MALAKOFF

MALAKOFF CORPORATION BERHAD (731568-V)

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MALAKOFF CORPORATION BERHAD

PROSPECTUS

P R O S P E C T U S

This Prospectus is dated 17 April 2015

MALAKOFF

MALAKOFF CORPORATION BERHAD

(Company No.: 731568-V)

(Incorporated in Malaysia under the Companies Act, 1965)

INITIAL PUBLIC OFFERING ("IPO") OF UP TO 1,521,740,000 ORDINARY SHARES OF RM0.10 EACH IN MALAKOFF CORPORATION BERHAD ("MALAKOFF") ("IPO SHARES") IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE 5,000,000,000 ORDINARY SHARES OF RM0.10 EACH IN MALAKOFF ("SHARES") ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD COMPRISING AN OFFER FOR SALE OF UP TO 521,740,000 EXISTING SHARES AND A PUBLIC ISSUE OF 1,000,000,000 NEW SHARES ("ISSUE SHARES") INVOLVING:

(I) INSTITUTIONAL OFFERING OF UP TO 1,279,240,000 IPO SHARES TO MALAYSIAN AND FOREIGN INSTITUTIONAL AND SELECTED INVESTORS, INCLUDING BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING ("INSTITUTIONAL PRICE"); AND

(II) RETAIL OFFERING OF 242,500,000 ISSUE SHARES TO THE DIRECTORS OF MALAKOFF, THE ELIGIBLE EMPLOYEES OF MALAKOFF AND ITS SUBSIDIARIES ("MALAKOFF GROUP"), PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF THE MALAKOFF GROUP, THE DIRECTORS AND ELIGIBLE EMPLOYEES OF MMC CORPORATION BERHAD ("MMC"), THE ENTITLED SHAREHOLDERS OF MMC AND THE MALAYSIAN PUBLIC, AT THE RETAIL PRICE OF RM1.80 PER SHARE ("RETAIL PRICE"), PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO REFUND OF THE DIFFERENCE BETWEEN THE RETAIL PRICE AND THE FINAL RETAIL PRICE (AS DEFINED HEREIN) IN THE EVENT THAT THE FINAL RETAIL PRICE IS LESS THAN THE RETAIL PRICE,

SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS AND THE OVER-ALLOTMENT OPTION (AS DEFINED HEREIN). THE FINAL RETAIL PRICE WILL BE EQUAL TO THE LOWER OF:

(I) THE RETAIL PRICE OF RM1.80 PER ISSUE SHARE; OR

(II) THE INSTITUTIONAL PRICE.

Transaction Manager, Joint Principal Adviser, Joint Global Coordinator, Joint Bookrunner, Joint Managing Underwriter and Joint Underwriter

Maybank Investment Bank

Maybank Investment Bank Berhad
(Company No.: 15938-H)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Joint Principal Adviser, Joint Global Coordinator, Joint Bookrunner, Joint Managing Underwriter and Joint Underwriter

CIMB

CIMB Investment Bank Berhad
(Company No.: 18417-M)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Joint Principal Adviser, Joint Bookrunner, Joint Managing Underwriter and Joint Underwriter

RHB

RHB Investment Bank Berhad
(Company No.: 19663-P)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Joint Global Coordinators and Joint Bookrunners (in alphabetical order)

CREDIT SUISSE

Credit Suisse (Singapore) Limited
(Company Registration Number: 197702363D)

J.P.Morgan

JPMorgan Securities (Malaysia) Sdn Bhd
(Company No.: 18146-X)

J.P. Morgan Securities plc
(Company Registration Number: 2711006)

Joint Bookrunners (in alphabetical order)

Deutsche Bank AG, Hong Kong Branch
(Company Registration Number: F-2106)

Merrill Lynch (Singapore) Pte Ltd
(Company Registration Number: 198602883D)

Morgan Stanley & Co. International plc
(Company Registration Number: 2068222)

Nomura International (Hong Kong) Limited
(Company Registration Number: 6679)

The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
(Company Registration Number: S16FC0010A)

Joint Bookrunner and Joint Underwriter

Hong Leong Investment Bank Berhad
(Company No.: 10209-W)

Joint Underwriters (in alphabetical order)

Affin Hwang Investment Bank Berhad
(Company No.: 14389-U)

AmInvestment Bank Berhad
(Company No.: 23742-V)

Bank Muamalat Malaysia Berhad
(Company No.: 6175-W)

KAF Investment Bank Berhad
(Company No.: 20657-W)

Kenanga Investment Bank Berhad
(Company No.: 15678-H)

MIDF Amanah Investment Bank Berhad
(Company No.: 23878-X)

Public Investment Bank Berhad
(Company No.: 20027-W)

Co-Lead Managers (in alphabetical order)

CLSA Singapore Pte Ltd
(Company Registration Number: 198703750W)

Macquarie Capital (Singapore) Pte Limited
(Company Registration Number: 199704430K)

YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING CERTAIN RISKS RELATING TO AN INVESTMENT IN THE SHARES WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" IN SECTION 5 OF THIS PROSPECTUS.

LISTING SOUGHT: MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

THIS PROSPECTUS IS NOT TO BE DISTRIBUTED OUTSIDE MALAYSIA

All defined terms used in this Prospectus are defined under "Presentation of Financial and Other Information", "Glossary of Abbreviations and Acronyms" and "Glossary of Technical Terms" commencing on pages ix, xiii and xxix, respectively.

Our Directors, the Promoters and the Selling Shareholders have seen and approved this Prospectus and they collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus and they confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement in this Prospectus false or misleading.

Maybank IB and CIMB, as the Joint Principal Advisers, the Joint Global Coordinators and the Joint Bookrunners for the Institutional Offering in relation to our IPO, acknowledge that, based on all available information and to the best of their knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

RHB, as the Joint Principal Adviser and the Joint Bookrunner for the Institutional Offering in relation to our IPO, acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

It is to be noted that the role of Credit Suisse and J.P. Morgan in our IPO is limited to being the Joint Global Coordinators and the Joint Bookrunners in respect of the Institutional Offering outside Malaysia only. It is also to be noted that the role of Deutsche Bank AG, Hong Kong Branch, Merrill Lynch (Singapore) Pte Ltd, Morgan Stanley & Co. International plc, Nomura International (Hong Kong) Limited and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch in our IPO is limited to being the Joint Bookrunners in respect of the Institutional Offering outside Malaysia only, and the role of CLSA Singapore Pte Ltd and Macquarie Capital (Singapore) Pte Limited in our IPO is limited to being the Co-Lead Managers in respect of the Institutional Offering outside of Malaysia only. None of them has any role in, and each of them disclaims any responsibility for, the Institutional Offering and the Retail Offering in Malaysia.

The SC has approved our IPO and a copy of this Prospectus has been registered with the SC. The approval and registration of this Prospectus should not be taken to indicate that the SC recommends our IPO or assumes responsibility for the correctness of any statement made or opinion expressed or report contained in this Prospectus. The SC has not, in any way, considered the merits of our Shares being offered for investment.

The SC is not liable for any non-disclosure in this Prospectus by us. The SC also takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss that you may suffer as a result of your reliance upon the whole or any part of the contents of this Prospectus.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF OUR IPO AND AN INVESTMENT IN US. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS BEFORE APPLYING FOR OUR SHARES.

Our Company has obtained the approval of Bursa Securities for the Listing. Our admission to the Official List of the Main Market of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares. This Prospectus can be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com.

This Prospectus and the accompanying application forms have also been lodged with the Registrar of Companies, Malaysia who takes no responsibility for their contents.

You are advised to note that recourse for false or misleading statements or acts made in connection with this Prospectus is directly available through Sections 248, 249 and 357 of the CMSA.

Securities listed on Bursa Securities are offered to the public premised on full and accurate disclosure of all material information concerning our IPO for which any of the persons set out in Section 236 of the CMSA, e.g. Directors and advisers, are responsible.

Our Shares are classified as Shariah-compliant by the SAC of the SC based on our latest audited financial information for the FYE 31 December 2014 and this classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the SAC of the SC. Updates on the classification will be released in the updated list of Shariah-compliant securities on the last Friday of the month of May and November of each year.

You should not take the agreement by the Joint Managing Underwriters and the Joint Underwriters named in this Prospectus to underwrite our Shares under the Retail Offering as an indication of the merits of our Shares being offered.

This Prospectus has been prepared in the context of an IPO under the laws of Malaysia. It does not comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or by any regulatory authority of any jurisdiction other than Malaysia.

This Prospectus is published solely in connection with our IPO. Our Shares being offered in our IPO are offered solely on the basis of the information contained and representations made in this Prospectus. Our Company, the Promoters, the Selling Shareholders, the Joint Principal Advisers, the Joint Global Coordinators, the Joint Bookrunners, the Joint Managing Underwriters, the Joint Underwriters and the Co-Lead Managers have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, the Promoters, the Selling Shareholders, the Joint Principal Advisers, the Joint Global Coordinators, the Joint Bookrunners, the Joint Managing Underwriters, the Joint Underwriters and the Co-Lead Managers or any of their respective Directors, or any other persons involved in our IPO.

The distribution of this Prospectus and our IPO are subject to the laws of Malaysia. This Prospectus will not be distributed outside Malaysia except insofar as it is part of the offering memorandum distributed to foreign institutional investors outside Malaysia in connection with our IPO. Our Company, the Promoters, the Selling Shareholders, the Joint Principal Advisers, the Joint Global Coordinators, the Joint Bookrunners, the Joint Managing Underwriters, the Joint Underwriters and the Co-Lead Managers named in this Prospectus have not authorised and take no responsibility for the distribution of this Prospectus outside Malaysia except insofar as it is part of the offering memorandum distributed to foreign institutional investors outside Malaysia in connection with our IPO. No action has been taken to permit any offering of our Shares based on this Prospectus in any jurisdiction other than Malaysia. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase of our Shares in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. The distribution of this Prospectus and the sale of our Shares offered under our IPO in certain other jurisdictions may be restricted by law. Prospective investors who may be in possession of this Prospectus are required to inform themselves of and to observe such restrictions, including the warranty required of MMC's shareholders participating in our IPO regarding the compliance with the laws of any jurisdiction to which they are subjected to, see Section 4.3.2(ii) of this Prospectus.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith.

It shall be your responsibility to ensure that your application for our IPO would be in compliance with the terms of our IPO and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you had accepted our IPO in Malaysia and will be subject to the laws of Malaysia in connection therewith.

However, we reserve the right in our absolute discretion to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

It shall be your sole responsibility to consult your legal or other professional adviser on the laws to which our IPO or you are or might be subjected to. Neither we nor the Promoters, the Selling Shareholders, the Joint Principal Advisers, the Joint Global Coordinators, the Joint Bookrunners, the Joint Managing Underwriters, the Joint Underwriters and the Co-Lead Managers and their respective advisers shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable or void in any country or jurisdiction.

Our Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered, sold or delivered within the United States, unless pursuant to an exemption from, or a transaction not subject to, the registration requirements under the U.S. Securities Act. Our Shares are being offered and sold outside the United States in reliance on Regulation S and within the United States only to QIBs in reliance on Rule 144A.

Our Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any State Securities Commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of our IPO or confirmed the accuracy or determined the accuracy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

Prospective investors who subscribe or purchase our Shares may be subject to foreign investment regime in Australia requiring approval of the Australian Foreign Investment Review Board, which is applicable to our interest held in Australian entities within our Group.

ELECTRONIC PROSPECTUS

The contents of the Electronic Prospectus and the copy of this Prospectus registered with the SC are the same. You may obtain a copy of the Electronic Prospectus from the website of Malayan Banking Berhad at www.maybank2u.com.my, CIMB at www.eipocimb.com, CIMB Bank Berhad at www.cimbclicks.com.my, RHB Bank Berhad at www.rhb.com.my, Affin Bank Berhad at www.affinOnline.com, Public Bank Berhad at www.pbebank.com and Affin Hwang Investment Bank Berhad at trade.affinhwang.com.

The Internet is not a fully secure medium. Your Internet Share Application may be subject to risks in data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions. These risks cannot be borne by the Internet Participating Financial Institutions. If you doubt the validity or integrity of the Electronic Prospectus, you should immediately request from us or the Issuing House, a paper/printed copy of this Prospectus. If there is any discrepancy between the contents of the Electronic Prospectus and the paper/printed copy of this Prospectus, the contents of the paper/printed copy of this Prospectus which are identical to the copy of the Prospectus registered with the SC shall prevail.

In relation to any reference in this Prospectus to third-party internet sites ("**Third-Party Internet Sites**"), whether by way of hyperlinks or by way of description of the Third-Party Internet Sites, you acknowledge and agree that:

(i) we do not endorse and are not affiliated in any way to the Third-Party Internet Sites. Accordingly, we are not responsible for the availability of or the content or any data, file or other material provided on the Third-Party Internet Sites. You bear all risks associated with the access to or use of the Third-Party Internet Sites;

(ii) we are not responsible for the quality of products or services in the Third-Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third-Party Internet Sites. We are also not responsible for any loss or damage or cost that you may suffer or incur in connection with or as a result of dealing with the Third-Party Internet Sites or the use of or reliance on any data, file or other material provided by the Third-Party Internet Sites; and

(iii) any data, file or other material downloaded from the Third-Party Internet Sites is done at your own discretion and risk. We are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, file or other material.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institution, you are advised that:

(i) the Internet Participating Financial Institution is only liable in respect of the integrity of the contents of the Electronic Prospectus, to the extent of the contents of the Electronic Prospectus on the web server of the Internet Participating Financial Institution which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institution is not responsible for the integrity of the contents of the Electronic Prospectus which has been obtained from the web server of the Internet Participating Financial Institution and subsequently communicated or disseminated in any manner to you or other parties;

(ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in the Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed because the Internet is not a fully secure medium; and

(iii) the Internet Participating Financial Institution is not liable (whether in tort or contract or otherwise) for any loss, damage or costs, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in the Electronic Prospectus which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault on your or any third-party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institution, and/or problems occurring during data transmission which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

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INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative time and/or date:

Event	Time and/or date
Entitlement Date	15 April 2015
Opening of the Institutional Offering[(1)]	17 April 2015
Issuance of Prospectus/Opening of the Retail Offering	10:00 a.m., 17 April 2015
Closing of the Retail Offering	5:00 p.m., 28 April 2015
Closing of the Institutional Offering	29 April 2015
Price Determination Date	29 April 2015
Balloting of applications for the Issue Shares under the Retail Offering	30 April 2015
Allotment/Transfer of the IPO Shares to successful applicants	13 May 2015
Listing	15 May 2015

Note:

(1) Other than the Institutional Offering to the Cornerstone Investors. The master cornerstone placing agreement for the acquisition of the IPO Shares by the Cornerstone Investors was entered into on 7 April 2015.

The Institutional Offering will close on the date stated above or such later date or dates as our Directors, the Selling Shareholders and the Joint Global Coordinators may decide in their absolute discretion. The Retail Offering will close at the time and on the date stated above or such later date or dates as our Directors and the Joint Managing Underwriters may decide in their absolute discretion.

In the event that the closing date and/or time of either the Institutional Offering or the Retail Offering is extended, the Price Determination Date and dates for the balloting of applications for the Issue Shares under the Retail Offering, allotment/transfer of the IPO Shares to successful applicants and our Listing may be extended accordingly. Any extension will be announced in widely circulated Bahasa Malaysia and English daily newspapers within Malaysia.

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TABLE OF CONTENTS

TABLE OF CONTENTS *(Cont'd)*

TABLE OF CONTENTS *(Cont'd)*

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to "our Company" and "Malakoff" in this Prospectus are to Malakoff Corporation Berhad. All references to "Malakoff Group" and "our Group" in this Prospectus are to our Company and our subsidiaries as a whole, and all references to "we", "us", "our" and "ourselves" are to our Company and our subsidiaries, save where the context otherwise requires.

All references to the "Selling Shareholders" are to AOA, EPF, KWAP, SEASAF and SCI Asia and all references to the "Promoters" are to MMC and AOA.

All references to "you" are to our prospective investors.

All references to "effective" capacity are to capacity of the IPP, IWP, IWPP or Macarthur Wind Farm calculated based on a company's effective equity interest in these plants; all references to the "Government" are to the Government of Malaysia and all references to "RM" and "sen" are to the lawful currency of Malaysia. Any discrepancies in the tables between the amounts listed and the totals in this Prospectus are due to rounding. Other abbreviations and acronyms used herein are defined in the "Glossary of Abbreviations and Acronyms" section and technical terms used herein are defined in the "Glossary of Technical Terms" section appearing after this section. Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. Reference to persons shall include companies and corporations.

Any reference to provisions of the statutes, rules, regulations, enactments or rules of stock exchange shall (where the context admits), be construed as a reference to provisions of such statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force.

All references to dates and times are references to dates and times in Malaysia, unless otherwise stated.

This Prospectus includes statistical data provided by us and various third-parties and cites third-party projections regarding the growth and performance of the industry in which we operate and our estimated market share in the industry in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from us, or is extracted from the executive summary of the IMR Report as included in Section 8 of this Prospectus. In addition, certain information in this Prospectus is extracted or derived from the IMR Report prepared by Frost & Sullivan for inclusion in this Prospectus. The IMR Report is available for inspection at the location and during the period set out in Section 15.8 of this Prospectus. We have appointed Frost & Sullivan to provide an independent market and industry review. In compiling their data for the review, Frost & Sullivan had relied on industry sources, published materials, their own private databanks and direct contacts within the industry. The information on the industry as contained in this Prospectus and the other statistical data and projections cited in this Prospectus is intended to help prospective investors understand the major trends in the industry in which we operate. However, we, the Promoters, the Selling Shareholders, the Joint Principal Advisers, the Joint Global Coordinators, the Joint Bookrunners, the Joint Managing Underwriters, the Joint Underwriters and the Co-Lead Managers and their respective advisers have not independently verified these figures.

