633
Loans and borrowings	895,482	926,700
Lease liabilities	3,029	4,520
Provision for decommissioning costs	29,265	52,735
Provision for concession assets	202,447	202,447
Employee benefits	7,406	7,329
Deferred income	384,223	309,284
Total current liabilities	3,002,976	2,967,220
Total liabilities	13,791,164	14,753,803
Total equity and liabilities	19,418,372	20,300,650
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.94	0.92

Condensed Consolidated Statement of Changes in Equity
As At 30 September 2024

	/----- Attributable to owners of the Company -----/								Total Equity RM'000
	9/30/2024				Distributable				
	Share Capital RM'000	Treasury Shares RM'000	Reserves		Accumulated Losses RM'000	Total RM'000	Perpetual Sukuk RM'000	Non-controlling Interests RM'000	
		Translation RM'000	Hedging RM'000						
At 1 January 2024	5,693,055	(98,647)	36,441	297,787	(1,438,891)	4,489,745	800,000	257,102	5,546,847
Remeasurement of defined benefit liability	-	-	-	-	(262)	(262)	-	-	(262)
Foreign currency translation differences for foreign operations	-	-	(21,228)	-	-	(21,228)	-	-	(21,228)
Cash flow hedge	-	-	-	(1,551)	-	(1,551)	-	-	(1,551)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	-	-	-	(3,047)	-	(3,047)	-	-	(3,047)
Other comprehensive expense for the period	-	-	(21,228)	(4,598)	(262)	(26,088)	-	-	(26,088)
Profit for the period	-	-	-	-	242,655	242,655	-	38,960	281,615
Comprehensive (expense)/income for the period	-	-	(21,228)	(4,598)	242,393	216,567	-	38,960	255,527
Distribution to holder of perpetual sukuk	-	-	-	-	(51,665)	(51,665)	-	-	(51,665)
Dividends to owners of the Company	-	-	-	-	(73,306)	(73,306)	-	-	(73,306)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(50,195)	(50,195)
Total distribution to owners	-	-	-	-	(73,306)	(73,306)	-	(50,195)	(123,501)
At 30 September 2024	5,693,055	(98,647)	15,213	293,189	(1,321,469)	4,581,341	800,000	245,867	5,627,208

Condensed Consolidated Statement of Changes in Equity
As At 30 September 2024

	/----- Attributable to owners of the Company -----/								Total Equity RM'000
	/----- Non-distributable -----/			Distributable				Total RM'000	
	Share Capital RM'000	Treasury Shares RM'000	Reserves		Accumulated Losses RM'000	Perpetual Sukuk RM'000	Non-controlling Interests RM'000		
		Translation RM'000	Hedging RM'000						
At 1 January 2023	5,693,055	(98,647)	10,479	314,657	(358,471)	5,561,073	800,000	334,745	6,695,818
Remeasurement of defined benefit liabilities	-	-	-	-	715	715	-	-	715
Foreign currency translation differences for foreign operations	-	-	32,443	-	-	32,443	-	-	32,443
Cash flow hedge	-	-	-	(2,657)	-	(2,657)	-	-	(2,657)
Share of gain on hedging reserve of equity-accounted associates and joint ventures	-	-	-	46,946	-	46,946	-	-	46,946
Other comprehensive income for the period	-	-	32,443	44,289	715	77,447	-	-	77,447
Loss for the period	-	-	-	-	(480,039)	(480,039)	-	(31,510)	(511,549)
Comprehensive (expense)/income for the period	-	-	32,443	44,289	(479,324)	(402,592)	-	(31,510)	(434,102)
Distribution to holder of perpetual sukuk	-	-	-	-	(47,200)	(47,200)	-	-	(47,200)
Acquisition of subsidiaries	-	-	-	-	-	-	-	8,761	8,761
Dividends to owners of the Company	-	-	-	-	(119,731)	(119,731)	-	-	(119,731)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(43,253)	(43,253)
Total distribution to owners	-	-	-	-	(119,731)	(119,731)	-	(43,253)	(162,984)
At 30 September 2023	5,693,055	(98,647)	42,922	358,946	(1,004,726)	4,991,550	800,000	268,743	6,060,293

