

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
Quarterly Report on Unaudited Consolidated Results
For the Year Ended 31 December 2024

	3 months ended 31.12.2024 RM'000 (Unaudited)	3 months ended 31.12.2023 RM'000 (Unaudited)	Cumulative 12 months ended 31.12.2024 RM'000 (Unaudited)	Cumulative 12 months ended 31.12.2023 RM'000 (Audited)
Revenue	2,162,996	2,262,419	8,970,051	9,066,954
Cost of sales	(1,927,827)	(1,988,731)	(7,884,991)	(8,870,472)
Gross profit	235,169	273,688	1,085,060	196,482
Other income	24,694	52,021	159,318	95,768
Administrative expenses	(58,436)	(78,227)	(230,823)	(259,442)
Net (loss)/reversal on impairment loss of investments in associates	(12,481)	66,338	(12,481)	66,338
Net reversal on impairment of financial instruments	-	148	-	148
Other operating expenses	(60,193)	(50,142)	(215,496)	(196,579)
Results from operating activities	128,753	263,826	785,578	(97,285)
Finance income	13,558	14,764	68,449	72,776
Finance costs	(120,722)	(137,323)	(504,032)	(566,874)
Net finance costs	(107,164)	(122,559)	(435,583)	(494,098)
Share of profit/(loss) of equity-accounted associates and joint ventures, net of tax	34,713	(451,053)	109,743	(363,534)
Profit/(Loss) before tax	56,302	(309,786)	459,738	(954,917)
Tax (expense)/benefit	(27,896)	(40,598)	(149,717)	92,984
Profit/(Loss) for the period/ year	28,406	(350,384)	310,021	(861,933)
Other comprehensive income/(expense), net of tax				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit liabilities	(6,245)	(3,740)	(6,507)	(3,025)
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge	(158)	(319)	(1,709)	(2,976)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	(1,321)	(60,840)	(4,368)	(13,894)
Foreign currency translation differences for foreign operations	6,981	(6,481)	(14,247)	25,962
	5,502	(67,640)	(20,324)	9,092
Other comprehensive (expense)/income for the period/year	(743)	(71,380)	(26,831)	6,067
Total comprehensive income/(expense) for the period/year	27,663	(421,764)	283,190	(855,866)

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Profit/(Loss) attributable to:				
Equity holders of the Company	26,031	(357,121)	268,686	(837,160)
Non-controlling interests	2,375	6,737	41,335	(24,773)
Profit/(Loss) for the period/year	<u>28,406</u>	<u>(350,384)</u>	<u>310,021</u>	<u>(861,933)</u>
Total comprehensive income/(expense) attributable to:				
Equity holders of the Company	25,288	(428,501)	241,855	(831,093)
Non-controlling interests	2,375	6,737	41,335	(24,773)
Total comprehensive income/(expense) for the period/year	<u>27,663</u>	<u>(421,764)</u>	<u>283,190</u>	<u>(855,866)</u>
Earnings/(Loss) per ordinary share (sen)				
Basic/diluted	0.53	(7.31)	4.44	(18.10)

Condensed Consolidated Statements Of Financial Position
As at 31 December 2024

	As at 31.12.2024 RM'000 (Unaudited)	As at 31.12.2023 RM'000 (Audited)
Assets		
Property, plant and equipment	10,064,694	10,454,238
Right-of-use assets	106,993	104,002
Investment properties	16,300	16,400
Concession assets	117,458	122,831
Intangible assets	1,978,993	2,260,095
Investments in associates	591,238	586,110
Investments in joint ventures	708,045	745,099
Other investments	2,484	2,484
Derivative financial assets	-	24,309
Trade and other receivables	7,456	9,081
Deferred tax assets	284,314	275,475
Total non-current assets	13,877,975	14,600,124
Derivative financial assets	24,493	69,991
Trade and other receivables	1,557,781	1,563,347
Inventories	1,037,292	846,937
Current tax assets	172,776	163,639
Other investments	1,102,478	485,596
Cash and cash equivalents	1,098,035	2,571,016
Assets classified as held for sale	89,598	-
Total current assets	5,082,453	5,700,526
Total assets	18,960,428	20,300,650
Equity		
Share capital	5,693,055	5,693,055
Treasury shares	(98,647)	(98,647)
Reserves	313,904	334,228
Accumulated losses	(1,410,663)	(1,438,891)
Equity attributable to owners of the Company	4,497,649	4,489,745
Perpetual sukuk	800,000	800,000
Non-controlling interests	237,724	257,102
Total equity	5,535,373	5,546,847
Liabilities		
Loans and borrowings	6,856,897	7,878,379
Lease liabilities	9,176	11,511
Employee benefits	91,941	88,065
Provision for decommissioning costs	237,541	227,080
Provision for concession assets	184,406	126,851
Deferred income	2,312,788	2,604,748
Deferred tax liabilities	891,796	849,949
Total non-current liabilities	10,584,545	11,786,583