Neither our Company nor the Promoters, the Selling Shareholders, the Joint Principal Advisers, the Joint Global Coordinators, the Joint Bookrunners, the Joint Managing Underwriters, the Joint Underwriters and the Co-Lead Managers and their respective advisers make any representation as to the correctness, accuracy or completeness of such industry data and accordingly, prospective investors should not place undue reliance on the industry statistical data cited in this Prospectus. Further, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. No assurances are given or can be given that the estimated figures will be achieved, and you should not place undue reliance on the third-party projections cited in this Prospectus.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION *(Cont'd)*

Similarly, third-party projections are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. No assurance is or can be given that the projected figures will be achieved and accordingly, you should not place undue reliance on the third-party projections cited in this Prospectus.

The information on our websites or any website directly or indirectly linked to such websites does not form part of this Prospectus and you should not rely for the purposes of your decision whether or not to invest in our Shares.

All references to the "Latest Practicable Date" in this Prospectus are to 20 March 2015, which is the latest practicable date prior to the registration of this Prospectus with the SC.

EBITDA and the related ratios presented in this Prospectus are supplemental measures of our performance and liquidity that are not required by or presented in accordance with MFRS and IFRS. Furthermore, EBITDA is not a measure of our financial performance or liquidity under MFRS and IFRS and should not be considered as an alternative to net income results from operating activities or any other performance measures derived in accordance with MFRS or IFRS or as an alternative to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, and hence, a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

We believe that EBITDA may facilitate comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest expense and finance charges), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), the age and booked depreciation and amortisation of assets (affecting relative depreciation and amortisation expenses). EBITDA has been presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating similar companies, many of whom present such non-MFRS and non-IFRS financial measures when reporting their results. Finally, EBITDA is presented as a supplemental measure of our ability to service debt. Nevertheless, EBITDA has limitations as an analytical tool, and prospective investors should not consider it in isolation from, or as a substitute for analysis of our financial condition or results of operations, as reported under MFRS and IFRS. Due to these limitations, EBITDA should not be considered as a measure of discretionary cash available to invest in the growth of our business.

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FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements, other than statements of historical facts, included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, plans and objectives for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements, or industry results expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our current view with respect to future events and do not guarantee future performance. Forward-looking statements can be identified by the use of forward-looking terminologies, such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions, and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

(i) our strategies, trends and competitive position;

(ii) our future financial position, earnings, cash flows and liquidity;

(iii) our future overall business development and operations;

(iv) potential growth opportunities;

(v) the future demand for our services and general industry environment; and

(vi) the regulatory environment and the effects of future regulation.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

(i) the general economic, business, social, political and investment environment in Malaysia and globally;

(ii) government policy, legislation or regulation;

(iii) interest rates and tax rates;

(iv) the competitive environment of the industry in which we operate;

(v) the activities and financial position of our customers, suppliers and other business partners;

(vi) delays, cost overruns, shortages in labour or problems with the execution of our expansion plans;

(vii) fixed and contingent obligations and commitments;

(viii) the continued availability of capital and financing;

(ix) the cost and availability of adequate insurance coverage; and

(x) any other factors beyond our control.

FORWARD-LOOKING STATEMENTS *(Cont'd)*

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to those discussed in Section 5 of this Prospectus on "Risk Factors" and Section 12.2 of this Prospectus on "Management's Discussion and Analysis of Financial Condition, Results of Operations and Prospects". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the Latest Practicable Date.

You will be deemed to have read and understood the descriptions of the assumptions and uncertainties underlying the forward looking statements that are contained herein.

Save as required by Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part I (Division 6) of the Prospectus Guidelines (Supplementary/Replacement Prospectus), we expressly disclaim any obligation or undertaking to release publicly any update or revision to any forward-looking statement contained in this Prospectus to reflect any change in our expectations with regard to such statement or any change in events, conditions or circumstances on which any such statement is based.

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GLOSSARY OF ABBREVIATIONS AND ACRONYMS

The following terms in this Prospectus bear the same meanings as set out below unless the term is defined otherwise or the context requires otherwise:

Acquisition	:	Acquisition by MMC through Malakoff (then known as NAB) of all the assets (other than cash) of MB, including the assumption of all the liabilities of MB, which was completed on 30 April 2007
Act	:	Companies Act, 1965
Acwa Power	:	Arabian Company for Water and Power Projects Limited
ADA	:	Authorised Depository Agent
AEMO	:	Australian Energy Market Operator
AGL Hydro	:	AGL HP1 Pty Limited, AGL HP2 Pty Limited and AGL HP3 Pty Limited, as partners in the AGL Hydro Partnership
AGM	:	Annual general meeting
Al Ghubrah IWP	:	An IWP with a net water production capacity of 191,000 m^3/day to be constructed in Al Ghubrah in the city of Muscat, the Sultanate of Oman
Alstom Power	:	Alstom Power Systems SA
Alstom Services	:	Alstom Services Sdn Bhd
Aluminium Bahrain	:	Aluminium Bahrain B.S.C.
AOA	:	Anglo-Oriental (Annuities) Sdn Bhd
Application Form	:	Application form for the application of the Issue Shares under the Retail Offering accompanying this Prospectus
Articles	:	Articles of Association of our Company, as amended from time to time
ATM	:	Automated teller machine
Az Zour South Combined Cycle Power Plant	:	A CCGT power plant with generation capacity of 1,200 MW located in Az Zour South, the State of Kuwait
Board or Directors	:	Our Board of Directors as at the date of this Prospectus
Bonus Issue	:	Bonus issue of 6,863,966 Bonus Shares credited as fully paid-up on a pro-rata basis to our shareholders which was implemented on 1 April 2015, calculated based on their respective shareholdings in our Company after the Conversion of RCPS
Bonus Share(s)	:	New ordinary share(s) of RM1.00 each in our Company issued pursuant to the Bonus Issue

GLOSSARY OF ABBREVIATIONS AND ACRONYMS *(Cont'd)*

Bumiputera	:	In the context of: (i) individuals, Malays and the Aborigines or the natives of state of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (ii) companies, a company which fulfil, among others, the following criteria or such other criteria as may be imposed by the MITI: (a) established under the Act; (b) its shareholders are 100% Bumiputera; and (c) its board of directors (including its staffs) are at least 51% Bumiputera; and (iii) cooperatives, a cooperative whose shareholders or cooperative members are at least 95% Bumiputera or such other criteria as may be imposed by the MITI
Bursa Depository or Central Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
Cadagua	:	Cadagua S.A.
CAGR	:	Compounded annual growth rate
CC	:	Consolidated Contractors Company
CCC	:	Certificate of fitness for occupation or certificate of completion and compliance issued by the local authorities
CDS	:	Central Depository System
CEGCO	:	Central Electricity Generation Company Limited
Chevron	:	Chevron Ltd
CIMB	:	CIMB Investment Bank Berhad
CMSA	:	Capital Markets and Services Act, 2007
Co-Lead Managers	:	Collectively, CLSA Singapore Pte Ltd and Macquarie Capital (Singapore) Pte Limited
COD	:	Commercial operation date
Conversion of RCPS	:	Conversion of all our consolidated RCPS into new ordinary shares of RM1.00 each in our Company which was implemented on 1 April 2015
Cornerstone Investors	:	Collectively, CIMB-Principal Asset Management Berhad, Corston-Smith Asset Management Sdn Bhd, Eastspring Investments Berhad, Great Eastern Life Assurance (Malaysia) Berhad, Hong Leong Asset Management Bhd, Kencana Capital Sdn Bhd, Lembaga Tabung Haji, Maybank Asset Management Sdn Bhd, Maybank Islamic Asset Management Sdn Bhd, Pertubuhan Keselamatan Sosial, RHB Asset Management Sdn Bhd and UOB Asset Management (Malaysia) Berhad

GLOSSARY OF ABBREVIATIONS AND ACRONYMS *(Cont'd)*

Credit Suisse	:	Credit Suisse (Singapore) Limited
CSTA	:	Coal supply and transportation agreement for the supply and delivery of coal for the coal-fired thermal power plants
Customs Act	:	Customs Act, 1967
Dhofar Power Company	:	Dhofar Power Company SAOG
DOE	:	Department of Environment, Malaysia
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
EC or Energy Commission	:	Energy Commission of Malaysia, the statutory body established under the Energy Commission Act, 2001
EIA	:	Environmental impact assessment under the EQA
Electronic Prospectus	:	Copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to CD-ROMs or floppy disks
Electronic Share Application	:	Application for the Issue Shares under the Retail Offering through a Participating Financial Institution's ATMs
Eligible Malakoff Persons	:	Collectively, our Directors, employees of our Group and persons who have contributed to the success of our Group who are eligible to participate in the Retail Offering
Eligible MMC Persons	:	Collectively, the directors and employees of MMC who are eligible to participate in the Retail Offering
Entitled Shareholders of MMC	:	Shareholders of MMC (except for the Excluded Shareholders) whose names appear in the Record of Depositors of MMC as at 5:00 p.m. on the Entitlement Date and who are eligible to apply for the Issue Shares under the Restricted Offering
Entitlement Date	:	15 April 2015, being the date as at the close of business on which the Entitled Shareholders of MMC must be registered as a member and whose names appear in the Record of Depositors of MMC to be eligible to apply for the Issue Shares under the Restricted Offering
EPC	:	Engineering, procurement and construction
EPF	:	Employees Provident Fund Board
EPS	:	Earnings per share
EQA or Environmental Quality Act	:	Environmental Quality Act, 1974
Equity Guidelines	:	Equity Guidelines issued by the SC
ESA or Electricity Supply Act	:	Electricity Supply Act, 1990

Excluded Shareholders	:	Shareholders of MMC as stated in its Record of Depositors who fall into any one of the following categories as at 5.00 p.m. on the Entitlement Date: (i) U.S. persons (as such term is defined under Regulation S) whether located in or outside the United States; (ii) persons with a registered address in jurisdictions outside Malaysia; (iii) persons who are bound under the jurisdictions outside Malaysia in which acceptance under the Restricted Offering would result in the contravention of the laws of such jurisdictions (whether in the absence of any necessary consent and/or compliance with any registration or other legal requirements or for any other reason); or (iv) persons who are, in the opinion of our Board (on the advice of our legal advisers), necessary or expedient to be excluded from participating in the Restricted Offering by reason of legal or regulatory requirements
Existing SEV GSA	:	GSA dated 17 July 1993 between PETRONAS and SEV as amended by the addenda dated 9 March 1994 and 28 April 2005, for the supply and delivery of dry gas for the SEV Power Plant by PETRONAS
Existing SEV PPA	:	PPA dated 16 October 1993 between TNB and SEV as supplemented by a supplemental agreement dated 22 June 1994 and as supplemented by the supplemental agreement dated 25 February 2013 for the sale of generating capacity and electrical energy of the SEV Power Plant by SEV to TNB
Final Retail Price	:	Final price per Issue Share to be paid by investors pursuant to the Retail Offering, equivalent to the Retail Price or the Institutional Price, whichever is lower, to be determined on the Price Determination Date
FOR	:	Fixed operating rate
Frost & Sullivan	:	Frost & Sullivan GIC Malaysia Sdn Bhd, an independent market researcher
FYE	:	Financial year ended or where the context requires, financial year ending
GB3 GSA	:	GSA dated 6 September 2001 between PETRONAS and GB3 for the supply and delivery of dry gas for the GB3 Power Plant by PETRONAS
GB3 OMA	:	OMA dated 10 October 2000 between GB3 and TJSB for the provision of operation and maintenance services for the GB3 Power Plant by TJSB and as novated by the novation agreement dated 18 January 2013 between GB3, TJSB and M Power for the novation by TJSB to M Power
GB3 Power Plant	:	A CCGT power plant with generation capacity of 640 MW located in Lumut, Perak, Malaysia
GB3 PPA	:	PPA dated 28 June 2001 between TNB and GB3 for the sale of generating capacity and electrical energy of the GB3 Power Plant by GB3 to TNB
GDP	:	Gross domestic product

GLOSSARY OF ABBREVIATIONS AND ACRONYMS *(Cont'd)*

GE	:	General Electric Company
Government	:	Government of Malaysia
GSA	:	Gas supply agreement for the supply and delivery of dry gas to the relevant IPPs
HICOM Power	:	HICOM Power Sdn Bhd
Hidd IWPP	:	An IWPP with power generation capacity of 929 MW and water production capacity of 410,000 m^3/day located in Hidd, Bahrain
HSBC	:	HSBC Bank Malaysia Berhad
IC	:	Issues Committee established by the Malaysian Accounting Standards Board
IFRS	:	International Financial Reporting Standards
IMR Report	:	Independent market research report dated 16 April 2015 prepared by Frost & Sullivan
Income Tax Act	:	Income Tax Act, 1967
Indra Cita	:	Indra Cita Sdn Bhd
Initial Public Offering or IPO	:	Collectively, the Offer for Sale and the Public Issue
Institutional Offering	:	Offering of up to 1,279,240,000 IPO Shares at the Institutional Price, subject to the clawback and reallocation provisions and the Over-allotment Option, to the following: (i) Malaysian institutional and selected investors including Bumiputera investors approved by the MITI; (ii) foreign institutional and selected investors outside the United States in reliance on Regulation S; and (iii) QIBs in the United States in reliance on Rule 144A or pursuant to applicable exemption from registration under the U.S. Securities Act
Institutional Price	:	Price per IPO Share to be paid by investors pursuant to the Institutional Offering which will be determined on the Price Determination Date by way of bookbuilding
Internet Participating Financial Institution	:	A participating financial institution for Internet Share Application
Internet Share Application	:	Application for the Issue Shares under the Retail Offering through an Internet Participating Financial Institution
IPO Shares	:	Collectively, the Offer Shares and the Issue Shares
IPP	:	Independent power producer or where the context requires, the power plant

IPP Licence	:	The licence required to be obtained by an IPP pursuant to Section 9 of the ESA for the IPP to own, operate and maintain the power plant and supply electrical energy to TNB therefrom
Issue Shares	:	New Shares to be issued pursuant to the Public Issue
Issuing House	:	Malaysian Issuing House Sdn Bhd
IWP	:	Independent water producer or where the context requires, the water plant
IWPP	:	Independent water and power producer or where the context requires, the water and power plant
J.P. Morgan	:	Collectively, JPMorgan Securities (Malaysia) Sdn Bhd and J.P. Morgan Securities plc
JDC	:	Jordan Dubai Capital
Joint Bookrunners	:	Collectively, Maybank IB, CIMB, RHB, Credit Suisse, J.P. Morgan, Deutsche Bank AG, Hong Kong Branch, Hong Leong Investment Bank Berhad, Merrill Lynch (Singapore) Pte Ltd, Morgan Stanley & Co. International plc, Nomura International (Hong Kong) Limited and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
Joint Global Coordinators	:	Collectively, Maybank IB, CIMB, Credit Suisse, and J.P. Morgan
Joint Managing Underwriters	:	Collectively, Maybank IB, CIMB and RHB
Joint Principal Advisers	:	Collectively, Maybank IB, CIMB and RHB
Joint Underwriters	:	Collectively, Maybank IB, CIMB, RHB, Affin Hwang Investment Bank Berhad, AmInvestment Bank Berhad, Bank Muamalat Malaysia Berhad, Hong Leong Investment Bank Berhad, KAF Investment Bank Berhad, Kenanga Investment Bank Berhad, MIDF Amanah Investment Bank Berhad and Public Investment Bank Berhad
Junior Sukuk Musharakah	:	Issuance of subordinated and unrated Islamic securities of up to RM1,800,000,000.00 in nominal value under the Islamic principle of Musharakah issued by our Company
Kapar Power Plant	:	A multi-fuel power plant with generation capacity of 2,420 MW located in Kapar, Selangor, Malaysia
KeTTHA	:	Kementerian Tenaga, Teknologi Hijau dan Air, Malaysia (Ministry of Energy, Green Technology and Water, Malaysia)
KEV PPA	:	PPA dated 31 July 2000 between TNB and KEV as supplemented by the first supplemental agreement dated 30 April 2002, the second supplemental agreement dated 30 October 2003, the third supplemental agreement dated 30 April 2004 and the fourth supplemental agreement dated 11 August 2011 for the sale of generating capacity and electrical energy of the Kapar Power Plant by KEV to TNB
Khazanah	:	Khazanah Nasional Berhad