Condensed Consolidated Statements Of Cash Flows
As At 30 September 2024

	9 months ended 30.09.2024 RM'000 (Unaudited)	9 months ended 30.09.2023 RM'000 (Unaudited)
Cash flows from operating activities		
Profit/(Loss) before tax	403,436	(645,131)
Adjustments for :		
Non cash-items	893,837	866,056
Finance costs	383,310	429,551
Finance income	(54,891)	(58,012)
Share of profit of equity-accounted associates and joint ventures, net of tax	(75,030)	(87,519)
Operating profit before changes in working capital	<u>1,550,662</u>	<u>504,945</u>
<i>Changes in working capital:</i>		
Net change in current assets	(284,522)	1,073,833
Net change in current liabilities	(71,167)	(114,135)
Net change in non-current liabilities	(178,125)	(179,525)
Cash generated from operations	<u>1,016,848</u>	<u>1,285,118</u>
Tax paid, net	(81,191)	(260,745)
Net cash from operating activities	<u>935,657</u>	<u>1,024,373</u>
Cash flows from investing activities		
Change in other investments	63,532	43,598
Acquisition of subsidiaries, net of cash and cash equivalent acquired	-	913,107
Dividends received from associates	1,485	1,869
Dividends received from joint ventures	61,201	43,593
Interest received	57,161	53,489
Purchase of property, plant and equipment	(487,129)	(135,243)
Purchase of concession assets	-	(641)
Proceeds from disposal of property, plant and equipment	14,155	137
Net cash (used in) / from investing activities	<u>(289,595)</u>	<u>919,909</u>
Cash flows from financing activities		
Distribution to perpetual sukuk holder	(51,665)	(47,200)
Dividends paid to the owners of the Company	(73,306)	(119,731)
Dividends paid to the non-controlling interest	(50,195)	(43,253)
Interest paid	(363,374)	(390,501)
Proceeds from borrowings	5,000	2,000
Repayment of borrowings	(830,011)	(587,545)
Payment of lease liabilities	(6,596)	(7,565)
Net cash used in financing activities	<u>(1,370,147)</u>	<u>(1,193,795)</u>

Condensed Consolidated Statements Of Cash Flows
As At 30 September 2024

	9 months ended 30.09.2024 RM'000 (Unaudited)	9 months ended 30.09.2023 RM'000 (Unaudited)
Net (decrease) / increase in cash and cash equivalents	(724,085)	750,487
Cash and cash equivalents at beginning of the period	2,571,016	1,539,630
Cash and cash equivalents at end of the period	<u>1,846,931</u>	<u>2,290,117</u>
Cash and cash equivalents comprise :		
Cash and bank balances	320,875	1,177,373
Deposits with licensed banks and other licensed corporations	1,526,056	1,112,744
	<u>1,846,931</u>	<u>2,290,117</u>

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 2023 and the accompanying explanatory notes attached to the interim financial statements.

The audited financial statements of the Group for the financial year ended 31 December 2023 were prepared in accordance with MFRS, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The significant accounting policies adopted in these interim financial statements are consistent with those adopted in the annual audited financial statements for the financial year ended 31 December 2023, except the Group adopted the following Amendments to MFRSs effective for annual periods beginning on or after 1 January 2024 as follows:

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

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

2. Audit qualification

The report of the auditors on the Group's financial statements for the financial year ended 31 December 2023 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 of the Group during the current quarter under review because of its nature, size and incidence.

5. Changes in estimates

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

6. Debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter except for the following:

- i) Scheduled repayment of Tanjung Bin Power Sdn. Bhd. (“TBP”) sukuk programme of RM340.0 million;
- ii) Scheduled repayment of Tanjung Bin Energy Sdn. Bhd. (“TBE”) sukuk programme of RM65.0 million;
- iii) Scheduled repayment of Tanjung Bin Energy Issuer Berhad (“TBEI”) senior USD term loan of USD24.6 million; and
- iv) Early settlement of Malakoff International Limited (“MIL”) USD term loan of USD14.0 million.

7. Dividends paid

There was no dividend paid during the current quarter ended 30 September 2024.