Condensed Consolidated Statements Of Financial Position
Other comprehensive (expense)/income for the period/year

	As at 31.12.2024 RM'000 (Unaudited)	As at 31.12.2023 RM'000 (Audited)
Trade and other payables	1,371,585	1,453,572
Current tax liabilities	6,693	10,633
Loans and borrowings	851,955	926,700
Lease liabilities	14,838	4,520
Provision for decommissioning costs	29,265	52,735
Provision for concession assets	132,353	202,447
Employee benefits	7,406	7,329
Deferred income	384,223	309,284
Liabilities classified as held for sale	42,192	-
Total current liabilities	<u>2,840,510</u>	<u>2,967,220</u>
Total liabilities	<u>13,425,055</u>	<u>14,753,803</u>
Total equity and liabilities	<u><u>18,960,428</u></u>	<u><u>20,300,650</u></u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.92	0.92

**Condensed Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2024**

	/----- Attributable to owners of the Company -----/					Total	Perpetual Sukuk	Non-controlling Interests	Total Equity
	Non-distributable		Distributable						
	Share Capital	Treasury Shares	Reserves		Accumulated Losses				
	RM'000	RM'000	Translation RM'000	Hedging RM'000	RM'000	RM'000	RM'000	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	-	-	-	-	(6,507)	(6,507)	-	-	(6,507)
Foreign currency translation differences for foreign operations	-	-	(14,247)	-	-	(14,247)	-	-	(14,247)
Cash flow hedge	-	-	-	(1,709)	-	(1,709)	-	-	(1,709)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	-	-	-	(4,368)	-	(4,368)	-	-	(4,368)
Other comprehensive expense for the year	-	-	(14,247)	(6,077)	(6,507)	(26,831)	-	-	(26,831)
Profit for the year	-	-	-	-	268,686	268,686	-	41,335	310,021
Comprehensive (expense)/income for the year	-	-	(14,247)	(6,077)	262,179	241,855	-	41,335	283,190
Distribution to holder of perpetual sukuk	-	-	-	-	(51,665)	(51,665)	-	-	(51,665)
Dividends to owners of the Company	-	-	-	-	(182,286)	(182,286)	-	-	(182,286)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(60,713)	(60,713)
Total distribution to owners	-	-	-	-	(182,286)	(182,286)	-	(60,713)	(242,999)
At 31 December 2024	5,693,055	(98,647)	22,194	291,710	(1,410,663)	4,497,649	800,000	237,724	5,535,373

**Condensed Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2024**

	/----- Attributable to owners of the Company -----/								Total Equity RM'000
	Non-distributable		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 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	-	-	-	-	(3,025)	(3,025)	-	-	(3,025)
Foreign currency translation differences for foreign operations	-	-	25,962	-	-	25,962	-	-	25,962
Cash flow hedge	-	-	-	(2,976)	-	(2,976)	-	-	(2,976)
Share of gain on hedging reserve of equity-accounted associates and joint ventures	-	-	-	(13,894)	-	(13,894)	-	-	(13,894)
Other comprehensive (expense)/income for the period/year	-	-	25,962	(16,870)	(3,025)	6,067	-	-	6,067
Loss for the year	-	-	-	-	(837,160)	(837,160)	-	(24,773)	(861,933)
Comprehensive (expense)/income for the year	-	-	25,962	(16,870)	(840,185)	(831,093)	-	(24,773)	(855,866)
Distribution to holder of perpetual sukuk	-	-	-	-	(47,200)	(47,200)	-	-	(47,200)
Acquisition of subsidiaries	-	-	-	-	-	-	-	8,775	8,775
Dividends to owners of the Company	-	-	-	-	(193,035)	(193,035)	-	-	(193,035)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(61,645)	(61,645)
Total distribution to owners	-	-	-	-	(193,035)	(193,035)	-	(61,645)	(254,680)
At 31 December 2023	5,693,055	(98,647)	36,441	297,787	(1,438,891)	4,489,745	800,000	257,102	5,546,847

