



**News Release**  
**For Immediate Publication**

**MALAKOFF POSTS A NET PROFIT GROWTH OF 33.1% FOR Q1 FY2020**

*Improved Performance due to Alam Flora and Higher Contribution from Associates*

*Note: The financial performance presented herein includes financial results of Malakoff's investment in Macarthur Wind Farm in Australia which is presented as discontinued operations in Malakoff's quarterly report for the financial period ended 31 March 2019.*

**KUALA LUMPUR, Malaysia – 20 May 2020:** Malakoff Corporation Berhad (“Malakoff” or “Group”), a member of the MMC Group, recorded higher Profit after Tax and Minority Interests (“PATMI”) of RM89.2 million in the quarter ended 31 March 2020 (“Q1 FY2020”), an increase of 33.1% from RM67.0 million reported in the corresponding quarter ended 31 March 2019 (“Q1 FY2019”).

The improved performance was primarily due to the contribution from its newly acquired subsidiary, Alam Flora Sdn Bhd (“AFSB”), higher earnings from the Group’s investments in associates subsequent to the completion of 12% additional interest in Shuaibah on 12 September 2019 and lower Operations and Maintenance (“O&M”) costs as well as the absence of the share of losses from the Group’s 40%-owned Kapar Energy Ventures Sdn Bhd (“KEV”) due to the full impairment made on the carrying amount of investment in KEV in Q4 2019.

However, the Group posted revenue of RM1,774.0 million for Q1 FY2020, a decrease of 11.6% from RM2,007.3 million reported in Q1 FY2019. This was primarily due to lower energy payment recorded given the decline in Applicable Coal Price (“ACP”) at Tanjung Bin Power Sdn. Bhd. (“TBP”) and Tanjung Bin Energy Sdn. Bhd. (“TBE”) as well as a decrease in despatch factor at Segari Energy Ventures Sdn. Bhd. (“SEV”) and Prai Power Sdn. Bhd. (“PPSB”) gas plants following scheduled outage maintenance works. However, these were partially moderated by revenue contribution from AFSB, the acquisition of which was completed on 5 December 2019.

Dato' Ahmad Fuaad Kenali, Chief Executive Officer of Malakoff said, "We are facing unprecedented challenges in the wake of the Covid-19 crisis and the Group will continue to adapt to the new normal while ensuring efficient, stable and reliable operations. As the Group operates in the essential services sector, it has been 'business as usual' for our power plants and waste management services during the Movement Control Order ("MCO") period. However, reduced demand for electricity in the industrial and commercial sectors amidst the MCO has adversely impacted the despatch of electricity during the period."

"Notwithstanding these headwinds, the Group will continue to execute its strategic initiatives of focusing on operational excellence, achieving sustainable growth and strengthening its fundamentals. Apart from its ongoing solid waste management activities, the Group's new revenue stream, AFSB has been actively involved in sanitisation and disinfection services around Kuala Lumpur, Putrajaya and Pahang as part of the Government's efforts to curb the spread of the Covid-19 pandemic," he added.

For more details on Malakoff, please visit [www.malakoff.com.my](http://www.malakoff.com.my)

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## **ABOUT MALAKOFF CORPORATION BERHAD**

Malakoff is an independent water and power producer ("IWPP") with core focus on power generation, water desalination and operation & maintenance services. In Malaysia, Malakoff is the largest independent power producer ("IPP") with an effective generating capacity of 5,822 MW from its six power plants.

Malakoff's international assets include power and water ventures in Saudi Arabia, Bahrain and Oman, with an effective capacity of 588 MW of power generation and 472,975 m<sup>3</sup>/day of water desalination. 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, Teknik Janakuasa Sdn Bhd, Malakoff has involvements in Operations & Maintenance services locally and in Saudi Arabia, Kuwait, Oman and Indonesia.

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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