8. Segment reporting

The Group's segmental reporting for the financial period ended 30 September 2024 is as follows:

	<u>Power generation</u>			<u>Waste Management and Environmental Services</u>	<u>Others</u>			<u>Elimination</u>			<u>Total</u>		
	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue from external customers	6,012,138	-	6,012,138	660,099	134,818	-	134,818	-	-	-	6,807,055	-	6,807,055
Inter-segment revenue	-	-	-	-	679,295	229,806	909,101	(679,295)	(229,806)	(909,101)	-	-	-
Total segment revenue	6,012,138	-	6,012,138	660,099	814,113	229,806	1,043,919	(679,295)	(229,806)	(909,101)	6,807,055	-	6,807,055
Profit/(Loss) after tax	400,626	65,126	465,752	90,969	14,849	232,547	247,396	(283,617)	(238,885)	(522,502)	222,827	58,788	281,615

The Group's segmental reporting for the financial period ended 30 September 2023 is as follows:

	<u>Power generation</u>			Waste Management and Environmental Services	<u>Others</u>			<u>Elimination</u>			<u>Total</u>		
	Local	Foreign	Total	Local	Local	Foreign	Total	Local	Foreign	Total	Local	Foreign	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	6,011,585	-	6,011,585	660,445	132,505	-	132,505	-	-	-	6,804,535	-	6,804,535
Inter-segment revenue	-	-	-	-	726,956	104,262	831,218	(726,956)	(104,262)	(831,218)	-	-	-
Total segment revenue	6,011,585	-	6,011,585	660,445	859,461	104,262	963,723	(726,956)	(104,262)	(831,218)	6,804,535	-	6,804,535
(Loss)/Profit after tax	(386,465)	80,336	(306,129)	81,428	130,448	106,221	236,669	(411,014)	(112,503)	(523,517)	(585,603)	74,054	(511,549)

9. Property, plant and equipment

There was no revaluation of property, plant and equipment during the current quarter ended 30 September 2024 except for the amounts carried forward pertaining to certain Group properties that had been revalued in the past.

10. Events subsequent to the end of the current interim period

There was no material event subsequent to the end of the current quarter ended 30 September 2024.

11. Changes in composition of the Group

On 18 September 2024, Malakoff Corporation Berhad (“MCB”) completed the incorporation of PDP Gen Two Sdn. Bhd. (“PDPG2”) of which it holds 65% equity interest. PDPG2 was incorporated to carry out the business of developing, financing, constructing, operating and maintaining power plant projects. The share capital of PDPG2 is RM100, comprising 100 ordinary shares, which have been issued and fully paid up.

Save for the above, there was no change in the composition of the Group for the current quarter ended 30 September 2024.

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 2023 except for the following bank guarantees issued to third parties:

	30.09.2024	31.12.2023
	RM'mil	RM'mil
Company and subsidiaries	<u>834.7</u>	<u>834.4</u>

These guarantees mainly consist of performance bonds and security deposits for projects.

13. Capital commitments

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

	30.09.2024	31.12.2023
	RM'mil	RM'mil
Property, plant and equipment:		
Authorised and contracted for	1,162.7	509.9
Authorised but not contracted for	<u>689.9</u>	<u>994.1</u>
	<u>1,852.6</u>	<u>1,504.0</u>

Additional information required by the Bursa Securities Listing Requirements**14. Review of performance****Quarter 3, 2024 vs Quarter 3, 2023**

For the quarter ended 30 September 2024, the Group recorded RM2,219.2 million in revenue, a slight increase of RM64.7 million or 3.0% from RM2,154.5 million reported in the corresponding quarter ended 30 September 2023, primarily due to higher energy payment recorded from Segari Energy Ventures Sdn. Bhd. (“SEV”) given the increase in despatch factor, however partially offset by lower energy payment recorded from Tanjung Bin Power Sdn. Bhd. (“TBP”) following major plant outage from 28 June 2024 to 1 September 2024.