Condensed Consolidated Statements Of Cash Flows
For the Year Ended 31 December 2024

	12 months ended 31.12.2024 RM'000 (Unaudited)	12 months ended 31.12.2023 RM'000 (Audited)
Cash flows from operating activities		
Profit/(Loss) before tax	459,738	(954,917)
Adjustments for :		
Non cash-items	1,073,866	1,102,519
Finance costs	504,032	566,874
Finance income	(68,449)	(72,776)
Share of profit of equity-accounted associates and joint ventures, net of tax	(109,743)	363,534
Operating profit before changes in working capital	<u>1,859,444</u>	<u>1,005,234</u>
<i>Changes in working capital:</i>		
Net change in current assets	(183,503)	1,365,297
Net change in current liabilities	(195,937)	(114,942)
Net change in non-current liabilities	(241,011)	(236,304)
Cash generated from operations	<u>1,238,993</u>	<u>2,019,285</u>
Tax paid, net	(123,716)	(282,757)
Net cash from operating activities	<u>1,115,277</u>	<u>1,736,528</u>
Cash flows from investing activities		
Change in other investments	(616,882)	207,144
Acquisition of subsidiaries, net of cash and cash equivalent acquired	-	913,106
Dividends received from associates	2,970	2,781
Dividends received from joint ventures	109,211	188,275
Interest received	64,259	68,648
Acquisition of leasehold land	-	(25,984)
Purchase of property, plant and equipment	(416,407)	(274,112)
Purchase of concession assets	(7,192)	(1,528)
Proceeds from disposal of property, plant and equipment	15,348	175
Net cash (used in)/from investing activities	<u>(848,693)</u>	<u>1,078,505</u>
Cash flows from financing activities		
Distribution to perpetual sukuk holder	(51,665)	(47,200)
Dividends paid to the owners of the Company	(182,286)	(193,035)
Dividends paid to the non-controlling interest	(60,713)	(61,645)
Interest paid	(417,247)	(567,138)
Proceeds from borrowings	5,000	1,000
Repayment of borrowings	(1,020,011)	(906,546)
Payment of lease liabilities	(12,643)	(9,083)
Net cash used in financing activities	<u>(1,739,565)</u>	<u>(1,783,647)</u>

Condensed Consolidated Statements Of Cash Flows
For the Year Ended 31 December 2024

	12 months ended 31.12.2024 RM'000 (Unaudited)	12 months ended 31.12.2023 RM'000 (Audited)
Net (decrease)/increase in cash and cash equivalents	(1,472,981)	1,031,386
Cash and cash equivalents at beginning of the year	2,571,016	1,539,630
Cash and cash equivalents at end of the year	<u>1,098,035</u>	<u>2,571,016</u>
Cash and cash equivalents comprise :		
Cash and bank balances	155,255	1,281,475
Deposits with licensed banks and other licensed corporations	942,780	1,289,541
	<u>1,098,035</u>	<u>2,571,016</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 (“IFRS”) 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 scheduled repayment of Malakoff Power Berhad (“MPB”) sukuk programme of RM190.0 million.

7. Dividends paid

Since the end of previous financial year, the Company paid:

- i. A final dividend of 1.50 sen per ordinary share on 4,886,961,300 ordinary shares in issue, totalling RM73,306,000 in respect of the financial year ended 31 December 2023 on 29 May 2024.
- ii. An interim dividend of 2.23 sen per ordinary share on 4,886,961,300 ordinary shares in issue, totalling RM108,980,000 in respect of the financial year ended 31 December 2024 on 25 October 2024.