KWAP	:	Kumpulan Wang Persaraan (Diperbadankan)
Latest Practicable Date	:	20 March 2015, being the latest practicable date prior to the registration of this Prospectus with the SC
Listing	:	Listing of and quotation for our entire enlarged issued and paid-up share capital on the Main Market of Bursa Securities
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
Lumut Power Plant	:	Collectively, the SEV Power Plant and the GB3 Power Plant, which are both located in a single complex in Lumut, Perak, Malaysia
Macarthur WFPL	:	Macarthur Wind Farm Pty Limited
Macarthur Wind Farm	:	A wind farm with generation capacity of 420 MW located in the State of Victoria, Australia
Macarthur Wind Farm Contracts	:	Collectively, the MWMPL Agency Deed, the MWMPL Electricity Contract and the MWMPL NEP Contract
Malakoff or Company	:	Malakoff Corporation Berhad
Malakoff Group or Group	:	Collectively, Malakoff and its subsidiaries
Malakoff Share(s) or Share(s)	:	Ordinary share(s) of RM0.10 each in our Company
Malaysian Public	:	Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
Market Day	:	A day on which Bursa Securities is open for trading in securities
Maybank IB	:	Maybank Investment Bank Berhad
MB	:	Malakoff Berhad (delisted on 18 July 2007 from the Official List of the Main Board of Bursa Securities *(now known as Main Market Bursa Securities)* and was placed under members' voluntary liquidation on 30 September 2008 and subsequently de-registered on 6 August 2014)
MDTCC	:	Ministry of Domestic Trade, Co-Operatives and Consumerism, Malaysia
Memorandum and Articles	:	Memorandum of Association and Articles of Association of our Company, as amended from time to time
MENA	:	Middle East and North Africa
Merak Coal-Fired Power Plant	:	A coal-fired steam power plant with power generation capacity of 120 MW and steam production capacity of 55 tonnes/hour located in the District of Banten, Indonesia
MFRS	:	Malaysian Financial Reporting Standards
MITI	:	Ministry of International Trade and Industry, Malaysia
Mitsubishi Heavy Industries	:	Mitsubishi Heavy Industries, Ltd
MMC	:	MMC Corporation Berhad

GLOSSARY OF ABBREVIATIONS AND ACRONYMS *(Cont'd)*

Moody's	:	Moody's Investors Service, Inc., a subsidiary of Moody's Corporation, and its successors and affiliates, is a provider of credit ratings and research covering debt instruments and securities
Mudajaya	:	Mudajaya Corporation Berhad
MWMPL Agency Deed	:	Agency deed dated 12 August 2010 between MWMPL, Macarthur WFPL and AGL Hydro as amended and restated on 29 August 2011 and further amended on 27 June 2013 and further amended and restated on 8 January 2015 for the appointment of AGL Hydro as agent for MWMPL and Macarthur WFPL regarding key contracts and licences relating to Macarthur Wind Farm
MWMPL Asset Management Deed	:	Asset Management Deed dated 12 August 2010 between MWMPL, Macarthur WFPL and AGL Hydro as amended and restated on 29 August 2011 and further amended on 27 June 2013 for the provision of operation and maintenance services for the Macarthur Wind Farm by AGL Hydro
MWMPL Electricity Contract	:	The fixed forward commodity contract for electricity dated 12 August 2010 between MWMPL and AGL Hydro as amended and restated on 29 August 2011 and further amended on 27 June 2013 under which MWMPL receives fixed payments from AGL Hydro for electricity generated by the Macarthur Wind Farm
MWMPL NEP Contract	:	The fixed forward commodity contract for nominated environmental products dated 12 August 2010 between MWMPL and AGL Hydro as amended and restated on 29 August 2011 and further amended on 27 June 2013 under which MWMPL receives fixed payments from AGL Hydro for renewable energy certificates generated by the Macarthur Wind Farm
MWMPL Swap Contracts	:	Collectively, the MWMPL Electricity Contract and the MWMPL NEP Contract
N/A	:	Not applicable
NA	:	Net assets
NAB	:	Nucleus Avenue (M) Berhad *(now known as Malakoff)*
NBV	:	Net book value
NEM Rules	:	National Electricity Law and National Electricity Rules of Australia
New SEV GSA	:	GSA dated 28 February 2013 between PETRONAS and SEV for the supply and delivery of dry gas for the SEV Power Plant by PETRONAS
New SEV PPA	:	PPA dated 25 February 2013 between TNB and SEV for the sale of generating capacity and electrical energy of the SEV Power Plant by SEV to TNB
Occupational Health and Safety Act or OHSA	:	Occupational Health and Safety Act, 1994
Offer for Sale	:	Offer for sale of up to 521,740,000 Offer Shares by the Selling Shareholders

Offer Shares	:	Existing Shares to be offered by the Selling Shareholders pursuant to the Offer for Sale
Official List	:	A list specifying all securities listed on Bursa Securities
OMA	:	Operation and maintenance agreement for the provision of operation and maintenance services for the IPPs
OPWP	:	Oman Power and Water Procurement Co. SAOC
Over-allotment Option	:	Over-allotment option granted by the Over-allotment Option Providers to the Stabilising Manager (on behalf of the Placement Managers)
Over-allotment Option Providers	:	Collectively, AOA, EPF, KWAP, SEASAF and SCI Asia
Participating Financial Institution	:	A participating financial institution for the Electronic Share Application
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PD Power Acquisition	:	Acquisition of the remaining 75.0% equity interest in PD Power from Sime Darby Energy for a cash consideration on RM289.0 million, which was completed on 30 April 2014
PD Power GSA	:	GSA dated 27 May 1994 between PETRONAS and PD Power as supplemented by a letter from PD Power to PETRONAS dated 27 May 1994 for the supply and delivery of dry gas for the Port Dickson Power Plant by PETRONAS
PD Power OMA	:	OMA dated 18 August 2003 made between PD Power and Janaurus PDP Sdn Bhd as supplemented by a letter dated 27 January 2009 for the provision of operation and maintenance services for the Port Dickson Power Plant by Janaurus PDP Sdn Bhd, and as novated by a novation agreement dated 1 March 2009 between PD Power and Sime Darby Energy and Janaurus PDP Sdn Bhd for the novation by Janaurus PDP Sdn Bhd to Sime Darby Energy and as novated by the novation agreement dated 28 April 2014 between PD Power, Sime Darby Energy and PDP O&M for the novation by Sime Darby Energy to PDP O&M
PD Power PPA	:	PPA dated 10 December 1993 between TNB and PD Power for the sale of generating capacity and electrical energy of the Port Dickson Power Plant by PD Power to TNB
PETRONAS	:	Petroliam Nasional Berhad
PETRONAS Gas	:	PETRONAS Gas Berhad
PIF	:	Public Investment Fund of the Kingdom of Saudi Arabia
Placement Agreement	:	The placement agreement to be entered into by our Company, the Selling Shareholders and the Placement Managers in respect of such number of Shares to be offered under the Institutional Offering

Placement Managers	:	Collectively, Maybank IB, CIMB, RHB, Credit Suisse, J.P. Morgan, Deutsche Bank AG, Hong Kong Branch, Hong Leong Investment Bank Berhad, Merrill Lynch (Singapore) Pte Ltd, Morgan Stanley & Co. International plc, Nomura International (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, CLSA Singapore Pte Ltd and Macquarie Capital (Singapore) Pte Limited
Port Dickson Power Plant	:	An OCGT power plant with generation capacity of 436.4 MW located in Port Dickson, Negeri Sembilan, Malaysia
PPA	:	Power purchase agreement for the sale of generating capacity and electrical energy by an IPP to an offtaker
PPSB GSA	:	GSA dated 9 April 2002 between PETRONAS and PPSB for the supply and delivery of dry gas for the Prai Power Plant by PETRONAS
PPSB OMA	:	OMA dated 19 December 2000 between SKS Ventures Sdn Bhd and NASB and as novated by the novation agreement dated 19 February 2001 between SKS Ventures Sdn Bhd, PPSB and NASB and as supplemented by the supplemental agreement dated 22 March 2001 between PPSB and NASB for the provision of operation and maintenance services for the Prai Power Plant by NASB and as novated by the novation agreement dated 18 January 2013 between PPSB, NASB and M Power for the novation by NASB to M Power
PPSB PPA	:	PPA dated 2 August 2000 between TNB and SKS Ventures Sdn Bhd and as novated by the novation agreement dated 9 February 2001 between TNB, SKS Ventures Sdn Bhd and PPSB and as amended by the supplemental agreement dated 28 June 2004 between TNB and PPSB for the sale of generating capacity and electrical energy of the Prai Power Plant by PPSB to TNB
Prai Power Plant	:	A CCGT power plant with generation capacity of 350 MW located in Prai, Penang, Malaysia
Pre-IPO Exercise	:	Collectively, the Conversion of RCPS, the Bonus Issue and the Subdivision of Shares
Price Determination Date	:	The date on which the Institutional Price and Final Retail Price will be determined
Promoters	:	Collectively, MMC and AOA
Prospectus Guidelines	:	Prospectus Guidelines issued by the SC
Public Issue	:	Public issue of 1,000,000,000 Issue Shares by our Company
PWPA	:	Power and water purchase agreement
QIBs	:	Qualified institutional buyers, as defined under Rule 144A
Rating Agency Malaysia	:	RAM Holdings Berhad is a provider of independent credit research and advisory services
RCPS	:	Redeemable convertible non-cumulative preference shares
RCULS	:	Redeemable convertible unsecured loan stocks

Record of Depositors	:	A record of securities holders established by Bursa Depository pursuant to the Rules of Bursa Depository
Regulation S	:	Regulation S under the U.S. Securities Act
Restricted Offering	:	Offer of 72,000,000 Issue Shares to the Entitled Shareholders of MMC
Retail Offering	:	Offering of 242,500,000 Issue Shares at the Retail Price, subject to the clawback and reallocation provisions, to the Eligible Malakoff Persons, the Eligible MMC Persons, the Entitled Shareholders of MMC and the Malaysian Public
Retail Price	:	Initial price of RM1.80 per Issue Share to be fully paid upon application pursuant to the Retail Offering, subject to adjustment as detailed in Section 4.5.1 of this Prospectus
Retail Underwriting Agreement	:	Retail underwriting agreement dated 7 April 2015 between our Company, the Joint Managing Underwriters and the Joint Underwriters for the underwriting of the Issue Shares under the Retail Offering
RHB	:	RHB Investment Bank Berhad
RPS	:	Redeemable preference shares
Rule 144A	:	Rule 144A under the U.S. Securities Act
Rules of Bursa Depository	:	The rules of Bursa Depository as issued pursuant to the SICDA
RULS	:	Redeemable unsecured loan stocks
SAC of the SC	:	Shariah Advisory Council of the SC
Salalah Power Plant	:	Power plant located in the Sultanate of Oman
Sales Tax Act	:	Sales Tax Act, 1972
SAP	:	Systems applications products
SC	:	Securities Commission Malaysia
SCI Asia	:	Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited
SEA	:	Southeast Asia
Seaport	:	Seaport Terminal (Johore) Sdn Bhd
SEASAF	:	SEASAF Power Sdn Bhd
SEC	:	Saudi Electricity Company
Selling Shareholders	:	Collectively, AOA, EPF, KWAP, SCI Asia and SEASAF, being the parties undertaking the Offer for Sale

GLOSSARY OF ABBREVIATIONS AND ACRONYMS *(Cont'd)*

SEV OMA	:	OMA dated 3 December 1993 between SEV and TJSB as supplemented by the first supplemental agreement dated 11 March 1994 and the second supplemental agreement dated 14 October 2010 for the provision of operation and maintenance services for the SEV Power Plant by TJSB and as novated by the novation agreement dated 18 January 2013 between SEV, TJSB and M Power for the novation by TJSB to M Power, and as supplemented by the third supplemental agreement dated 25 February 2013 between SEV and M Power in relation to the New SEV PPA
SEV Power Plant	:	A CCGT power plant with generation capacity of 1,303 MW located in Lumut, Perak, Malaysia
Share Lending Agreement	:	The agreement to be entered into by the Selling Shareholders and the Stabilising Manager under which the Selling Shareholders will lend Shares to the Stabilising Manager to cover over-allotments, if any, under the Over-allotment Option
Share Registrar	:	Symphony Share Registrars Sdn Bhd
Shin Eversendai	:	Shin Eversendai Engineering (M) Sdn Bhd
Shuaibah Phase 3 Expansion IWP	:	An IWP with water production capacity of 150,000 m³/day located in Jeddah, the Kingdom of Saudi Arabia
Shuaibah Phase 3 IWPP	:	An IWPP with power generation capacity of 900 MW and water production capacity of 880,000 m³/day located in Jeddah, the Kingdom of Saudi Arabia
SICDA	:	Securities Industry (Central Depositories) Act, 1991
Sime Darby Energy	:	Sime Darby Energy Sdn Bhd
Sonatrach	:	Société Nationale pour la Recherche, la Production, le Transport, la Transdormation, et la Commercialisation des Hydrocarbures s.p.a.
Souk Tleta IWP	:	An IWP with water production capacity of 200,000 m³/day located in Wilaya of Tlemcen, Algeria
Stabilising Manager	:	Maybank IB
Standard & Poor's or S&P	:	Standard & Poor's Ratings Services, part of The McGraw-Hill Companies, is a provider of independent credit risk research and benchmarks
Subdivision of Shares	:	Subdivision of every one ordinary share of RM1.00 each held in our Company after the Bonus Issue into 10 ordinary shares of RM0.10 each in our Company, credited as fully paid-up on 1 April 2015
Sumitomo	:	Sumitomo Corporation
SWW	:	Seaport Worldwide Sdn Bhd
Tanjung Bin Energy Power Plant	:	A coal-fired thermal power plant with generation capacity of 1,000 MW currently being constructed in Pontian, Johor, Malaysia
Tanjung Bin Power Plant	:	A coal-fired thermal power plant with generation capacity of 2,100 MW located in Pontian, Johor, Malaysia

GLOSSARY OF ABBREVIATIONS AND ACRONYMS *(Cont'd)*

TBE CSTA	:	CSTA dated 2 December 2011 between TBE and TFS for the supply and delivery of coal for the Tanjung Bin Energy Power Plant by TFS
TBE OMA	:	OMA dated 27 February 2012 between TBE and TJSB for the provision of operation and maintenance services for the Tanjung Bin Energy Power Plant by TJSB and as novated by the novation agreement dated 18 January 2013 between TBE, TJSB and M Power for the novation by TJSB to M Power
TBE PPA	:	PPA dated 2 December 2011 between TNB and TBE for the sale of generating capacity and electrical energy of the Tanjung Bin Energy Power Plant by TBE to TNB
TBEI EPC Contract	:	EPC contract dated 23 February 2012 between TBEI and a consortium, comprising Alstom Power, Alstom Services, Shin Eversendai and Mudajaya for the design, engineering, procurement, construction, installation, testing, commissioning and completion of the Tanjung Bin Energy Power Plant, the interconnection facilities and the metering equipment
TBP CSTA	:	CSTA dated 25 July 2002 between TBP and TFS as supplemented by the addendum No. 1 dated 1 April 2010 for the supply and delivery of coal for the Tanjung Bin Power Plant by TFS
TBP OMA	:	OMA dated 25 July 2003 between TBP and HICOM Power as supplemented by the first supplemental agreement dated 4 August 2003 and the second supplemental agreement dated 17 October 2003 for the provision of operation and maintenance services for the Tanjung Bin Power Plant by HICOM Power and as novated by the novation agreement dated 14 December 2012 between TBP, HICOM Power and TBOMB for the novation by HICOM Power to TBOMB
TBP PPA	:	PPA dated 25 July 2002 between TNB and TBP as supplemented by the supplemental agreement dated 28 June 2004 for the sale of generating capacity and electrical energy of the Tanjung Bin Power Plant by TBP to TNB
TFS	:	TNB Fuel Services Sdn Bhd
TNB	:	Tenaga Nasional Berhad
Toshiba	:	Toshiba Corporation
Transaction Manager	:	Maybank IB
TSSM	:	Tan Sri Dato' Seri Syed Mokhtar Shah Syed Nor
U.S. or USA or United States	:	United States of America, its territories and possessions, any state of the United States and the District of Columbia
U.S. Securities Act	:	United States Securities Act of 1933, as amended from time to time
VOR	:	Variable operating rate
WPA	:	Water purchase agreement

GLOSSARY OF ABBREVIATIONS AND ACRONYMS *(Cont'd)*

Currencies

AD	:	Algerian Dinar, the lawful currency of Algeria
AUD	:	Australian Dollar, the lawful currency of Australia
CHF	:	Swiss Franc, the lawful currency of Switzerland
EUR	:	Euro, the lawful currency of certain member states of the European Union
IDR	:	Indonesian Rupiah, the lawful currency of the Republic of Indonesia
OMR	:	Omani Rial, the lawful currency of the Sultanate of Oman
RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
SR	:	Saudi Riyal, the lawful currency of the Kingdom of Saudi Arabia
USD	:	United States Dollar, the lawful currency of the USA

Subsidiaries

DKSB	:	Desa Kilat Sdn Bhd
GB3	:	GB3 Sdn Bhd
HSB	:	Hypergantic Sdn Bhd
M AlDjazair Desal	:	Malakoff AlDjazair Desal Sdn Bhd
M Australia	:	Malakoff Australia Pty Ltd
M Capital	:	Malakoff Capital (L) Ltd
M Holdings	:	Malakoff Holdings Pty Ltd
M Power	:	Malakoff Power Berhad
M R&D	:	Malakoff R&D Sdn Bhd
M Technical (Dhofar)	:	Malakoff Technical (Dhofar) Limited
M Utilities	:	Malakoff Utilities Sdn Bhd
Malakoff IL	:	Malakoff International Limited
MESB	:	Malakoff Engineering Sdn Bhd
MESB Project Management	:	MESB Project Management Sdn Bhd
MGL	:	Malakoff Gulf Limited
MHHCL	:	Malakoff Hidd Holding Company Limited
MODCL	:	Malakoff Oman Desalination Company Limited
MSHH	:	Malakoff Summit Hidd Holding Company Limited

