



News Release
For Immediate Publication

MALAKOFF 4Q FY2018 PATMI UP BY 188% ON HIGHER REVENUE

The Groups' revenue increased by 3.1% to RM7,348.2 million in the same period

KUALA LUMPUR, Malaysia – 22 February 2019: Malakoff Corporation Berhad (“Malakoff” or “Group”), a member of MMC Group, recorded RM1,887.3 million in revenue for the quarter ended 31 December 2018 (“4Q FY2018”), a 5.2% increase from RM1,793.4 million in the corresponding quarter ended 31 December 2017 (“4Q FY2017”). In terms of profit before tax (“PBT”), the Group recorded a higher profit of RM156.5 million compared to RM33.9 million in 4Q FY2017.

For the financial year ended 31 December 2018 (“FY2018”), the Group recorded RM7,348.2 million in revenue, a slight increase of 3.1% compared to RM7,130.4 million reported in the preceding year. The increase in revenue was primarily due to higher energy payments recorded in Tanjung Bin Power Sdn Bhd (“TBP”) and Tanjung Bin Energy Sdn Bhd (“TBE”) coal-fired power plants on the back of higher applicable coal price.

On the other hand, the Group recorded a PBT of RM559.2 million, a 2.7% decrease from the RM574.5 million in the preceding year. This was primarily attributed to a lower capacity payment recorded by Segari Energy Ventures Sdn Bhd (“SEV”) due to the reduction in tariff under the extended Power Purchase Agreement (“PPA”) and the absence of TBP’s compensation payment received from the settlement of dispute with IHI over TBP’s boiler failure recorded in the preceding year.

However, the lower PBT was partially moderated by the absence of SEV’s amortisation of intangible assets, lower depreciation of C-inspection costs following revision in the useful lives of C-inspection for gas plants, lower operation and maintenance costs, lower net finance costs coupled with gain from the disposal of investment in Lekir Bulk Terminal Sdn Bhd (“LBTSB”).

The Board of Directors also recommended a final single-tier dividend payment of 3.5 sen per ordinary share in respect of FY2018, subject to the approval of the shareholders at the forthcoming Annual General Meeting.

Dato' Ahmad Fuaad Kenali, Chief Executive Officer of Malakoff said, "the Group will continue to focus on improving the reliability and efficiency of its assets, especially Tanjung Bin Energy Power Plant. The plant is scheduled for maintenance and rectification works in the first and second quarters of this year to address and resolve its operational challenges."

In line with the Government's greater push for Renewable Energy, he added that "Malakoff is currently exploring opportunities in the renewable energy sector particularly on Large Scale Solar ("LSS"), hydro, biogas and waste-to-energy. The Group will also be participating in the Government's open tender for the third round of the 500MW LSS3 projects, which was announced recently."

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

ABOUT MALAKOFF CORPORATION BERHAD

Malakoff, a member of MMC Group, 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 a net generating capacity of 6,346 MW from its seven (7) power plants.

International assets include power and water ventures in Saudi Arabia, Algeria, Bahrain, Oman and Australia, with an effective capacity of 690 MW of power and 420,925 cubic meter of desalinated water per day. Malakoff is also actively looking to venture further in the fast-growing Middle East and North Africa region as well as the South-East Asian markets. Through its wholly-owned subsidiary, Teknik Janakuasa Sdn Bhd, Malakoff has involvements in operation & maintenance services in Saudi Arabia, Algeria, 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.

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