8. Segment reporting

The Group's segmental reporting for the financial year ended 31 December 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	7,919,231	-	7,919,231	872,308	178,512	-	178,512	-	-	-	8,970,051	-	8,970,051
Inter-segment revenue	-	-	-	518	1,054,533	279,301	1,333,834	(1,055,051)	(279,301)	(1,334,352)	-	-	-
Total segment revenue	7,919,231	-	7,919,231	872,826	1,233,045	279,301	1,512,064	(1,055,051)	(279,301)	(1,334,352)	8,970,051	-	8,970,051
Profit/(Loss) after tax	356,741	119,816	476,557	126,378	98,208	284,135	382,343	(383,829)	(291,428)	(675,257)	197,498	112,523	310,021

The Group's segmental reporting for the financial year ended 31 December 2023 was 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	8,011,898	-	8,011,898	872,332	182,724	-	182,724	-	-	-	9,066,954	-	9,066,954
Inter-segment revenue	-	-	-	-	1,478,762	249,857	1,728,619	(1,478,762)	(249,857)	(1,728,619)	-	-	-
Total segment revenue	8,011,898	-	8,011,898	872,332	1,661,486	249,857	1,911,343	(1,478,762)	(249,857)	(1,728,619)	9,066,954	-	9,066,954
(Loss)/Profit after tax	(472,705)	(211,310)	(684,015)	112,633	710,549	233,811	944,360	(974,011)	(260,900)	(1,234,911)	(623,534)	(238,399)	(861,933)

9. Property, plant and equipment

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

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. (“Zec Solar”) and TJZ Suria Sdn. Bhd. (“TJZ Suria”).

On 31 January 2025, Malakoff Corporation Berhad (“MCB”) completed the acquisitions of the remaining 51% and 49% equity interests in ZEC Solar and TJZ Suria, respectively for a total cash consideration of RM29,000,000 following fulfilment of the conditions precedent and completion of the Share Sale and Purchase Agreement. With the completion of the acquisitions, both ZEC Solar and TJZ Suria become wholly-owned subsidiaries of MCB.

The Management in accordance with MFRS 3, Business Combinations, has 12 months from the date of acquisition to complete the Purchase Price Allocation (PPA).

11. Changes in composition of the Group

There was no change in the composition of the Group for the current quarter ended 31 December 2024.

12. Assets classified as held for sale

On 17 October 2024, the Directors approved the proposed disposal of Malakoff Utilities Sdn. Bhd. (“MUSB”), being a non-core business of the Group. On 3 February 2025, MCB entered into a conditional Sale and Purchase agreement (“SPA”) with KT Technical Services Sdn. Bhd. (“KJTS”), a wholly-owned subsidiary of KJTS Group Berhad (“KJTS Group”) for the proposed disposal of 10,000,0000 ordinary shares, representing 100% equity interest in MUSB for a total cash consideration of RM65,500,000 (“Proposed Disposal”).

Barring unforeseen circumstances, the Proposed Disposal is expected to be completed by second quarter of 2025.

The presentation and disclosure of the financial impact of the aforementioned have been reflected in the Group's financial statements in accordance with MFRS 5, Non-Current Assets Held For Sale and Discontinued Operations. The results of the discontinued operations are as follows:

<u>Assets classified as held for sale</u>	31.12.2024 RM'mil
Property, plant and equipment	36.7
Right of use	0.6
Inventories	0.2
Trade and other receivables	23.2
Tax recoverable	0.7
Cash and cash equivalents	28.2
	<u>89.6</u>
	<u>89.6</u>
<u>Liabilities classified as held for sale</u>	31.12.2024 RM'mil
Trade and other payables	31.6
Lease liability	0.6
Employee benefits	3.6
Deferred taxation	6.4
	<u>42.2</u>
	<u>42.2</u>

13. 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:

	31.12.2024 RM'mil	31.12.2023 RM'mil
Company and subsidiaries	<u>837.2</u>	<u>834.4</u>

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

14. Capital commitments

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

	31.12.2024 RM'mil	31.12.2023 RM'mil
Property, plant and equipment:		
Authorised and contracted for	1,067.4	510.3
Authorised but not contracted for	506.6	994.1
	<u>1,574.0</u>	<u>1,504.4</u>
	<u>1,574.0</u>	<u>1,504.4</u>

Additional information required by the Bursa Securities Listing Requirements**15. Review of performance****Quarter 4, 2024 vs Quarter 4, 2023**

For the quarter ended 31 December 2024, the Group recorded RM2,163.0 million in revenue, a slight decrease of 4.4% or RM99.4 million from RM2,262.4 million reported in the corresponding quarter ended 31 December 2023, primarily due to lower energy payment recorded from Tanjung Bin Power Sdn. Bhd. (“TBP”) given the decrease in applicable coal price (“ACP”) and despatch factor. However, this was partially moderated by higher energy payment recorded from Tanjung Bin Energy Sdn. Bhd. (“TBE”) and Segari Energy Ventures Sdn. Bhd. (“SEV”) in line with the higher despatch factor.