The Group recorded profit before taxation of RM144.2 million in the current quarter, a significant increase of RM251.2 million from loss before taxation of RM107.0 million reported in the corresponding quarter ended 30 September 2023, primarily attributed to improved contributions from TBP and Tanjung Bin Energy Sdn. Bhd. (“TBE”) plants given the lower weighted average coal costs following stabilisation of global coal prices together with the settlement of TBE’s final insurance claims on Low-Pressure Turbine blade failure.

Year-to-date, 2024 vs Year-to-date, 2023

For the period ended 30 September 2024, the Group recorded RM6,807.1 million in revenue, a slight increase of RM2.6 million from RM6,804.5 million reported in the corresponding period ended 30 September 2023, primarily due to higher energy payment recorded from SEV given the increase in despatch factor, however partially offset by lower energy payment recorded from TBP and TBE in line with the decline in applicable coal price.

The Group recorded profit before taxation of RM403.4 million, a significant increase of RM1,048.5 million from loss before taxation of RM645.1 million reported in the corresponding period ended 30 September 2023, primarily attributed to improved contributions from TBP and TBE plants given the lower weighted average coal costs following stabilisation of global coal prices, settlement of TBE’s final insurance claims on Low-Pressure Turbine blade failure, gain arising from compensation for compulsory land acquisition and lower finance costs.

15. Variation of results against immediate preceding quarter**Quarter 3, 2024 vs Quarter 2, 2024**

The Group recorded profit before taxation of RM144.2 million in the current quarter as compared with RM139.5 million reported in the immediate preceding quarter, primarily attributed to the settlement of TBE’s final insurance claims on Low-Pressure Turbine blade failure, however partially offset by higher operation and maintenance costs and higher net realisable value provision for coal inventories.

16. Current prospects

The Malaysia's Gross Domestic Product ("GDP") grew by 5.3% in the third quarter of 2024 slower than that in the second quarter (5.9%) on lower oil and gas production amid maintenance activity. The 5.3% GDP growth was mainly supported by continued expansion in investment activities, higher goods export and tourism activities as well as higher household spending (*source: Bank Negara Malaysia's Economic & Financial Developments*).

The recently announced 2025 Budget reaffirms the Government's commitment to strengthen the planned sustainability agenda of which over RM300 million will be allocated under the National Energy Transition Facility ("NETR") fund towards achieving net-zero greenhouse gas emissions in 2050.

On 12 September 2024, Malakoff Corporation Berhad ("MCB") as part of its engagement with stakeholders in support of United Nations Sustainable Development Goal ("UN SDG") *No. 17 - Partnerships for the Goals*, visited TNB SSJ Kenyir to exchange best practices and knowledge in key operational areas, particularly on risk management, business continuity, and emergency preparedness.

On 27 August 2024, Prai Power Sdn Bhd ("PPSB"), a wholly-owned subsidiary of MCB received a one-year extension with an option to extend for an additional one-year for its power purchase agreement ("PPA") of 350MW combined cycle gas turbine power plant in Prai, Pulau Pinang from Tenaga Nasional Bhd commencing on 1 September 2024 and expiring on 31 August 2025 to ensure a stable and reliable energy supply to meet growing demand.

As part of the Group's continuous efforts to enhance its non-concession business under the Environmental Solutions segment, Alam Flora Environmental Solutions Sdn. Bhd. ("AFES") on 19 June 2024 successfully secured a 5-year operation and maintenance ("O&M") contract for Leachate Treatment Plant (LTP) Jabor Jerangau, Kuantan, Pahang. Subsequently on 9 October 2024, AFES signed a Memorandum of Understanding with Blue Planet Environmental Solutions Pte Ltd to strategically explore business opportunities in landfill rehabilitation, waste recovery and treatment.

Based on the foregoing, the Group expects overall performance to remain satisfactory for the financial year ending 31 December 2024.

17. Profit/(Loss) before tax

Profit/(Loss) before tax is stated after (crediting)/charging the following items:

	3 months ended 30.09.2024	3 months ended 30.09.2023	Cumulative 9 months ended 30.09.2024	Cumulative 9 months ended 30.09.2023
	RM'mil	RM'mil	RM'mil	RM'mil
Finance income	(19.4)	(18.7)	(54.9)	(58.0)
Finance costs	125.4	142.5	383.3	429.6
Depreciation	181.1	204.6	588.3	606.7
Amortisation of intangibles assets	71.4	74.0	221.4	219.9
Property, plant and equipment written off	3.9	-	3.9	-
Gain arising from compensation for compulsory land acquisition	-	-	13.5	-
Net foreign exchange loss/(gain)	4.4	0.9	-	(5.9)

18. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter ended 30 September 2024.