GLOSSARY OF ABBREVIATIONS AND ACRONYMS *(Cont'd)*

MWMHPL	:	Malakoff Wind Macarthur Holdings Pty Limited
MWMPL	:	Malakoff Wind Macarthur Pty Limited
NASB	:	Natural Analysis Sdn Bhd
PD Power	:	Port Dickson Power Berhad
PDP O&M	:	PDP O&M Sdn Bhd *(formerly known as Sime Darby Biofuels Sdn Bhd)*
PGSB	:	Pacific Goldtree Sdn Bhd
PPSB	:	Prai Power Sdn Bhd
PT Teknik Janakuasa	:	PT. Teknik Janakuasa
SAL	:	Spring Assets Limited
SEV	:	Segari Energy Ventures Sdn Bhd
SPSB	:	Skyfirst Power Sdn Bhd
TBE	:	Tanjung Bin Energy Sdn Bhd
TBEI	:	Tanjung Bin Energy Issuer Berhad
TBOMB	:	Tanjung Bin O&M Berhad
TBP	:	Tanjung Bin Power Sdn Bhd
TDIC	:	Tlemcen Desalination Investment Company SAS
TJSB	:	Teknik Janakuasa Sdn Bhd
TJSB Global	:	TJSB Global Sdn Bhd
TJSB International	:	TJSB International Limited
TJSB International (Shoaiba)	:	TJSB International (Shoaiba) Limited
TJSB Middle East	:	TJSB Middle East Limited
TJSB Services	:	TJSB Services Sdn Bhd
Tuah Utama	:	Tuah Utama Sdn Bhd
WMFPL	:	Wind Macarthur Finco Pty Limited
WMHPL	:	Wind Macarthur Holdings (T) Pty Limited
WMPL	:	Wind Macarthur (T) Pty Limited

Associates

Al-Imtiaz	:	Al-Imtiaz Operation & Maintenance Company Limited
Hidd Power	:	Hidd Power Company B.S.C. (c)
Hyflux-TJSB Algeria	:	Hyflux-TJSB Algeria SPA
KEV	:	Kapar Energy Ventures Sdn Bhd
LBT	:	Lekir Bulk Terminal Sdn Bhd
MCDC	:	Muscat City Desalination Company SAOC
MCDOMC	:	Muscat City Desalination Operation and Maintenance Company LLC
MSCSB	:	Malaysian Shoaiba Consortium Sdn Bhd
OTPL	:	Oman Technical Partners Limited
SAMAOMCO	:	Saudi-Malaysia Operation & Maintenance Services Company Limited
SAMAWEC	:	Saudi-Malaysia Water & Electricity Company Limited
SEHCO	:	Shuaibah Expansion Holding Company Limited
SEPCO	:	Shuaibah Expansion Project Company Limited
SPHL	:	Salalah Power Holdings Limited
SWEC	:	Shuaibah Water & Electricity Company Limited

Joint venture

AAS	:	Almiyah Attilemcania SPA

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GLOSSARY OF TECHNICAL TERMS

BTU	:	British thermal units, a measurement of the energy content in fuel, and is used in the power, steam generation, heating and air conditioning industries
C-Inspection	:	Major gas turbine overhaul and hot gas path inspection for the Alstom 13E2 gas turbines used in the SEV Power Plant and the GB3 Power Plant. The major overhaul is conducted periodically based on the unit's equivalent operating hours
CCGT	:	Combined cycle gas turbine, a gas fired electricity generation plant which uses waste heat to run a steam turbine. Most of the gas fired power stations use this technology
CW	:	Cooling water, water used, usually in a heat exchanger, to reduce the temperature of liquids or gases
Daily available capacity	:	The committed availability declared by the relevant IPPs (as required under the respective PPA) to TNB on a daily basis
dB(A) or dBA or dBa or dB(a)	:	A-weighted decibels, which is an expression of the relative loudness of sounds in air as perceived by the human ear. In the A-weighted system, the decibel values of sounds at low frequencies are reduced, compared with unweighted decibels, in which no correction is made for audio frequency. This correction is made because the human ear is less sensitive at low audio frequencies, especially below 1,000 hertz, than at high audio frequencies
Despatch	:	The issuance of despatch instruction or signal communicated to IPP by the grid system operator or the control centre directing (manually or automatically) the facility to commence, increase, decrease or cease the generation and delivery of electrical energy into grid system
Effective capacity	:	Capacity in MW of power generation for a power plant or m^3/day of water production for a water production plant calculated based on a company's effective equity interest in the respective plant
Efficiency	:	In respect of a power plant, the effectiveness of the power plant to convert the fuel it consumes to electricity. For coal plants, the efficiency is around 30%- 35%, and for CCGT power plants, the efficiency is within the range of 45% - 60% depending on the technology used
Equivalent availability factor	:	A performance measure of generation facility calculated based on the actual plant availability taking into consideration unscheduled outages and scheduled outages
Flue gas desulphurization (FGD) clean-coal technologies	:	Flue gas desulphurization is a set of technologies and equipments employed for removal of sulphur dioxide from the flue gas resulted from coal-fired boiler combustion by using seawater
FW	:	Feed water, water used to supply ('feed') a boiler to generate steam or hot water
GCV	:	Gross calorific value on an as received basis, measured in kcal/kg. The gross calorific value (GCV) is an important property defining the energy content and thereby efficiency of fuels, such as coals. The GCV of a fuel is a measure of heat produced combusting a specific quantity of the fuel under specific laboratory conditions

GLOSSARY OF TECHNICAL TERMS *(Cont'd)*

Generating or generation or installed capacity	:	The contractual available capacity as declared by the IPP, IWP or IWPP on its COD
GJ	:	Gigajoule, a metric term used for measuring energy use. A gigajoule is equal to 1 billion joules. A joule can be defined as the work required to produce 1 watt of power for 1 second
GWh	:	Gigawatt hour is equivalent to a steady power of 1 gigawatt for 1 hour. Gigawatt hours are often used as a measure of the output of large electricity power station
Ha	:	Hectare, a metric unit of area defined as 10,000 square metres (100 m by 100 m) and is primarily used for land measurement
HP	:	High pressure, for steam boilers; above 15 PSI; for water boilers; above 800 PSI
HRSG	:	Heat recovery steam generator, an energy recovery heat exchanger that recovers heat from a hot gas stream. It produces steam that can be used in a process (co-generation) or used to drive a steam turbine (combined cycle)
IP	:	Intermediate pressure, for steam boilers; 15 PSI; for water boilers; between 300 PSI to 800 PSI
kcal/kg	:	Kilo calories per kg, Unit of Calorific Value
kg	:	Kilogramme, 1,000 grams
kJ	:	Kilojoule, unit of energy equal to 1,000 joules
km	:	Kilometre, 1,000 m
kV	:	Kilovolt, 1,000 V
kW	:	Kilowatt, a measure that indicates the rate at which energy is generated or used. The kilowatt is equal to one thousand (1,000) watts
kWh	:	Kilowatt hour, is a standard unit of electricity or consumption equivalent to 1,000 watts over 1 hour
Lbs	:	Pound, a unit of mass, 0.45359237 kg
LNG	:	Liquefied natural gas; natural gas that has been converted to liquid form for ease of storage and transport
LP	:	Low pressure, for steam boilers; below 15 PSI; for water boilers; below 300 PSI
m	:	Metre, a unit of length equivalent to approximately 39.37 inches
mg	:	Milligramme, 0.001 grams
mmbtu	:	1 million BTU
mmscfd	:	Million standard cubic feet per day
MT or tonne	:	Metric tonne, a unit of a mass equal to 1,000 kg (2,205 pounds)

GLOSSARY OF TECHNICAL TERMS *(Cont'd)*

MW	:	Megawatt, a measure that indicates the installed capacity of a power station. 1 megawatt is equal to 1 million watts
m^3	:	Cubic metre, a volume measurement equal to 1,000 litres. 1 cubic metre of water weighs 1 tonne
NTU	:	Nephelometric turbidity units, a unit used to describe turbidity. Nephelometric refers to the way the instrument, a nephelometer, measures how much light is scattered by suspended particles in the water. The greater the scattering, the higher the turbidity
OCGT	:	Open cycle gas turbine, a power plant that consists of a single gas turbine that is connected to an electricity generator via a shaft
Power reserve margin	:	A measure of available capacity over and above the capacity needed to meet normal peak demand levels
PSI	:	Pounds per square inch
RT	:	Refrigeration tonne, the amount of heat removed by an air conditioning system that would melt 1 tonne (2000 lbs.) of ice in 24 hours. This is equivalent to 12,000 BTU/hour
Scheduled outage	:	Planned interruption of the electricity generating capacity of the facility that is required for inspection, preventive maintenance or corrective maintenance, repair, replacement or improvement of the facility or any part thereof as set out in the PPAs
sq ft	:	Square feet, the area of a square whose sides measure exactly 1 feet
sq metre	:	Square metre, the area of a square whose sides measure exactly 1 metre
Super-critical steam parameters	:	A thermodynamic expression describing the state of water where there is no clear distinction between the liquid and the gaseous phase at higher pressure and temperature range, above its critical point
Thermal efficiency	:	A performance measure of power generation facility measured over the ratio of electricity output over heat input calculated by dividing the total generated electricity output by the heat energy consumed in generating that output
Unscheduled outage	:	Unplanned interruption in the capability of the power plant to generate capacity and electrical energy to the grid
V	:	Volt, a unit for electric potential (voltage)

1. CORPORATE DIRECTORY

DIRECTORS

Director	Address	Nationality	Profession
YAM Tan Sri Dato' Seri Syed Zainol Anwar Ibni Syed Putra Jamalullail *(Independent Non-Executive Chairman)*	Sri Cemerlang Lot 75 Jalan 16/9 46350 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Company Director
Dato' Sri Che Khalib Mohamad Noh *(Non-Independent Non-Executive Director)*	No. 6, Jalan Kenyalang 11/6C Kota Damansara PJU 5 47810 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Company Director
Datuk Muhamad Noor Hamid *(Non-Independent Non-Executive Director)*	No. 5, Jalan SS4B/10 Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Company Director
Datuk Ooi Teik Huat *(Non-Independent Non-Executive Director)*	2, Lorong Aminuddin Baki Empat Taman Tun Dr Ismail 60000 Kuala Lumpur Malaysia	Malaysian	Company Director
Tan Ler Chin *(Non-Independent Non-Executive Director)*	No. 342, Jalan S2H11 Park Avenue, Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Malaysia	Malaysian	Company Director
Wan Kamaruzaman Wan Ahmad *(Non-Independent Non-Executive Director)*	No. 160, Persiaran Burhanuddin Helmi Taman Tun Dr Ismail 60000 Kuala Lumpur Malaysia	Malaysian	Company Director
Kanad Singh Virk *(Non-Independent Non-Executive Director)*	15 Ardmore Park #12-01 Singapore 259959	American	Company Director
Tan Sri Dato' Seri Alauddin Dato' Md Sheriff *(Independent Non-Executive Director)*	No. 1, Jalan SS 12/3C 47500 Subang Jaya Selangor Darul Ehsan Malaysia	Malaysian	Company Director
Datuk Dr. Syed Muhamad Syed Abdul Kadir *(Independent Non-Executive Director)*	No. 2A, Jalan 16/12A 46350 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Company Director
Datuk Idris Abdullah @ Das Murthy *(Independent Non-Executive Director)*	368, Lorong 11A Mayling Garden Jalan Sungai Maong Tengah 93150 Kuching Sarawak Malaysia	Malaysian	Company Director
Zalman Ismail *(Alternate to Wan Kamaruzaman Wan Ahmad)*	No. 12, Lorong Setiajasa 3 Bukit Damansara 50490 Kuala Lumpur Malaysia	Malaysian	Company Director
Craig Robert Martin *(Alternate to Kanad Singh Virk)*	8 Kensington Park Drive #02-07 Singapore 557323	British	Company Director

1. CORPORATE DIRECTORY *(Cont'd)*

AUDIT COMMITTEE

Director	Designation	Directorship
Datuk Dr. Syed Muhamad Syed Abdul Kadir	Chairman	Independent Non-Executive Director
Tan Sri Dato' Seri Alauddin Dato' Md Sheriff	Member	Independent Non-Executive Director
Datuk Idris Abdullah @ Das Murthy	Member	Independent Non-Executive Director
Datuk Ooi Teik Huat	Member	Non-Independent Non-Executive Director

NOMINATION COMMITTEE

Director	Designation	Directorship
Tan Sri Dato' Seri Alauddin Dato' Md Sheriff	Chairman	Independent Non-Executive Director
Datuk Idris Abdullah @ Das Murthy	Member	Independent Non-Executive Director
Datuk Muhamad Noor Hamid	Member	Non-Independent Non-Executive Director

REMUNERATION COMMITTEE

Director	Designation	Directorship
YAM Tan Sri Dato' Seri Syed Zainol Anwar Ibni Syed Putra Jamalullail	Chairman	Independent Non-Executive Chairman
Datuk Dr. Syed Muhamad Syed Abdul Kadir	Member	Independent Non-Executive Director
Wan Kamaruzaman Wan Ahmad	Member	Non-Independent Non-Executive Director

RISK COMMITTEE

Director	Designation	Directorship
Datuk Idris Abdullah @ Das Murthy	Chairman	Independent Non-Executive Director
Datuk Dr. Syed Muhamad Syed Abdul Kadir	Member	Independent Non-Executive Director
Datuk Muhamad Noor Hamid	Member	Non-Independent Non-Executive Director
Tan Ler Chin	Member	Non-Independent Non-Executive Director

1. CORPORATE DIRECTORY *(Cont'd)*

COMPANY SECRETARIES	:	Yeoh Soo Mei (MAICSA 7032259) No. 64, Jalan SS5A/8, Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan Malaysia Nisham@Abu Bakar Bin Ahmad (MAICSA 7043879) No. 12A, Jalan DBI 10 Taman Desa Bukit Indah 47000 Sungai Buloh Selangor Darul Ehsan Malaysia
REGISTERED AND HEAD OFFICE	:	Level 12, Block 4, Plaza Sentral Jalan Stesen Sentral 5 50470 Kuala Lumpur Malaysia Tel. No.: +603 2263 3388 Fax No.: +603 2263 3333 Website address: www.malakoff.com.my E-mail address: malakoff@malakoff.com.my
SELLING SHAREHOLDERS *(in alphabetical order)*	:	Anglo-Oriental (Annuities) Sdn Bhd *(a wholly-owned subsidiary of MMC Corporation Berhad)* Ground Floor, Wisma Budiman Persiaran Raja Chulan 50200 Kuala Lumpur Malaysia Tel. No.: +603 2071 1000 Fax No.: +603 2026 2378 Employees Provident Fund Board Jabatan Pasaran Persendirian Tingkat 22, Bangunan KWSP Jalan Raja Laut 50350 Kuala Lumpur Malaysia Tel. No.: +603 2692 8103 Fax No.: +603 2698 1737 Kumpulan Wang Persaraan (Diperbadankan) Tingkat 4, Menara Yayasan Tun Razak No. 200, Jalan Bukit Bintang 55100 Kuala Lumpur Malaysia Tel. No.: +603 2174 8000 Fax No.: +603 2163 1860 SEASAF Power Sdn Bhd Level 18, The Gardens North Tower Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Malaysia Tel. No.: +603 2264 8888 Fax No.: +603 2282 2733 Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited 168 Robinson Road #33-01 Capital Tower Singapore 068912 Tel. No.: +65 6596 4539 Fax No.: +65 6307 1097

1. CORPORATE DIRECTORY *(Cont'd)*

PRINCIPAL BANKERS *(in alphabetical order)*	:	Australia and New Zealand Banking Group Limited Unit 51(1), Main Office Tower Financial Park Labuan Jalan Merdeka 87000 FT Labuan Malaysia Tel. No.: +6087 45 1588
		CIMB Bank Berhad Level 13, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia Tel. No.: +603 2261 8888
		HSBC Bank Malaysia Berhad North Tower No. 2, Leboh Ampang 50100 Kuala Lumpur Malaysia Tel. No.: +603 2075 3000
		Malayan Banking Berhad Lot No. 7, 8 & 9, Departure Hall Level 1 KL City Air Terminal KL Sentral 50470 Kuala Lumpur Malaysia Tel. No.: +603 2272 3703
		Mizuho Corporate Bank (Malaysia) Berhad Menara Maxis, KLCC 50088 Kuala Lumpur Malaysia Tel. No.: +603 2058 6881
		RHB Bank Berhad Level 9, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia Tel. No.: +603 9287 8888
AUDITORS AND REPORTING ACCOUNTANTS	:	KPMG Level 10, KPMG Tower 8, First Avenue, Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Malaysia Tel. No.: +603 7721 3388
TRANSACTION MANAGER	:	Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur Malaysia Tel. No.: +603 2059 1888

1. CORPORATE DIRECTORY *(Cont'd)*

JOINT PRINCIPAL ADVISERS *(in alphabetical order)*	:	CIMB Investment Bank Berhad 13th Floor, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia Tel. No.: +603 2261 8888
		Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur Malaysia Tel. No.: +603 2059 1888
		RHB Investment Bank Berhad Level 9, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia Tel. No.: +603 9287 3888
JOINT GLOBAL COORDINATORS *(in alphabetical order)*	:	CIMB Investment Bank Berhad 13th Floor, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia Tel. No.: +603 2261 8888
		Credit Suisse (Singapore) Limited 1 Raffles Link #03/#04-01 South Lobby Singapore 039393 Tel. No.: +65 6212 2000
		J.P. Morgan Securities plc 25 Bank Street Canary Wharf London E14 5JP United Kingdom Tel. No.: +44 207 777 2000
		JPMorgan Securities (Malaysia) Sdn Bhd Level 18, Integra Tower The Intermark 348, Jalan Tun Razak 50400 Kuala Lumpur Malaysia Tel. No.: +603 2718 0505
		Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur Malaysia Tel. No.: +603 2059 1888