The Group recorded profit before taxation of RM56.3 million in the current quarter, a significant increase of RM366.1 million from loss before taxation of RM309.8 million reported in the corresponding quarter ended 31 December 2023, primarily attributed to the absence of both share of loss from a 40% foreign associate, Al-Hidd IWPP and impairment loss on the Group’s carrying value of investment in Al-Hidd IWPP. However, these were partially offset by the lower contributions from TBP and TBE largely impacted by the lower ACP.

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

For the year ended 31 December 2024, the Group recorded RM8,970.1 million in revenue, a slight decrease of 1.1% or RM96.9 million from RM9,067.0 million reported in the corresponding year ended 31 December 2023, primarily due to lower energy payment recorded from TBP given the decrease in ACP, however partially moderated by higher energy payment recorded from SEV and Prai Power Sdn. Bhd. (“PPSB”) in line with the higher despatch factor.

The Group recorded profit before taxation of RM459.7 million, a significant increase of RM1,414.6 million from loss before taxation of RM954.9 million reported in the corresponding year ended 31 December 2023, primarily attributed to improved contribution from TBP given the lower weighted average coal costs following stabilisation of global coal price, absence of both share of loss from a 40% foreign associate, Al-Hidd IWPP as well as impairment loss on the Group’s carrying value of investment in Al-Hidd IWPP.

16. Variation of results against immediate preceding quarter**Quarter 4, 2024 vs Quarter 3, 2024**

The Group recorded lower profit before taxation of RM56.3 million in the current quarter as compared with RM144.2 million reported in the immediate preceding quarter, primarily due to the settlement of TBE’s final insurance claims on Low-Pressure Turbine blade failure recognised in the third quarter of 2024.

17. Current prospects

Malaysia's Gross Domestic Product (“GDP”) grew by 5% in the fourth quarter of 2024 (3Q 2024: 5.3%), primarily driven by domestic demand supported by strong investment growth, sustained household spending and continued expansion in exports of goods and services. Overall, the Malaysian economy grew by 5.1% in 2024 (2023: 3.6%) due to continued expansion in domestic demand and a rebound in exports. *(Source: BNM’s Economic & Financial Developments in Malaysia in the Fourth Quarter of 2024).*

On 31 January 2025, Malakoff, as part of the Group’s continuous strategic expansion in Renewable Energy (“RE”) successfully acquired the remaining 51% and 49% equity interests in ZEC Solar Sdn. Bhd. (“ZEC Solar”) and TJZ Suria Sdn. Bhd. (“TJZ Suria”), respectively from Zelleco Engineering Sdn Bhd. Zec Solar owns and operates a 29 MW large-scale solar (“LSS”) facility in Kota Tinggi, Johor, under a 21-year Solar Power Purchase Agreement (“SPPA”), while TJZ Suria manages its operations and maintenance. The expansion provides the Group competitive edge to become one of the key players in the country’s growing RE sector, establishing an immediate increase in its capacity to 173MW.

On 4 February 2025, Malakoff signed a Sale and Purchase Agreement (“SPA”) to divest its 100% equity interest in its energy-efficient cooling unit, Malakoff Utilities Sdn. Bhd. (“MUSB”) to KJTS Group Berhad. The divestment aligns with the Group’s transformation plan to focus on high-growth areas particularly the increasing demand for sustainable energy solutions.

On the Environmental Solutions front, the Group continues to enhance its non-concession business of which Alam Flora Environmental Solutions Sdn. Bhd. (“AFES”), on 1 December 2024 successfully secured a 5-year operation and maintenance (“O&M”) contract for Ladang CEP leachate treatment plant in Kota Tinggi. Subsequently on 28 January 2025, AFES secured a 3-year O&M contract for Maokil Landfill in Labis, Johor, strengthening its position in waste treatment solutions.