19. Tax expense/(benefit)

	3 months ended 30.09.2024	3 months ended 30.09.2023	Cumulative 9 months ended 30.09.2024	Cumulative 9 months ended 30.09.2023
	RM'mil	RM'mil	RM'mil	RM'mil
Current tax expense	34.3	24.4	83.9	68.4
Deferred tax expense	9.7	(45.8)	37.9	(202.0)
Total tax expense/(benefit)	<u>44.0</u>	<u>(21.4)</u>	<u>121.8</u>	<u>(133.6)</u>

The Group's effective tax rate for the current financial period under review was higher than the statutory income tax rate due to certain expenses not deductible for tax purposes.

20. Status of corporate proposal announced

- i) Share Sale and Purchase agreement (“SSPA”) with Metacorp Berhad for the proposed acquisition of 49% equity interest in E-Idaman Sdn. Bhd. (“E-Idaman”)

On 27 October 2023, Tuah Utama Sdn. Bhd. ("TUSB"), a wholly-owned subsidiary of the Company, had entered into a conditional share sale and purchase agreement (“SSPA”) with Metacorp Berhad for the proposed acquisition of 49,000 ordinary shares representing 49% equity interest in E-Idaman for a purchase consideration of RM133,200,000 (“Proposed Acquisition”). The principal activities of E-Idaman are that of investment holding and the provision of project management, consultancy and contracting services in the field of solid waste management. E-Idaman through its wholly-owned subsidiary, Environment Idaman Sdn. Bhd. provides waste collection and disposal services for municipal wastes under a 22-year concession granted by the Government of Malaysia for the provision of solid waste collection and public cleansing management services in Kedah and Perlis.

On 25 October 2024, the parties have agreed to further extend the cut-off date for fulfilment of the conditions precedent for a period of three (3) months to 28 January 2025.

- ii) Share Sale and Purchase agreement (“SSPA”) with Zelleco Engineering Sdn. Bhd. (“Zelleco”) for the proposed acquisitions of the remaining 51% and 49% equity interests in ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd.

On 23 May 2024, Malakoff Corporation Berhad (“MCB”) entered into a conditional SSPA with Zelleco for the proposed acquisitions of the remaining 51% and 49% equity interests in ZEC Solar and TJZ Suria, respectively with a total purchase consideration of RM27,000,000 (“Proposed Acquisitions”). Upon completion of the Proposed Acquisitions, both ZEC Solar and TJZ Suria will become wholly-owned subsidiaries of MCB.

On 21 November 2024, the parties have agreed to extend the cut-off date for fulfilment of the conditions precedent for a further period of three (3) months to 21 February 2025.

Save for the above, there was no other corporate proposal announced up to the date of this announcement.

21. Borrowings

	30.09.2024	31.12.2023
	RM'mil	RM'mil
Current		
- Secured	865.4	896.7
- Unsecured	30.0	30.0
	<u>895.4</u>	<u>926.7</u>
Non-current		
- Secured	<u>7,048.6</u>	<u>7,910.4</u>
	<u>7,944.0</u>	<u>8,837.1</u>

The breakdown of Group borrowings by currency is as follows:

	30.06.2024	31.12.2023
	RM'mil	RM'mil
Functional currency		
- RM	7,868.5	8,616.8
- USD	75.5	220.3
	<u>7,944.0</u>	<u>8,837.1</u>