1. CORPORATE DIRECTORY *(Cont'd)*

JOINT BOOKRUNNERS *(in alphabetical order)*	: CIMB Investment Bank Berhad 13th Floor, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia Tel. No.: +603 2261 8888
	Credit Suisse (Singapore) Limited 1 Raffles Link #03/#04-01 South Lobby Singapore 039393 Tel. No.: +65 6212 2000
	Deutsche Bank AG, Hong Kong Branch Level 52 International Commerce Centre 1 Austin Road West Kowloon Hong Kong Tel. No.: +852 2203 8888
	Hong Leong Investment Bank Berhad Level 23, Menara HLA No. 3, Jalan Kia Peng 50450 Kuala Lumpur Malaysia Tel. No.: +603 2168 1168
	J.P. Morgan Securities plc 25 Bank Street Canary Wharf London E14 5JP United Kingdom Tel. No.: +44 207 777 2000
	JPMorgan Securities (Malaysia) Sdn Bhd Level 18, Integra Tower The Intermark 348, Jalan Tun Razak 50400 Kuala Lumpur Malaysia Tel. No.: +603 2718 0505
	Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur Malaysia Tel. No.: +603 2059 1888
	Merrill Lynch (Singapore) Pte Ltd 50 Collyer Quay #14-01, OUE Bayfront Singapore 049321 Tel. No.: +65 6678 0000
	Morgan Stanley & Co. International plc 25 Cabot Square Canary Wharf London E14 4QA United Kingdom Tel. No.: +44 20 7425 8000
	Nomura International (Hong Kong) Limited 30/F, Two International Finance Centre 8 Finance Street Central Hong Kong Tel. No.: +852 2536 1111

1. CORPORATE DIRECTORY *(Cont'd)*

JOINT BOOKRUNNERS *(in alphabetical order)* *(Cont'd)*	:	RHB Investment Bank Berhad Level 9, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia Tel. No.: +603 9287 3888 The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch 21 Collyer Quay #09-02 HSBC Building Singapore 049320 Tel. No.: +65 6216 9008
JOINT MANAGING UNDERWRITERS *(in alphabetical order)*	:	CIMB Investment Bank Berhad 13th Floor, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia Tel. No.: +603 2261 8888 Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur Malaysia Tel. No.: +603 2059 1888 RHB Investment Bank Berhad Level 9, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia Tel. No.: +603 9287 3888
JOINT UNDERWRITERS *(in alphabetical order)*	:	Affin Hwang Investment Bank Berhad 27th Floor, Menara Boustead 69 Jalan Raja Chulan 50200 Kuala Lumpur Malaysia Tel. No.: +603 2143 8668 AmInvestment Bank Berhad 22nd Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Malaysia Tel. No.: +603 2036 2633 Bank Muamalat Malaysia Berhad 20th Floor, Menara Bumiputra 21, Jalan Melaka 50100 Kuala Lumpur Malaysia Tel. No.: +603 2698 8787 CIMB Investment Bank Berhad 13th Floor, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia Tel. No.: +603 2261 8888

1. CORPORATE DIRECTORY *(Cont'd)*

JOINT UNDERWRITERS *(in alphabetical order)* *(Cont'd)*	:	Hong Leong Investment Bank Berhad Level 23, Menara HLA No. 3, Jalan Kia Peng 50450 Kuala Lumpur Malaysia Tel. No.: +603 2168 1168
		KAF Investment Bank Berhad Level 14 Chulan Tower 3, Jalan Conlay 50450 Kuala Lumpur Malaysia Tel. No.: +603 2171 0228
		Kenanga Investment Bank Berhad Level 10, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Malaysia Tel. No.: +603 2164 9080
		MIDF Amanah Investment Bank Berhad Level 21, Menara MIDF 82, Jalan Raja Chulan 50200 Kuala Lumpur Malaysia Tel. No.: +603 2173 8888
		Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur Malaysia Tel. No.: +603 2059 1888
		Public Investment Bank Berhad 25th Floor, Menara Public Bank 146, Jalan Ampang 50450 Kuala Lumpur Malaysia Tel. No.: +603 2166 9382
		RHB Investment Bank Berhad Level 9, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia Tel. No.: +603 9287 3888
CO-LEAD MANAGERS *(in alphabetical order)*	:	CLSA Singapore Pte Ltd 80 Raffles Place #18-01 UOB Plaza I Singapore 048624 Tel. No.: +65 6416 7888
		Macquarie Capital (Singapore) Pte Limited 10 Marina Boulevard #17-01 Tower 2 Marina Bay Financial Centre Singapore 018983 Tel. No.: +65 6601 0888

1. CORPORATE DIRECTORY *(Cont'd)*

LEGAL ADVISERS	:	*To our Company as to Malaysian law* Albar & Partners 6th Floor, Faber Imperial Court Jalan Sultan Ismail 50250 Kuala Lumpur Malaysia Tel. No.: +603 2078 5588 *To our Company as to United States and English law* Cleary Gottlieb Steen & Hamilton LLP 37/F Hysan Place 500 Hennessy Road Causeway Bay Hong Kong Tel. No.: +852 2521 4122 *To the Joint Global Coordinators, the Joint Bookrunners, the Joint Managing Underwriters, the Joint Underwriters and the Co-Lead Managers as to Malaysian law* Adnan Sundra & Low Level 11, Menara Olympia No. 8, Jalan Raja Chulan 50200 Kuala Lumpur Malaysia Tel. No.: +603 2070 0466 *To the Joint Global Coordinators, the Joint Bookrunners and the Co-Lead Managers as to United States and English law* Clifford Chance Pte Ltd Marina Bay Financial Centre 25th Floor, Tower 3 12 Marina Boulevard Singapore 018982 Tel. No.: +65 6410 2200
INDEPENDENT MARKET RESEARCH CONSULTANT	:	Frost & Sullivan GIC Malaysia Sdn Bhd Suite C-11-02, Block C Plaza Mont' Kiara 2 Jalan Kiara, Mont Kiara 50480 Kuala Lumpur Malaysia Tel. No.: +603 6204 5800
SHARE REGISTRAR	:	Symphony Share Registrars Sdn Bhd Level 6, Symphony House Pusat Dagangan Dana 1 Jalan PJU 1A/46 47301 Petaling Jaya Selangor Darul Ehsan Malaysia Tel. No.: +603 7841 8000
ISSUING HOUSE	:	Malaysian Issuing House Sdn Bhd Level 6, Symphony House Pusat Dagangan Dana 1 Jalan PJU 1A/46 47301 Petaling Jaya Selangor Darul Ehsan Malaysia Tel. No.: +603 7841 8000 or +603 7841 8289
LISTING SOUGHT	:	Main Market of Bursa Securities
SHARIAH STATUS	:	Approved by the SAC of the SC

2. INTRODUCTION

This Prospectus is dated 17 April 2015.

We have registered this Prospectus with the SC. We have also lodged a copy of this Prospectus together with the Application Forms with the Registrar of Companies, Malaysia who takes no responsibility for their contents.

We have received the SC's approval for our IPO and the Listing on 4 February 2015. The approval and registration of this Prospectus should not be taken to indicate that the SC recommends our IPO or assumes responsibility for the correctness of any statement made or opinion expressed or report contained in this Prospectus. The SC has not, in any way, considered the merits of our Shares being offered for investment. The SC is not liable for any non-disclosure on the part of our Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss that you may suffer as a result of your reliance upon the whole or any part of the contents of this Prospectus. On 26 March 2015, the SAC of the SC classified our Shares as Shariah-compliant based on our latest audited financial information for the FYE 31 December 2014. This classification remains valid from the date of this Prospectus until the next Shariah compliance review undertaken by the SAC of the SC. Updates on the classification will be released in the updated list of Shariah-compliant securities on the last Friday of the month of May and November of each year.

You are advised to make your own independent assessment of our Company and should rely on your own evaluation to assess the merits and risks of our IPO and an investment in our Company.

We have received Bursa Securities' approval on 27 February 2015 for the admission of our Shares to the Official List of the Main Market of Bursa Securities and the Listing. Our Shares will be admitted to the Official List of the Main Market of Bursa Securities and official quotation will commence upon receipt of confirmation from Bursa Depository that all the IPO Shares have been credited into the respective CDS accounts of the successful applicants and the notices of allotment have been despatched to all successful applicants. Admission to the Official List of the Main Market of Bursa Securities shall not be taken as an indication of the merits of our Company, our Shares or our IPO.

Pursuant to Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as a prescribed security. Consequently, our Shares offered in our IPO will be deposited directly with Bursa Depository. Any dealings in our Shares will be carried out in accordance with the SICDA and the Rules of Bursa Depository. We will not issue any share certificates to the successful applicants.

Pursuant to the Listing Requirements, at least 25% of the total number of Shares for which listing is sought must be held by at least 1,000 public shareholders holding not less than 100 Shares each at the point of our Listing. We expect to achieve this at the time of our Listing. In the event that the above requirement is not met, we may not be allowed to proceed with our Listing. Should such an event occur, we will return in full, without interest, monies paid in respect of all applications and if such monies are not returned in full within 14 days after we and the Selling Shareholders become liable to do so, in accordance with the provision of Subsection 243(2) of the CMSA, in addition to the liability of our Company and the Selling Shareholders, the officers of our Company and the Selling Shareholders shall be jointly and severally liable to return such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC upon the expiration of that period until the full refund is made.

In the case of an application by way of Application Form, you should state your CDS account number in the space provided in the Application Form. If you do not presently have a CDS account, you must open a CDS account with an ADA before making an application for our IPO Shares. For an application by way of Electronic Share Application, only an applicant who has a CDS account number can make an Electronic Share Application and you should furnish your CDS account number to a Participating Financial Institution by way of keying in your CDS account number if the instructions on the ATM screen at which you submit your Electronic Share Application requires you to do so. In the case of an application by way of Internet Share Application, only an applicant who has a CDS account opened with an Internet Participating Financial Institution can make an Internet Share Application. Your CDS account number will automatically appear in the electronic IPO online Application Forms. A corporation or institution cannot apply for our IPO Shares by way of Electronic Share Application or Internet Share Application.

IF YOU ARE IN ANY DOUBT ABOUT THIS DOCUMENT OR IN CONSIDERING YOUR INVESTMENT, OR IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR ANY OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

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3. SUMMARY

This section is only a summary of the salient information about us and our IPO and is extracted and summarised from the full text of this Prospectus. You should read and understand this section together with the entire Prospectus before you decide whether or not to invest in us.

3.1 OVERVIEW

According to Frost & Sullivan, we are the largest IPP in Malaysia and SEA in terms of total generation capacity as at the Latest Practicable Date. As a multinational water and power company, we are also engaged in the independent water production and power generation business in the MENA region and the renewable energy business in Australia, with a combined effective water production capacity of approximately 358,850 m³ per day and power generation capacity of approximately 690 MW as at the Latest Practicable Date. In addition, we are engaged in the operation and maintenance business, serving our own power plants in Malaysia as well as power plants and water plants of certain of our associates, our joint venture and third-party clients abroad. To complement our Malaysian independent power generation business, we also operate an electricity and chilled water distribution business, provide project management services and are working to develop additional renewable energy projects.

The following table provides selected data in respect of the Malaysian and overseas operating assets of our subsidiaries, associates and joint venture, in each case as at the Latest Practicable Date.

Plant name	Location	Plant type	PPA/WPA /PWPA expiration	Generating capacity[1]	Effective equity participation	Effective capacity
In Malaysia:						
Tanjung Bin Power Plant	Johor	Coal	2031	2,100 MW	90.00%	1,890 MW
SEV Power Plant	Perak	CCGT	2027	1,303 MW	93.75%	1,221.6 MW
Kapar Power Plant	Selangor	Multi-fuel	2019/29[2]	2,420 MW	40.00%	968 MW
GB3 Power Plant	Perak	CCGT	2022	640 MW	75.00%	480 MW
Port Dickson Power Plant	Negeri Sembilan	OCGT	2016	436.4 MW	100.00%	436.4 MW
Prai Power Plant	Pulau Pinang	CCGT	2024	350 MW	100.00%	350 MW
Total effective power generation capacity, in Malaysia						**5,346.0 MW**
Under construction in Malaysia:						
Tanjung Bin Energy Power Plant	Johor	Coal	2041	1,000 MW	100.00%	1,000 MW
Outside Malaysia:						
Hidd IWPP	Bahrain	Water/ Natural gas/ Distillate oil	2027	410,000 m³/day 929 MW	40.00%	164,000 m³/day 372 MW
Shuaibah Phase 3 IWPP	Kingdom of Saudi Arabia	Water/Oil	2030	880,000 m³/day 900 MW	12.00%	105,600 m³/day 108 MW
Souk Tleta IWP[3]	Algeria	Water	2036	200,000 m³/day	35.70%	71,400 m³/day

3. SUMMARY *(Cont'd)*

Plant name	Location	Plant type	PPA/WPA /PWPA expiration	Generating capacity[(1)]	Effective equity participation	Effective capacity
Shuaibah Phase 3 Expansion IWP	Kingdom of Saudi Arabia	Water	2029	150,000 m^3/day	11.90%	17,850 m^3/day
Macarthur Wind Farm	Australia	Wind	2038	420 MW	50.00%	210 MW
Total effective water production capacity, outside Malaysia						**358,850 m^3/day**
Total effective power generation capacity, outside Malaysia						**690 MW**
Under construction outside Malaysia:						
Al Ghubrah IWP	Sultanate of Oman	Water	2034	191,000 m^3/day	45.00%	85,950 m^3/day
Total effective power generation capacity, in and outside Malaysia						**6,036.0 MW**

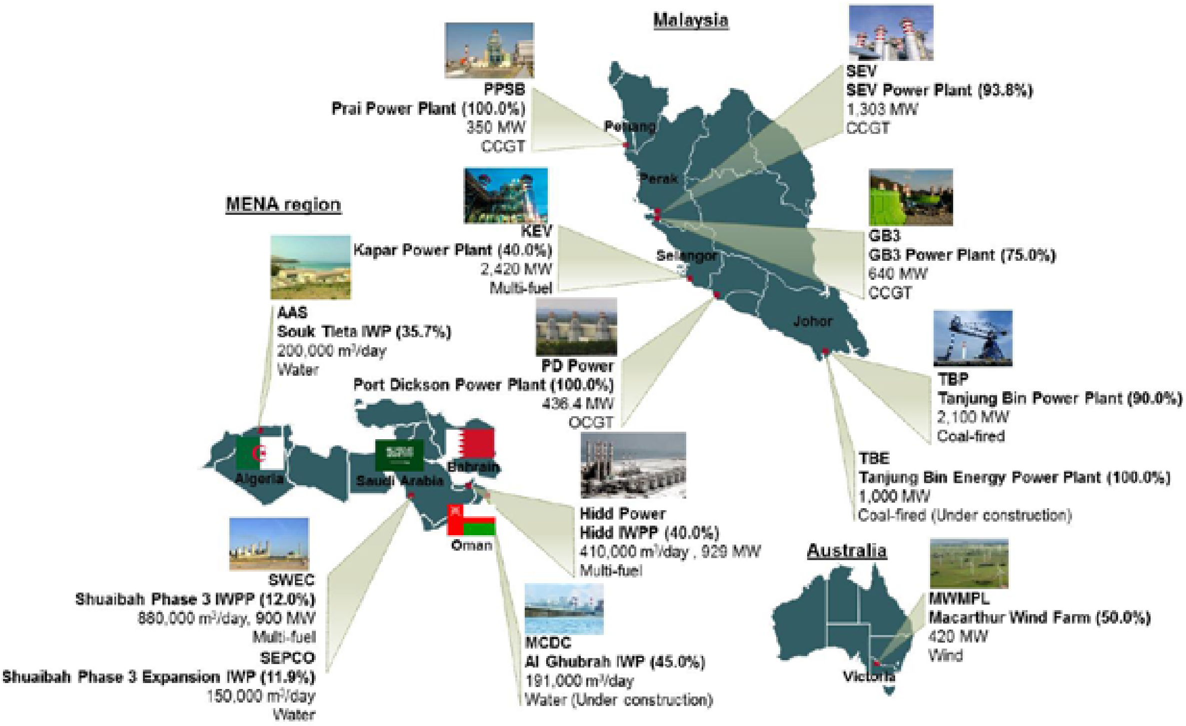
Notes:

(1) MW indicates capacity for electric power generation and m³/day indicates capacity for water production.

(2) The Kapar Power Plant has four phases. The term of the PPA for the fourth phase expires in 2019 and the term of the PPA for the first three phases expires in 2029.

(3) Owned by our joint venture AAS.

The following summarises the Malaysian and overseas operating assets of our subsidiaries, associates and joint venture in various countries as at the Latest Practicable Date.



For detailed information on our Group, see Sections 6 and 7 of this Prospectus. For further information on the licences held by our subsidiaries that own and/or operate power plants, see Annexure A of this Prospectus.

3.2 COMPETITIVE STRENGTHS, BUSINESS STRATEGIES AND FUTURE PLANS

3.2.1 Competitive strengths

(i) Largest IPP in Malaysia and SEA with an attractive portfolio of international power and water production assets;

(ii) Well positioned to benefit from growth in electricity and water demand in target markets;

(iii) Proven development, acquisition and operation and maintenance track record;

(iv) Well positioned to capitalise on the increasing role of coal-fired power generation in Malaysia;

(v) Reliable cash flow supported by long-term PPAs, high credit quality counterparties and strategic partnerships; and

(vi) Experienced, skilled and qualified management team with strong execution capabilities, complemented by established local shareholders.

3.2.2 Business strategies and future plans

(i) Further expand our power generation platform in Malaysia to meet increasing power demand;

(ii) Grow our international presence in power generation and water production;

(iii) Further expand renewable power portfolio;

(iv) Expand our operation and maintenance and our electricity and chilled water distribution businesses; and

(v) Focus on financial prudence, technical competency, organisational and operational capabilities to support sustainable growth.