Based on the foregoing, the Group expects overall performance to remain satisfactory for the financial year ending 31 December 2025.

18. Profit/(Loss) before tax

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

	3 months ended 31.12.2024	3 months ended 31.12.2023	Cumulative 12 months ended 31.12.2024	Cumulative 12 months ended 31.12.2023
	RM'mil	RM'mil	RM'mil	RM'mil
Finance income	(13.6)	(14.8)	(68.4)	(72.8)
Finance costs	120.7	137.3	504.0	566.9
Depreciation	189.7	204.1	777.0	810.8
Amortisation of intangibles assets	68.6	74.0	283.7	294.0
Net loss/(reversal) on impairment loss of investments in associates	12.5	(66.3)	12.5	(66.3)
Net reversal on impairment of financial instruments	-	(0.1)	-	(0.1)
Impairment loss on goodwill	10.2	-	10.2	-
Property, plant and equipment written off	0.4	27.8	4.3	27.8
Gain arising from compensation for compulsory land acquisition	-	-	13.5	-
Net foreign exchange gain	(0.3)	(4.8)	(0.3)	(8.9)

19. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter ended 31 December 2024.

20. Tax expense/(benefit)

	3 months ended 31.12.2024	3 months ended 31.12.2023	Cumulative 12 months ended 31.12.2024	Cumulative 12 months ended 31.12.2023
	RM'mil	RM'mil	RM'mil	RM'mil
Current tax expense	26.8	24.9	110.7	93.4
Deferred tax expense	1.1	15.7	39.0	(186.4)
Total tax expense/(benefit)	<u>27.9</u>	<u>40.6</u>	<u>149.7</u>	<u>(93.0)</u>

The Group's effective tax rate for the current financial year does not reflect the statutory tax rate primarily due to a net tax benefit in respect of losses recorded by certain subsidiaries.

21. Status of corporate proposal announced

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 28 January 2025, 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 April 2025.

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

22. Borrowings

	31.12.2024	31.12.2023
	RM'mil	RM'mil
Current		
- Secured	822.0	896.7
- Unsecured	30.0	30.0
	<u>852.0</u>	<u>926.7</u>
Non-current		
- Secured	6,856.9	7,878.4
	<u>7,708.9</u>	<u>8,805.1</u>

The breakdown of Group borrowings by currency is as follows:

	31.12.2024	31.12.2023
	RM'mil	RM'mil
Functional currency		
- RM	7,626.9	8,584.8
- USD	82.0	220.3
	<u>7,708.9</u>	<u>8,805.1</u>

23. 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.

In addition to filing their Defence on 22 April 2019, GE Entities filed a Counterclaim against PPSB alleging breach of:

- a) the Settlement and Release Agreement dated 12 December 2012 ("SRA") in relation to two incidents at the Prai Power Plant in 2006 and 2009; and
- b) the agreement dated 19 December 2000, which was novated from Natural Analysis Sdn Bhd/PPSB to MPB in the Novation Agreement dated 18 January 2013.

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 Settlement and Release Agreement ("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.

Save for the above, 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.

24. Dividend Payable

Announcement on the final dividend for the financial year ended 31 December 2024 will be made upon the finalisation of the Audited Financial Statements in March 2025.

25. Earnings/(Loss) per ordinary share

	3 months ended 31.12.2024	3 months ended 31.12.2023	Cumulative 12 months ended 31.12.2024	Cumulative 12 months ended 31.12.2023
Basic/Diluted Earnings/(Loss) per Ordinary Share				
Profit/(Loss) for the period attributable to equity holders (RM mil)	26.0	(357.1)	268.7	(837.2)
Distribution to perpetual sukuk holder (RM mil) [#]	-	-	(51.7)	(47.2)
Profit/(Loss) for the period attributable to ordinary shareholders (RM mil)	26.0	(357.1)	217.0	(884.4)
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)	0.53	(7.31)	4.44	(18.10)

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.

26. Authorisation for issue

The interim financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 21 February 2025.

By Order of the Board
 Noor Raniz bin Mat Nor (MAICSA No.7061903)
 Zaidatul Neezma binti Zainal Abidin (MACS 01677)
 Secretaries
 Kuala Lumpur
 21 February 2025