22. Changes in material litigation

Singapore International Arbitration Centre Arbitration No. 278 of 2018 Claim 1 (formerly Main Action) between Prai Power Sdn Bhd (“PPSB”) (as Claimant) and (1) GE Energy Parts, Inc (“GE Energy Parts”), (2) GE Power Systems (Malaysia) Sdn Bhd (“GE Power Systems”), (3) General Electric International, Inc (“GE International”), and (4) General Electric Company (“GE”) (collectively “GE Entities”) (as Respondents); and Claim 2 (formerly Third Party Claim) between GE Entities (as Claimants) and (1) Malakoff Power Berhad (“MPB”), and (2) Malakoff Corporation Berhad (“MCB”) (collectively “Malakoff Entities”) (as Respondents), in relation to Prai Power Plant

On 24 September 2018, Allianz General Insurance Company (Malaysia) Berhad initiated the arbitration as a subrogated action, in the name of PPSB, against GE Entities, in relation to an incident on or about 18 July 2015 (“2015 Incident”) which resulted in damage to a gas turbine at PPSB’s 350MW Combined Cycle Gas Turbine Power Plant situated in Prai, Penang (“Prai Power Plant”).

PPSB alleged that GE Entities breached the duty to exercise reasonable care and skill to properly design, manufacture, supply and install a GE 109FA single shaft gas turbine at the Prai Power Plant. By reason of the alleged breach, PPSB claims for, among others, loss and damages in the sum of RM72,094,050 from GE Entities.

On 9 August 2019, GE Entities filed a Joinder Application, seeking to join Malakoff Entities as parties to GE Entities' Counterclaim, alleging that:

- a) the commencement of the arbitration constitutes a breach of the Solicitor Regulation Authority ("SRA"), in respect of which Malakoff Entities are liable;
- b) Malakoff Entities are liable to indemnify GE Entities against any liability under the arbitration; and
- c) if GE Entities are found liable for the 2015 Incident, MPB is liable for contributory negligence as the operator of the Prai Power Plant.

On 20 June 2020, the Arbitral Tribunal granted the Joinder Application to join Malakoff Entities as the Respondents in Claim 2 of GE Entities.

Following the passing of a member of the Arbitral Tribunal on 29 January 2023 and the consequential appointment of the substitute co-arbitrator on 17 March 2023, the hearing had been rescheduled to take place from 7 March 2024 to 20 March 2024.

On 10 January 2024, one of the members of the Arbitral Tribunal had decided to withdraw himself as a co-arbitrator due to unexpected health complications.

On 22 January 2024, the Arbitral Tribunal confirmed that the previously scheduled hearing dates from 7 March 2024 to 20 March 2024 have been vacated.

On 26 February 2024, the SIAC appointed a substitute co-arbitrator.

On 28 February 2024, the Presiding Arbitrator requested the parties' counsel to propose alternate sets of hearing dates for the Arbitral Tribunal's consideration.

On 13 May 2024, the Arbitral Tribunal confirmed that the arbitration hearing has been scheduled to be held from 23 July 2025 to 8 August 2025.

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

23. Dividend Payable

No dividend has been recommended by the Directors for the current quarter ended 30 September 2024 (30 September 2023: Nil).

24. Earnings/(Loss) per ordinary share

	3 months ended 30.09.2024	3 months ended 30.09.2023	Cumulative 9 months ended 30.09.2024	Cumulative 9 months ended 30.09.2023
Basic/Diluted Earnings/(Loss) per Ordinary Share				
Profit/(Loss) for the period attributable to equity holders (RM mil)	86.9	(85.6)	242.7	(480.0)
Distribution to perpetual sukuk holder (RM mil) [#]	(28.2)	(23.8)	(51.7)	(47.2)
Profit/(Loss) for the period attributable to ordinary shareholders (RM mil)	58.7	(109.4)	191.0	(527.2)
Weighted average number of ordinary shares (mil)	4,887.0	4,887.0	4,887.0	4,887.0
Basic/(diluted) earnings/(loss) per ordinary share (sen)	1.20	(2.24)	3.91	(10.79)

Note[#] - The distribution to perpetual sukuk holder is classified as equity in the financial statement based on the underlying of issuing terms of the sukuk program.

25. Authorisation for issue

The interim financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 26 November 2024.

By Order of the Board
 Noor Raniz bin Mat Nor (MAICSA No.7061903)
 Zaidatul Neezma binti Zainal Abidin (MACS 01677)
 Secretaries
 Kuala Lumpur
 26 November 2024