For detailed information on our competitive strengths, as well as our business strategies and future plans, see Sections 7.2 and 7.3 of this Prospectus, respectively.

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3.3 FINANCIAL INFORMATION

3.3.1 Summary historical consolidated financial information

The following summary historical consolidated financial information for the FYE 31 December 2012, 2013 and 2014 have been extracted from the Accountants' Report included in Section 13 of this Prospectus. Our consolidated financial statements are prepared in accordance with MFRS and IFRS.

The following summary historical consolidated financial information should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition, Results of Operations and Prospects" in Section 12.2 of this Prospectus and the Accountants' Report in Section 13 of this Prospectus.

The summary historical consolidated financial information included in this Prospectus do not reflect our Group's results of operations, financial position and cash flows in the future, and our Group's past operating results are not indicative of our Group's future operating performance.

	FYE 31 December		
	2012	**2013[1]**	**2014[2][3]**
	(RM'000)	**(RM'000)**	**(RM'000)**
Summary income statement information:			
Revenue	5,587,608	4,717,419	5,594,484
Cost of sales	(4,041,435)	(3,503,949)	(3,956,082)
Gross profit	1,546,173	1,213,470	1,638,402
Other income	102,123	79,082	95,343
Administrative expenses	(251,660)	(265,262)	(228,122)
Other operating expenses	(159,157)	(325,079)	(234,231)
Results from operating activities	1,237,479	702,211	1,271,392
Finance income	159,380	161,052	132,688
Finance costs	(797,279)	(840,318)	(911,242)
Net finance costs	(637,899)	(679,266)	(778,554)
Other non-operating income	-	-	60,979
Share of profit of equity-accounted associates and a joint venture, net of tax	105,051	61,202	41,667
PBT	704,631	84,147	595,484
Income tax (expense)/benefit	(156,816)	150,511	(182,640)
Profit for the year	**547,815**	**234,658**	**412,844**
Profit attributable to:			
Owners of our Company	467,852	161,533	341,549
Non-controlling interests	79,963	73,125	71,295
Profit for the year	**547,815**	**234,658**	**412,844**
Other summary financial information:			
EBITDA[4]	2,229,925	1,721,006	2,460,914
Gross margin (%)	27.7	25.7	29.3
EBITDA margin (%)	39.9	36.5	44.0
PBT margin (%)	12.6	1.8	10.6
PAT margin (%)	9.8	5.0	7.4
No. of ordinary shares of RM1.00 each in issue ('000)	351,344	351,344	351,344
EPS			
- Basic (RM)	1.3	0.5	1.0
- Diluted[5] (RM)	1.2	0.4	0.9
Net dividend per share			
- Ordinary (sen)	40.6	42.5	44.6
- Preference (sen)	100.0	100.0	100.0

Notes:

(1) *Includes the results of MWMHPL and MWMPL for the period from 29 June 2013 to 31 December 2013 as a result of our acquisition of M Holdings which was completed on 28 June 2013. M Holdings is the holding company of MWMHPL, which in turn is the holding company of MWMPL, which holds the 50.0% participating interest in the unincorporated joint venture that owns the Macarthur Wind Farm.*

(2) *Includes the results of MWMHPL and MWMPL for the period from 1 January 2014 to 31 December 2014.*

(3) *PD Power was our 25%-owned associate until 30 April 2014, when we acquired the remaining 75% equity interest in PD Power and thereafter, PD Power became our 100%-owned subsidiary. As such, the results of PD Power were consolidated into our Group for the period from 1 May 2014 to 31 December 2014.*

(4) *EBITDA represents earnings before interest, taxation, depreciation, amortisation and impairment of intangible assets.*

(5) *Calculated on the assumption that the Conversion of RCPS has been completed.*

The table below sets forth a reconciliation of our profit for the years indicated to EBITDA.

	FYE 31 December		
	2012	**2013**	**2014**
	(RM'000)	**(RM'000)**	**(RM'000)**
Profit for the year	547,815	234,658	412,844
Income tax expense/(benefit)	156,816	(150,511)	182,640
PBT	704,631	84,147	595,484
Finance income	(159,380)	(161,052)	(132,688)
Finance costs	797,279	840,318	911,242
Depreciation, amortisation and impairment of intangible assets	887,395	957,593	1,086,876
EBITDA	**2,229,925**	**1,721,006**	**2,460,914**

EBITDA and the related ratios presented in this Prospectus are supplemental measures of our performance and liquidity that are not required by or presented in accordance with MFRS and IFRS. Furthermore, EBITDA is not a measure of our financial performance or liquidity under MFRS or IFRS and should not be considered as an alternative to net income results from operating activities or any other performance measures derived in accordance with MFRS or IFRS or as an alternative to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, and hence, a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

3.3.2 Summary pro forma consolidated statement of financial position information

The summary pro forma consolidated statement of financial position information has been derived from the Unaudited Pro Forma Consolidated Financial Statements set out in Section 12.7 of this Prospectus, using historical financial statements that were prepared in accordance with MFRS and IFRS, and in a manner consistent with both the format of the financial statements and the accounting policies of our Group, except as disclosed in Section 12.7 of this Prospectus.

The summary pro forma consolidated statement of financial position information as at 31 December 2014 has been prepared for illustrative purposes only to show the effects on our historical consolidated statement of financial position as at 31 December 2014, on the assumption that the following transactions had been effected on 31 December 2014:

(i) payment of the final single-tier ordinary dividend of RM100.0 million declared in respect of the FYE 31 December 2014 which was declared by our Board on 6 February 2015 and subsequently paid to our ordinary shareholders on 5 March 2015 ("**Final Dividend**");

(ii) Pre-IPO Exercise; and

(iii) IPO, Listing and the utilisation of proceeds arising from the Public Issue as set out in Section 4.8 of this Prospectus ("**Utilisation**").

The summary pro forma consolidated statement of financial position information should be read in conjunction with the Reporting Accountants' Report on the Unaudited Pro Forma Consolidated Financial Statements as set out in Section 12.7 of this Prospectus.

	Historical	**Pro Forma I**	**Pro Forma II**	**Pro Forma III**
	As at 31 December 2014	**After the Final Dividend**	**After Pro Forma I and the Pre-IPO Exercise**	**After Pro Forma II, our IPO, Listing and Utilisation**
	(RM'000)	**(RM'000)**	**(RM'000)**	**(RM'000)**
NON-CURRENT ASSETS				
Property, plant and equipment	14,323,952	14,323,952	14,323,952	14,323,952
Intangible assets	4,704,227	4,704,227	4,704,227	4,704,227
Prepaid lease payments	70,331	70,331	70,331	70,331
Investment in associates	1,203,319	1,203,319	1,203,319	1,203,319
Investment in an equity-accounted joint venture	57,885	57,885	57,885	57,885
Finance lease receivable	1,990,974	1,990,974	1,990,974	1,990,974
Derivative financial assets	99,147	99,147	99,147	99,147
Other receivables	114,793	114,793	114,793	114,793
Deferred tax assets	779,849	779,849	779,849	779,849
TOTAL NON-CURRENT ASSETS	**23,344,477**	**23,344,477**	**23,344,477**	**23,344,477**
CURRENT ASSETS				
Trade and other receivables	1,304,283	1,304,283	1,304,283	1,304,283
Inventories	518,434	518,434	518,434	518,434
Current tax assets	272,469	272,469	272,469	272,469
Other investments	321,509	321,509	321,509	321,509
Cash and cash equivalents	3,574,900	3,474,900	3,474,900	3,428,136
TOTAL CURRENT ASSETS	**5,991,595**	**5,891,595**	**5,891,595**	**5,844,831**
TOTAL ASSETS	**29,336,072**	**29,236,072**	**29,236,072**	**29,189,308**

	Historical	Pro Forma I	Pro Forma II	Pro Forma III
	As at 31 December 2014	After the Final Dividend	After Pro Forma I and the Pre-IPO Exercise	After Pro Forma II, our IPO, Listing and Utilisation
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
EQUITY				
Share capital	355,523	355,523	400,000	500,000
Share premium	3,575,837	3,575,837	3,531,360	5,190,040
Reserves	61,274	61,274	61,274	61,274
Accumulated losses	(28,985)	(128,985)	(128,985)	(134,429)
Equity attributable to owners of our Company	3,963,649	3,863,649	3,863,649	5,616,885
Non-controlling interests	212,967	212,967	212,967	212,967
TOTAL EQUITY	**4,176,616**	**4,076,616**	**4,076,616**	**5,829,852**
NON-CURRENT LIABILITIES				
Loans and borrowings	17,493,217	17,493,217	17,493,217	15,693,217
Employee benefits	74,907	74,907	74,907	74,907
Deferred income	2,811,196	2,811,196	2,811,196	2,811,196
Deferred tax liabilities	2,721,062	2,721,062	2,721,062	2,721,062
Derivative financial liabilities	167,338	167,338	167,338	167,338
TOTAL NON-CURRENT LIABILITES	**23,267,720**	**23,267,720**	**23,267,720**	**21,467,720**
CURRENT LIABILITIES				
Trade and other payables	975,514	975,514	975,514	975,514
Current tax liabilities	23,872	23,872	23,872	23,872
Loans and borrowings	734,262	734,262	734,262	734,262
Derivative financial liabilities	27,704	27,704	27,704	27,704
Deferred income	130,384	130,384	130,384	130,384
TOTAL CURRENT LIABILITIES	**1,891,736**	**1,891,736**	**1,891,736**	**1,891,736**
TOTAL LIABILITIES	**25,159,456**	**25,159,456**	**25,159,456**	**23,359,456**
TOTAL EQUITY AND LIABILITIES	**29,336,072**	**29,236,072**	**29,236,072**	**29,189,308**
NA per ordinary share (RM)	11.89	11.60	1.02	1.17
Gearing ratio (times)[1]	4.4	4.5	4.5	2.8

Note:

(1) Calculated by dividing total loans and borrowings by total equity.

For detailed financial information relating to our Group, see Sections 12 and 13 of this Prospectus.

3.4 DIVIDEND POLICY

It is the policy of our Board in recommending dividends to allow shareholders to participate in our profits, as well as to retain adequate reserves for our future growth.

As we are a holding company, our Company's income, and therefore our ability to pay dividends, is dependent upon the dividends we receive from our subsidiaries, associates and joint venture. The payment of dividends by our subsidiaries, associates and joint venture will depend upon their distributable profits, operating results, financial conditions, capital expenditure plans and other factors that their respective boards of directors deem relevant. Dividends may only be paid out of distributable reserves. In addition, covenants in the loan agreements of our Company's subsidiaries, associates and joint venture, such as maintaining minimum debt-to-equity ratio and finance service cover ratio, may limit their ability to declare or pay cash dividends.

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividend for the year is subject to our shareholders' approval. However, our ability to pay dividends or make other distributions to our shareholders will depend upon a number of factors, including:

- the level of our cash, gearing, return on equity and retained earnings;
- our expected financial performance;
- our projected levels of capital expenditure and other investment plans;
- our working capital requirements; and
- our existing and future debt obligations.

We propose to pay dividends out of cash generated from our operations after setting aside necessary funding for capital expenditure and working capital requirements. As part of this policy, our Company targets a dividend payout ratio of not less than 70.0% of our consolidated profit attributable to the owners of our Company under MFRS, beginning 1 January 2015.

The following table sets forth our dividend payout ratio to our ordinary shareholders for the years indicated.

	FYE 31 December		
	2012	**2013**	**2014**
Dividend payout ratio[(1)]	12.3%	92.4%	75.2%

Note:

(1) Calculated by dividing total dividends declared in respect of the financial years by the profit attributable to the owners of our Company of the respective financial years.

Investors should note that this dividend policy merely describes our Company's present intention and shall not constitute legally binding statements in respect of our Company's future dividends that are subject to modification at our Board's discretion.

See Section 5 of this Prospectus for factors which may affect or restrict our ability to pay dividends.

No inference should be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future.

For detailed information on our dividend policy, see Section 12.8 of this Prospectus.

3.5 DETAILS OF OUR IPO

IPO	:	Institutional Offering and Retail Offering
Institutional Offering	:	Offering of up to 1,279,240,000 IPO Shares at the Institutional Price, subject to the clawback and reallocation provisions and the Over-allotment Option, to the following: (i) Malaysian institutional and selected investors including Bumiputera investors approved by the MITI; (ii) foreign institutional and selected investors outside the United States in reliance on Regulation S; and (iii) QIBs in the United States in reliance on Rule 144A or pursuant to applicable exemption from registration under the U.S. Securities Act
Retail Offering	:	Offering of 242,500,000 Issue Shares at the Retail Price, subject to the clawback and reallocation provisions, to the Eligible Malakoff Persons, the Eligible MMC Persons, the Entitled Shareholders of MMC and the Malaysian Public

The Final Retail Price to be paid by successful investors pursuant to the Retail Offering will be determined after the Institutional Price has been fixed on the Price Determination Date, and will be equal to the lower of the Retail Price of RM1.80 per Issue Share or the Institutional Price.

For detailed information relating to our IPO, see Section 4 of this Prospectus.

3.6 UTILISATION OF PROCEEDS

We expect to utilise the entire gross proceeds from the Public Issue of RM1,800.0 million[1] to fully redeem the RM1,800.0 million Junior Sukuk Musharakah (which bears a profit rate of 6.3% per annum until September 2015 (and a profit rate of 9.3% thereafter) with a tenure of 30 years maturing in 2042) which was used to partly refinance the Acquisition.

Our Company will not receive any proceeds from the Offer for Sale. Assuming the Institutional Price will be the same as the Retail Price of RM1.80 per IPO Share, the gross proceeds from the Offer for Sale of up to approximately RM939.1 million will accrue entirely to the Selling Shareholders.

For detailed information relating to the utilisation of proceeds, see Section 4.8 of this Prospectus.

[1] We have assumed that the Institutional Price and the Final Retail Price will be the same as the Retail Price of RM1.80 per IPO Share in arriving at this figure.

3.7 RISK FACTORS

Before investing in our Shares, you should pay particular attention to the fact that, to a large extent, our and our associates' and joint venture's operations are subject to the legal, regulatory and business environment in the countries in which we, our associates and our joint venture operate. Our business is subject to a number of factors, many of which are beyond our control. Before making an investment decision, you should carefully consider, along with the other matters in this Prospectus, the risks and investment considerations set out below. The risks and investment considerations set out below are not an exhaustive list of the risks and challenges that we currently face or that may develop in the future. These and other risks, whether known or unknown, may in the future have a material adverse effect on us or our Shares.

3.7.1 Risks relating to our industry

(i) Any inability of our power plants to generate or deliver power could decrease, if not eliminate, revenues derived by us from our power plants;

(ii) Interruptions in fuel supply could adversely affect our financial results;

(iii) Due to the higher price of natural gas compared to the price of coal, our gas-fired power plants may not be as competitive as coal-fired plants when the renewal or extension of our gas-fired plants' PPAs are being considered by TNB;

(iv) Economic, market and regulatory conditions that are beyond our control may adversely affect the power industry;

(v) Competition could adversely affect our business, financial condition, results of operations and cash flows;

(vi) Failure to comply with laws and regulations applicable to the power industry, including health, safety and environmental laws and regulations, or the cost of complying with these laws and regulations could have a material adverse effect on our business, financial condition, results of operations and cash flows;

(vii) Energy conservation and greenhouse gas reductions could negatively impact our growth prospects; and

(viii) IPPs in Peninsular Malaysia rely on TNB as the sole offtaker for the power produced by their power plants.

3.7.2 Risks relating to our business

(i) We may not be successful in implementing our business strategies;

(ii) For our projects under development, the estimated timeframe and budget for the completion of critical tasks may be materially different from the actual completion date and costs, which may delay the CODs of, or reduce the economic returns from, such projects;

(iii) Our operations are primarily conducted in Malaysia, which exposes us to risks associated with Malaysia and the performance of the Malaysian economy;

(iv) Our current projects and our expansion plans in overseas markets may subject us to different or greater risks than those associated with our domestic operations;

(v) We may fail to effectively manage our present or future assets, projects, associates or joint ventures in which we have, or will have, minority interests;

(vi) The use of derivative instruments, such as forwards, futures and options contracts, may not fully hedge the risks of adverse fluctuations in foreign exchange and interest rates;

(vii) Our insurance coverage may not be adequate to cover all losses or liabilities that may arise in connection with our operations;

(viii) We depend on experienced, skilled and qualified personnel and senior management, and our business, results of operations and cash flows may be disrupted if we are unable to retain their services;

(ix) We and our associate may not be able to renew or extend our or its existing PPAs or secure new PPAs on similar or satisfactory terms or at all, and we and our associate may not be able to renew our or its IPP Licences;

(x) The loss of certain tax exemptions and tax incentives or the imposition of new taxes would increase our tax liability and decrease our future profits;

(xi) Global capital and credit market issues could negatively affect our liquidity, increase our costs of borrowing and disrupt the operations of our suppliers and customers;

(xii) We are controlled by a substantial shareholder, whose interests may not be aligned with those of the other shareholders of our Company;

(xiii) We are a holding company and as a result, are dependent on dividends from our subsidiaries, associates and joint venture to meet our obligations and to provide funds for payment of dividends on our Shares;

(xiv) A delay or failure in the supply of our specialty parts, components or equipment from third-party suppliers may adversely affect our business and results of operations;

(xv) Exchange rate fluctuations could negatively affect our financial condition and results of operations; and

(xvi) Existing or future claims against our Company, subsidiaries, associates or joint venture, or our Directors or key management may have an unfavourable impact on us.

3.7.3 Risks relating to our Shares and our IPO

(i) The offering of our Shares may not result in a liquid market for our Shares;

(ii) Our Share price may be volatile;

(iii) There may be a delay in, or termination of, our Listing;

(iv) We may not be able to pay dividends;

(v) The sale, or the possible sale, of a substantial number of our Shares in the public market following our IPO could adversely affect the price of our Shares;

(vi) Because the Retail Price and the Institutional Price are higher than our NA per Share, purchasers of our Shares in our IPO will experience immediate and substantial dilution, and purchasers of our Shares may experience further dilution if we issue additional Shares in the future; and

(vii) Forward-looking statements in this Prospectus may not be accurate.

For a detailed discussion on the risks associated with investing in our Company, see Section 5 of this Prospectus.

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4. DETAILS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATIONS

Applications for the Issue Shares under the Retail Offering will open at 10:00 a.m. on 17 April 2015 and will remain open until 5:00 p.m. on 28 April 2015 or such later date or dates as our Directors and the Joint Managing Underwriters may decide in their absolute discretion.

4.2 INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative time and/or date:

Event	Time and/or date
Entitlement Date	15 April 2015
Opening of the Institutional Offering[(1)]	17 April 2015
Issuance of Prospectus/Opening of the Retail Offering	10:00 a.m., 17 April 2015
Closing of the Retail Offering	5:00 p.m., 28 April 2015
Closing of the Institutional Offering	29 April 2015
Price Determination Date	29 April 2015
Balloting of applications for the Issue Shares under the Retail Offering	30 April 2015
Allotment/Transfer of the IPO Shares to successful applicants	13 May 2015
Listing	15 May 2015

Note:

(1) Other than the Institutional Offering to the Cornerstone Investors. The master cornerstone placing agreement for the acquisition of the IPO Shares by the Cornerstone Investors was entered into on 7 April 2015.

The Institutional Offering will close on the date stated above or such later date or dates as our Directors, the Selling Shareholders and the Joint Global Coordinators may decide in their absolute discretion. The Retail Offering will close at the time and on the date stated above or such later date or dates as our Directors and the Joint Managing Underwriters may decide in their absolute discretion.

In the event that the closing date and/or time of either the Institutional Offering or the Retail Offering is extended, the Price Determination Date and dates for the balloting of applications for the Issue Shares under the Retail Offering, allotment/transfer of the IPO Shares to successful applicants and our Listing may be extended accordingly. Any extension will be announced in widely circulated Bahasa Malaysia and English daily newspapers within Malaysia.

4.3 PARTICULARS OF OUR IPO

Our IPO is subject to the terms and conditions of this Prospectus and upon acceptance, the IPO Shares are expected to be allocated/transferred in the manner described below, subject to the clawback and reallocation provisions and the Over-allotment Option as set out in Sections 4.3.3 and 4.3.4 of this Prospectus, respectively.

Our IPO of up to 1,521,740,000 IPO Shares, representing up to approximately 30.4% of the enlarged issued and paid-up share capital of our Company, comprising the Offer for Sale of up to 521,740,000 Offer Shares and the Public Issue of 1,000,000,000 Issue Shares are offered in the manner set out below. For the avoidance of doubt, the 1,521,740,000 IPO Shares offered under the Institutional Offering and the Retail Offering excludes the 228,260,000 Shares under the Over-allotment Option.

4.3.1 Institutional Offering

The Institutional Offering involves the offering of up to 1,279,240,000 IPO Shares (comprising up to 521,740,000 Offer Shares and 757,500,000 Issue Shares) at the Institutional Price, representing up to approximately 25.6% of the enlarged issued and paid-up share capital of our Company in the following manner:

(i) 550,000,000 Issue Shares to Bumiputera investors approved by the MITI; and

(ii) 207,500,000 Issue Shares and up to 521,740,000 Offer Shares to the following persons:

(a) Malaysian institutional and selected investors (other than Bumiputera investors approved by the MITI);

(b) foreign institutional and selected investors outside the United States in reliance on Regulation S; and

(c) QIBs in the United States in reliance on Rule 144A or pursuant to applicable exemption from registration under the U.S. Securities Act.

On 7 April 2015, our Company together with the Selling Shareholders, the Joint Global Coordinators and RHB entered into a master cornerstone placing agreement with the Cornerstone Investors whereby the Cornerstone Investors have agreed to acquire from the Selling Shareholders, subject to the terms of the individual cornerstone placing agreements, in aggregate, 533,765,000 IPO Shares, representing approximately 10.7% of the enlarged issued and paid-up share capital of our Company at the Institutional Price, on the terms and subject to the conditions set out in the master cornerstone placing agreement and the relevant individual cornerstone placing agreement. None of the Cornerstone Investors will individually acquire 5.0% or more of the enlarged issued and paid-up share capital of our Company under the cornerstone placing agreements. The cornerstone investors are not subject to any lock-up arrangement pursuant to the cornerstone placing agreements.

The cornerstone placing agreements are conditional upon, *inter alia*, the Retail Underwriting Agreement and the Placement Agreement being entered into and not having been terminated pursuant to their respective terms.

4.3.2 Retail Offering

The Retail Offering involves the offering of 242,500,000 Issue Shares at the Retail Price, representing approximately 4.8% of the enlarged issued and paid-up share capital of our Company in the following manner:

(i) Allocation to the Eligible Malakoff Persons and the Eligible MMC Persons

20,500,000 Issue Shares are reserved for application by our Directors, eligible employees of our Group and persons who have contributed to the success of our Group, as well as the directors and eligible employees of MMC in the following manner:

(a) 17,580,000 Issue Shares reserved for application by our 12 Directors (which includes two alternate Directors) and 931 eligible employees of our Group. Our Directors, save for the two alternate Directors, are allocated 290,000 Issue Shares each. Our two alternate Directors have been allocated 140,000 Issue Shares each;

(b) 420,000 Issue Shares reserved for application by persons who have contributed to the success of our Group, namely, the following:

- Tan Sri Dato' Wira Syed Abdul Jabbar Syed Hassan, the former Chairman of our Company who resigned effective 30 November 2014;

- Tan Sri Abdul Halim Ali, the former Chairman of our Company who resigned effective 31 December 2011;

- Datuk Haji Hasni Harun, a former Director of our Company who resigned effective 30 June 2013;

- Ahmad Jauhari Yahya, the former Managing Director/Chief Executive Officer of our Company who resigned effective 31 December 2010; and

- Zainal 'Abidin Abd Jalil, the former Chief Executive Officer of our Company who resigned effective 28 February 2014; and

(c) 2,500,000 Issue Shares reserved for application by seven directors and 179 eligible employees of MMC. The directors of MMC, namely Tan Sri Dato' Wira Syed Abdul Jabbar Syed Hassan, Dato' Sri Che Khalib Mohamad Noh, Tan Sri Dato' Ir. (Dr.) Wan Abdul Rahman Haji Wan Yaacob, Datuk Mohd Sidik Shaik Osman, Dato' Abdullah Mohd Yusof, Datuk Ooi Teik Huat and Abdul Hamid Sh Mohamed, are allocated 130,000 Issue Shares each.

A summary of the allocation of the 20,500,000 Issue Shares as described above is set out below:

Eligible persons	**No. of eligible persons**	**Aggregate no. of Issue Shares allocated**
Eligible Malakoff Persons(1)		
- Our Directors	12	3,180,000
- Eligible employees of our Group(2)	931	14,400,000
- Persons who have contributed to the success of our Group(3)	5	420,000
Eligible MMC Persons(4)		
- Directors of MMC	7	910,000
- Eligible employees of MMC(5)	179	1,590,000

Notes:

*(1) Subject to the basis as set out in Section 4.3.3 of this Prospectus, save for Tan Sri Dato' Wira Syed Abdul Jabbar Syed Hassan, Dato' Sri Che Khalib Mohamad Noh and Datuk Ooi Teik Huat who are also the Directors of MMC and who are eligible to apply for up to 100,000 Issue Shares each not taken up by the Eligible Malakoff Persons, all other Eligible Malakoff Persons are eligible to apply for any amount of excess Issue Shares ("**Excess Issue Shares**") made available to the Eligible Malakoff Persons on top of their pre-determined allocation.*

(2) The criteria for allocation to the eligible employees of our Group are based on, among others, their length of service, job grade and their contribution to our Group.

(3) The criteria for allocation to the persons who have contributed to the success of our Group are based on, among others, their current and/or past contributions to our Group, nature, terms and duration of their respective relationship with our Group.

(4) Subject to the basis as set out in Section 4.3.3 of this Prospectus, save for all the Directors of MMC who are eligible to apply for up to 100,000 Issue Shares each not taken up by the Eligible MMC Persons, all other Eligible MMC Persons are eligible to apply for any amount of Excess Issue Shares made available to the Eligible MMC Persons on top of their pre-determined allocation.

(5) The criteria for allocation to the eligible employees of MMC are based on, among others, their length of service, job grade and their contribution to MMC.

(ii) Allocation to the Entitled Shareholders of MMC

72,000,000 Issue Shares are reserved for application by the Entitled Shareholders of MMC via the Restricted Offering, and shall be allocated in the following manner:

(a) each Entitled Shareholder of MMC who applies for at least 100 Issue Shares is guaranteed an allocation of 100 Issue Shares; and

(b) any remaining Issue Shares after the allocation under item (a) above shall be allocated to the Entitled Shareholders of MMC who apply in excess of 100 Issue Shares on a pro-rata basis according to their respective shareholdings in MMC as at the Entitlement Date,

subject always to such allocation being made on a fair and equitable basis and that the intention of our Board as set out above is achieved.

Any fractional entitlements and odd lots arising from the Restricted Offering will be disregarded and rounded down to the nearest board lot, and the aggregate of such fractions and such odd lots will be dealt with in such manner or on such terms as our Board may deem fit and expedient in the best interest of our Company.

The entitlement of the Entitled Shareholders of MMC to participate in the Restricted Offering is non-renounceable and non-tradable. Entitled Shareholders of MMC are not allowed to submit multiple applications for the Issue Shares made available under the Restricted Offering and our Board has the absolute discretion to reject multiple applications. However, the Restricted Offering does not preclude the Entitled Shareholders of MMC from making additional applications for the Issue Shares made available under the Malaysian Public category using the WHITE Application Forms.

The notice of allotment of the Issue Shares to the Entitled Shareholders of MMC under the Restricted Offering will be sent by ordinary mail prior to our Listing. The balance of the application monies, if any, will be refunded to the Entitled Shareholders of MMC without interest by ordinary post to the last address maintained with Bursa Depository within ten Market Days from the date of the final ballot.

In view that MMC has a large shareholder base, the Restricted Offering is expected to assist us in establishing an adequate market for our Shares, after taking into consideration the size of our IPO.

At the extraordinary general meeting of MMC held on 30 March 2015, the shareholders of MMC had approved, among others, the Listing (together with the Pre-IPO Exercise and the IPO).

Excluded Shareholders are advised that they shall be solely responsible to seek their own advice as to the laws of any jurisdiction which they may be subject to. Participation in the Restricted Offering by any of the shareholders of MMC shall be based on their warranty to our Company, MMC or the Joint Principal Advisers that they may lawfully so participate without our Company, MMC, the Joint Principal Advisers, the Share Registrar and/or other advisers and experts being in breach of the laws of any jurisdiction other than the laws of Malaysia to which the Excluded Shareholders are or might be subject to.

Excluded Shareholders will have no rights or claims whatsoever against us, the Promoters, the Joint Principal Advisers, the Joint Managing Underwriters, the Joint Underwriters, any of their respective Directors or any other persons involved in the Restricted Offering in respect of their entitlement to apply for the Issue Shares under the Restricted Offering. We, the Promoters, the Joint Principal Advisers, the Joint Managing Underwriters, the Joint Underwriters, any of their respective Directors or any other persons involved in the Restricted Offering shall not accept any responsibility and liability in the event that any acceptance under the Restricted Offering is or becomes illegal, unenforceable, voidable or void or shall contravene the laws in such countries or jurisdictions.

The Prospectus will not be registered under applicable securities legislation of any foreign jurisdiction. Accordingly, the Prospectus will not be sent to the Excluded Shareholders.

(iii) Allocation via balloting to the Malaysian Public

150,000,000 Issue Shares are reserved for application by the Malaysian Public, of which 75,000,000 Issue Shares have been set aside for application by Bumiputera citizens, companies, co-operatives, societies and institutions.

In summary, the IPO Shares will be allocated and allotted, subject to the clawback and reallocation provisions and the Over-allotment Option as set out in Sections 4.3.3 and 4.3.4 of this Prospectus, respectively, in the following manner:

	Offer for Sale		Public Issue		Total	
Categories	No. of Shares	% of our enlarged share capital	No. of Shares	% of our enlarged share capital	No. of Shares	% of our enlarged share capital
Retail Offering:						
Eligible Malakoff Persons:						
- Our Directors and eligible employees of our Group	-	-	17,580,000	0.4	17,580,000	0.4
- Persons who have contributed to the success of our Group	-	-	420,000	*	420,000	*
Eligible MMC Persons	-	-	2,500,000	*	2,500,000	*
Entitled Shareholders of MMC	-	-	72,000,000	1.4	72,000,000	1.4
Malaysian Public (via balloting):						
- Bumiputera	-	-	75,000,000	1.5	75,000,000	1.5
- Non-Bumiputera	-	-	75,000,000	1.5	75,000,000	1.5
Sub-total	-	-	**242,500,000**	4.8	**242,500,000**	**4.8**
Institutional Offering:						
Bumiputera investors approved by the MITI	-	-	550,000,000	11.0	550,000,000	11.0
Other Malaysian and foreign institutional and selected investors	521,740,000	10.4	207,500,000	4.2	729,240,000	14.6
Sub-total	**521,740,000**	**10.4**	**757,500,000**	**15.2**	**1,279,240,000**	**25.6**
Total	**521,740,000**	**10.4**	**1,000,000,000**	**20.0**	**1,521,740,000**	**30.4**

Note:

* *Less than 0.1%.*

The completion of the Retail Offering and the Institutional Offering are inter-conditional. Our IPO is also subject to the public shareholding spread requirement under the Listing Requirements as set out in Sections 2 and 4.3.7 of this Prospectus.

4.3.3 Clawback and reallocation

The Retail Offering and the Institutional Offering shall be subject to the following clawback and reallocation provisions:

(i) if the Issue Shares allocated to Bumiputera investors approved by the MITI are not fully taken up, the Issue Shares which are not taken up may be allocated to other Malaysian and foreign institutional and selected investors under the Institutional Offering;

(ii) subject to item (i) above, if there is an over-subscription in the Retail Offering and an under-subscription in the Institutional Offering, the IPO Shares may be clawed back from the Institutional Offering and allocated to the Retail Offering; and

(iii) if there is an over-subscription in the Institutional Offering and an under-subscription in the Retail Offering, the Issue Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering.

There will be no clawback and reallocation if there is an over-subscription in both the Institutional Offering and the Retail Offering.

Any Issue Shares not taken up by the Eligible Malakoff Persons shall be made available for application by the Eligible Malakoff Persons who have applied for Excess Issue Shares on top of their pre-determined allocation and allocated on a fair and equitable basis in the following priority:

(i) firstly, allocation on a pro-rata basis to the Eligible Malakoff Persons who have applied for Excess Issue Shares based on the number of Excess Issue Shares applied for; and

(ii) secondly, to minimise odd lots.

Similarly, any Issue Shares not taken up by the Eligible MMC Persons shall be made available for application by the Eligible MMC Persons who have applied for Excess Issue Shares on top of their pre-determined allocation and allocated on a fair and equitable basis in the following priority:

(i) firstly, allocation on a pro-rata basis to the Eligible MMC Persons who have applied for Excess Issue Shares based on the number of Excess Issue Shares applied for; and

(ii) secondly, to minimise odd lots.

Our Board reserves the right to allot any Excess Issue Shares applied for in such manner as it may deem fit and expedient in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out above is achieved. Our Board also reserves the right to accept or reject any Excess Issue Shares applied for by the Eligible Malakoff Persons and/or the Eligible MMC Persons, in full or in part, without assigning any reason.

Thereafter, any Issue Shares which are not taken up by or allocated to the Eligible Malakoff Persons and/or the Eligible MMC Persons, together with any Issue Shares not taken up by the Entitled Shareholders of MMC will be made available for application by the Malaysian Public under the Retail Offering, with any remaining Issue Shares thereafter to be underwritten by the Joint Underwriters, subject to the clawback and reallocation provisions.

4.3.4 Over-allotment Option

The Over-allotment Option Providers may grant an Over-allotment Option to the Stabilising Manager (on behalf of the Placement Managers) and may appoint the Stabilising Manager to undertake any price stabilisation actions. The Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) may at its absolute discretion, over-allot our Shares (on behalf of the Placement Managers) and subsequently, effect transactions to stabilise or maintain the market price of our Shares at levels that might not otherwise prevail in the open market. Such transactions consist of bids or purchases to peg, fix or maintain the market price of our Shares. If the Stabilising Manager creates a short position in our Shares in connection with the Institutional Offering, the Stabilising Manager may reduce that short position by purchasing our Shares in the open market. The Stabilising Manager may also elect to reduce any short positions by exercising all or part of the Over-allotment Option.

If granted, the Over-allotment Option will be exercisable in whole or in part by the Stabilising Manager, on one or more occasions, by giving written notice to the Over-allotment Option Providers at any time within 30 days from the date of the Listing, to purchase from the Over-allotment Option Providers up to an aggregate of 228,260,000 Shares at the Institutional Price for each Share, representing up to approximately 15.0% of the total number of IPO Shares offered, solely for purposes of covering over-allotments of our Shares (if any).

Subject to there being an over-allotment, the Stabilising Manager will (on behalf of the Placement Managers) enter into the Share Lending Agreement with the Over-allotment Option Providers to borrow up to 228,260,000 Shares to cover the over-allotments. Any Shares that may be borrowed by the Stabilising Manager under the Share Lending Agreement will be returned by the Stabilising Manager to the Over-allotment Option Providers either through the purchase of our Shares in the open market by the Stabilising Manager in the conduct of stabilisation activities or through the exercise of the Over-allotment Option by the Stabilising Manager, or a combination of both. The exercise of the Over-allotment Option will not increase the total number of Shares issued.

Purchases of a security to stabilise the price or to cover the over-allotment may cause the price of the security to be higher than it might be in the absence of these purchases. Such transactions may be effected on the Main Market of Bursa Securities and in other jurisdictions where it is permissible to do so, in each case, in compliance with all applicable laws and regulations, including the CMSA and any regulations thereunder. The number of Shares that the Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) may buy to undertake stabilising action, shall not exceed an aggregate of 228,260,000 Shares, representing approximately 15.0% of the total number of IPO Shares offered. However, there is no obligation on the Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) to undertake any such stabilising action. Such stabilising actions may commence on or after the commencement of trading of our Shares on the Main Market of Bursa Securities and, if commenced, may be discontinued at any time and cannot be effected after the earlier of (i) the date falling 30 days from the commencement of trading of our Shares on the Main Market of Bursa Securities; or (ii) the date when the Stabilising Manager has bought, on the Main Market of Bursa Securities, an aggregate of 228,260,000 Shares, representing approximately 15.0% of the total number of IPO Shares offered to undertake the stabilising action.

Neither our Company, the Over-allotment Option Providers nor the Stabilising Manager makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our Shares. In addition, neither our Company, the Over-allotment Option Providers nor the Stabilising Manager makes any representation that the Stabilising Manager will engage in such transactions, or that such transactions once commenced, will not be discontinued without notice (unless such notice is required by law).

4.3.5 Share capital

Upon the completion of our IPO, our share capital would be as follows:

	No. of Shares	RM
Authorised share capital	10,000,000,000	1,000,000,000
Issued and fully paid-up:		
- As at the date of this Prospectus	4,000,000,000	400,000,000
- To be issued and fully paid-up pursuant to the Public Issue	1,000,000,000	100,000,000
Enlarged issued and fully paid-up share capital upon Listing	**5,000,000,000**	**500,000,000**

4.3.6 Classes of shares and ranking

As at the date of this Prospectus, we only have one class of shares, being ordinary shares of RM0.10 each. The Issue Shares will, upon allotment and issue, rank equally in all respects with our other existing issued and paid-up Shares, including voting rights, and will be entitled to all rights, dividends and distribution that may be declared subsequent to the date of allotment of the Issue Shares, subject to any applicable Rules of Bursa Depository.

The Offer Shares rank equally in all respects with our other existing issued and paid-up Shares, including voting rights, and will be entitled to all rights, dividends and distribution that may be declared subsequent to the date of transfer of the Offer Shares, subject to any applicable Rules of Bursa Depository.

Upon allotment and issue and subject to any special rights attaching to any Shares we may issue in the future, our shareholders shall, in proportion to the amount paid-up on the Shares held by them, be entitled to share the profits paid out by us in the form of dividends and other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Articles after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

At every general meeting of our Company, each of our shareholders shall be entitled to vote in person, by proxy, by attorney or by other duly authorised representative. On a show of hands, every one of our shareholders present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote. On a poll, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote for each Share held or represented. A proxy may but need not be a member of our Company.

4.3.7 Minimum subscription level

There is no minimum subscription level in terms of proceeds to be raised by our Company and the Selling Shareholders from our IPO. However, in order to comply with the public shareholding spread requirement under the Listing Requirements, the minimum subscription level in terms of the number of Shares will be the number of Shares required to be held by the public shareholders of our Company to comply with the minimum public shareholding spread requirement under the Listing Requirements or as approved by Bursa Securities.

In the event that the public shareholding spread requirement is not met pursuant to our IPO and/or if we and the Selling Shareholders decide in our absolute discretion not to proceed with the Listing, monies paid in respect of any application for the IPO Shares will be returned in full, without interest and if such monies are not returned in full within 14 days after our Company and the Selling Shareholders become liable to do so, in accordance with the provision of Subsection 243(2) of the CMSA, then our Company, the Selling Shareholders, and the officers of our Company and the Selling Shareholders shall be jointly and severally liable to return such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC from the expiration of that period until the full refund is made.

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4. DETAILS OF OUR IPO *(Cont'd)*

4.4 SELLING SHAREHOLDERS

The Offer Shares to be offered by each Selling Shareholder and their respective interest in our Company before and after our IPO are as follows:

						After our IPO			
	Before our IPO		Shares offered pursuant to the Offer for Sale			Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is fully exercised	
Selling Shareholder	No. of Shares	% of our existing share capital[(1)]	No. of Shares	% of our existing share capital[(1)]	% of our enlarged share capital[(2)]	No. of Shares	% of our enlarged share capital[(2)]	No. of Shares	% of our enlarged share capital[(2)]
AOA	1,142,304,370	28.6	149,566,000	3.7	3.0	992,738,370	19.8	927,303,570	18.5
EPF	1,200,000,000	30.0	227,862,000	5.7	4.6	972,138,000	19.4	872,448,800	17.4
KWAP	400,000,000	10.0	75,954,000	1.9	1.5	324,046,000	6.5	290,816,400	5.8
SCI Asia	260,000,000	6.5	49,370,000	1.2	1.0	210,630,000	4.2	189,030,800	3.8
SEASAF	100,000,000	2.5	18,988,000	0.5	0.4	81,012,000	1.6	72,704,800	1.5

Notes:

(1) Based on our existing number of Shares in issue of 4,000,000,000 Shares.

(2) Based on our enlarged number of Shares in issue of 5,000,000,000 Shares.

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Apart from having interest in our Shares and holding bonds issued by our Group in the ordinary course of business, save as disclosed below, there is no other material relationship between the Selling Shareholders and our Company or any of our predecessors or our Group within the past three years:

Selling Shareholder	Nature of interest
EPF	▪ Shareholders of SEV, GB3 and TBP ▪ Holder of RULS issued by SEV[(1)], GB3[(2)] and TBP ▪ Holder of RCULS issued by SEV and TBP

Notes:

(1) The RULS issued by SEV were fully redeemed in July 2012.

(2) The RULS issued by GB3 were fully redeemed in February 2015.

4.5 BASIS OF ARRIVING AT THE PRICE OF THE IPO SHARES AND REFUND MECHANISM

4.5.1 Retail Price

The Retail Price of RM1.80 per Issue Share was determined and agreed upon between our Directors and the Selling Shareholders in consultation with the Joint Global Coordinators, after taking into consideration the following factors:

(i) our operational and financial strengths, namely:

(a) our leading position as the largest IPP in Malaysia and SEA with a portfolio of international power and water production assets;

(b) our long and successful track record of greenfield and brownfield developments, and operation and maintenance for both power generation and water production assets in Malaysia, the MENA region and Australia as described in Section 7 of this Prospectus; and

(c) our reliable cash flows supported by long-term PPAs as described in Sections 12 and 13 of this Prospectus;

(ii) our business strategies and future plans including expanding our effective power generation capacity to 10,000 MW and expanding our effective water production capacity by approximately 150% by 2020, and further diversifying our assets portfolio by expanding our renewable power generation portfolio both domestically and internationally, as outlined in Section 7.3 of this Prospectus;

(iii) our dividend policy as disclosed in Section 12.8 of this Prospectus;

(iv) rising demand for electricity and/or water in Malaysia, selected SEA countries, the MENA region and Australia, which are driven by the increasing population, increasing consumption per capita and economic growth, coupled with various government initiatives to facilitate growth in those markets, details of which are as described in Section 8 of this Prospectus; and

(v) prevailing market conditions which include among others, market performance of key global indices and companies which are in businesses similar to ours listed on other exchanges, as well as investors' sentiments.

Based on our pro forma consolidated NA per Share as at 31 December 2014 of RM1.17 which is based on our enlarged issued and paid-up share capital of 5,000,000,000 Shares, our price-to-book ratio based on the Retail Price is approximately 1.5 times.

The Final Retail Price will be determined after the Institutional Price is determined on the Price Determination Date and will be the lower of:

(i) the Retail Price of RM1.80 per Issue Share; or

(ii) the Institutional Price.

In the event that the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants without any interest thereon. Further details on the refund mechanism are set out in Section 4.5.3 of this Prospectus.

Prospective retail investors should be aware that the Final Retail Price will not, in any event, be higher than the Retail Price of RM1.80 per Issue Share or lower than the par value of our Shares.

The Final Retail Price and the Institutional Price are expected to be announced within two Market Days from the Price Determination Date via Bursa Listing Information Network (Bursa LINK). In addition, all successful applicants will be given written notice of the Final Retail Price and the Institutional Price, together with the notices of allotment for the Issue Shares.

Applicants should also note that the vagaries of market forces and other uncertainties may affect the market price of our Shares after the Listing.

4.5.2 Institutional Price

The Institutional Price will be determined by a bookbuilding process wherein prospective institutional and selected investors will be invited to bid for portions of the Institutional Offering by specifying the number of IPO Shares they would be prepared to acquire and the price they would be prepared to pay for the IPO Shares in respect of the Institutional Offering. This bookbuilding process commenced on 17 April 2015 and will end on 29 April 2015, or such later date or dates as our Directors, the Selling Shareholders and the Joint Global Coordinators may decide in their absolute discretion. Upon the completion of the bookbuilding process, the Institutional Price will be fixed by our Directors and the Selling Shareholders in consultation with the Joint Global Coordinators on the Price Determination Date.

4.5.3 Refund mechanism

In the event that the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants without any interest thereon. For applications made via the Application Form, the refund will be credited into the successful applicants' bank accounts for purposes of cash dividend/distribution if the successful applicants have provided such bank account information to Bursa Depository or despatched, in the form of cheques, by ordinary post to the successful applicants' address maintained with Bursa Depository if the successful applicants have not provided such bank account information to Bursa Depository. For applications made via the Electronic Share Application or Internet Share Application, the refund will be credited into the accounts of the successful applicants with the Participating Financial Institution or the Internet Participating Financial Institution, respectively. All refunds will be made within 10 Market Days from the date of final ballot of applications, at the successful applicants' own risk.

For further details on the refund mechanism, see Sections 16.9, 16.10 and 16.11 of this Prospectus.

4.5.4 Expected market capitalisation

Based on the Retail Price of RM1.80 per Share, the total market capitalisation of our Company upon Listing shall be approximately RM9,000.0 million.

Prior to our IPO, there has been no trading market for our Shares within or outside Malaysia. You should also note that the market price of our Shares upon the Listing is subject to the vagaries of market forces and other uncertainties. You are reminded to consider carefully the risk factors as set out in Section 5 of this Prospectus.

4.6 OBJECTIVES OF OUR IPO

The objectives of our IPO are as follows:

(i) to enhance our visibility, increase brand awareness and provide a platform for us to further develop our brand equity to support our expansion via the Listing;

(ii) to provide us with greater financial flexibility to optimise our capital structure and cost of capital by accessing the equity capital market, in pursuit of growth opportunities; and

(iii) to create a market for our Shares and provide an opportunity for the general public and the investing community, including the Eligible Malakoff Persons, the Eligible MMC Persons and the Entitled Shareholders of MMC to invest directly in the largest IPP in Malaysia and SEA and to participate in the continuing growth of our Group.

4.7 DILUTION

Dilution is the amount by which the price paid by retail and institutional and selected investors for our Shares exceeds our consolidated NA per Share after our IPO. Our pro forma consolidated NA per Share as at 31 December 2014 was RM1.02, based on our issued and paid-up share capital of RM400,000,000 comprising 4,000,000,000 Shares following the Pre-IPO Exercise.

After giving effect to the issuance of 1,000,000,000 Issue Shares under the Public Issue, and after adjusting for the estimated fees and expenses for our IPO and the Listing, our pro forma consolidated NA per Share as at 31 December 2014 (based on our enlarged issued and paid-up share capital of 5,000,000,000 Shares) would be RM1.17. This represents an immediate increase in NA per Share of RM0.15 to our existing shareholders and for illustrative purposes, an immediate dilution in NA per Share of RM0.63, representing 35.0% of the Retail Price and the Institutional Price (assuming the Institutional Price and the Final Retail Price will be the Retail Price), to the retail and institutional and selected investors. For details on our NA per Share, see Section 12.4 of this Prospectus.

The following table illustrates such dilution on a per Share basis assuming the Final Retail Price and the Institutional Price are equal to the Retail Price:

	RM
Assumed Final Retail Price/Institutional Price	1.80
Pro forma consolidated NA per Share as at 31 December 2014, after adjusting for the Pre-IPO Exercise but before adjusting for our IPO	1.02
Pro forma consolidated NA per Share as at 31 December 2014, after giving effect to our IPO	1.17
Increase in NA per Share	0.15
Dilution in pro forma consolidated NA per Share to retail/institutional and selected investors	0.63
Dilution in pro forma consolidated NA per Share to retail/institutional and selected investors as a percentage of the Retail Price/Institutional Price	35.0%

Save as disclosed below, none of our substantial shareholders, Directors, key management or persons connected to them have acquired Shares in our Company in the past three years up to the Latest Practicable Date:

(i) 274,611 RCPS of RM0.10 each and 2,308,647 ordinary shares of RM1.00 each in our Company were transferred from MMC to AOA on 1 October 2013 at the cost of RM10.00 per RCPS and RM10.00 per ordinary share, respectively;

(ii) 2,364,106 RCPS of RM0.10 each and 19,874,954 ordinary shares of RM1.00 each in our Company were transferred from MMC to AOA on 26 November 2014 at the cost of RM10.00 per RCPS and RM10.00 per ordinary share, respectively; and

(iii) the Shares issued to our existing shareholders pursuant to the Pre-IPO Exercise, which includes the Conversion of RCPS where the RCPS of RM0.10 each were issued at RM10.00 each in April 2007. For details on the Pre-IPO Exercise, see Section 6.1.2 of this Prospectus.

4.8 UTILISATION OF PROCEEDS

As at 31 March 2015, our Group's total borrowings stood at approximately RM18,158.6 million. We expect to utilise the entire gross proceeds from the Public Issue of RM1,800.0 million[1] to fully redeem the RM1,800.0 million Junior Sukuk Musharakah (which bears a profit rate of 6.3% per annum until September 2015 (and a profit rate of 9.3% thereafter) with a tenure of 30 years maturing in 2042) which was used to partly refinance the Acquisition.

The total cost of the Acquisition amounted to RM9,239.3 million, of which RM4,015.4 million was funded through the issuance of new securities in our Company, comprising 351,344,028 ordinary shares of RM1.00 each issued at RM10.00 each and 50,192,004 RCPS of RM0.10 each issued at RM10.00 each. The remaining cost of the Acquisition of RM5,223.9 million was funded through part of the proceeds raised through the issuance of Islamic Commercial Papers/Medium Term Notes Programme of RM600.0 million ("**ICP/MTN Programme**"), the issuance of Islamic Medium-Term Notes Programme of RM5,600.0 million ("**IMTN Programme**") and the issuance of Junior Sukuk of RM1,700.0 million.

[1] We have assumed that the Institutional Price and the Final Retail Price will be the same as the Retail Price of RM1.80 per IPO Share in arriving at this figure.

The ICP/MTN Programme has been fully repaid, whilst the IMTN Programme has been refinanced by way of the issuance of Murabahah Securities Facility of RM5,600.0 million on 18 January 2013, which was then refinanced by way of the issuance of Islamic securities of up to RM5,400.0 million in nominal value under the Islamic principle of Murabahah via Tawarruq arrangement ("**Islamic Securities**") on 17 December 2013. As at 31 March 2015, RM4,342.0 million of the Islamic Securities remains outstanding and such outstanding amount will be repaid using our Group's internally generated funds. The Junior Sukuk has been refinanced via part of the proceeds raised from the issuance of Junior Sukuk Musharakah on 3 September 2012, which remains outstanding as at 31 March 2015.

The early redemption of the Junior Sukuk Musharakah is expected to achieve finance cost savings of approximately RM113.4 million per annum (based on the current profit rate of 6.3% per annum).

The estimated fees and expenses for our IPO and the Listing to be borne by us of RM46.8 million, which will be funded entirely from our internally generated funds, comprise of the following:

	RM in millions
Estimated professional fees	7.9
Brokerage, underwriting and placement fees	35.2
Fees payable to the authorities	1.2
Other fees and expenses such as printing, advertising, travel and roadshow expenses incurred in connection with our IPO	1.9
Miscellaneous expenses and contingencies	0.6
Total estimated listing expenses	**46.8**

Our Company will not receive any proceeds from the Offer for Sale. Assuming the Institutional Price will be the same as the Retail Price of RM1.80 per IPO Share, the gross proceeds from the Offer for Sale of up to approximately RM939.1 million will accrue entirely to the Selling Shareholders. The Selling Shareholders will bear their own professional fees and placement fees, as well as other expenses in respect of the Offer for Sale, which is estimated to be approximately RM28.7 million.

Pending full utilisation of the gross proceeds received, we intend to place the proceeds raised from the Public Issue (including accrued interest, if any) or the balance thereof in interest-bearing fixed deposit accounts with licensed financial institution(s) or in short-term money-market instruments.

Through the Public Issue, we will increase our shareholders' funds by approximately RM1,753.2 million and repay part of our borrowings, thereby reducing our gearing from 4.4 times to 2.8 times. We expect this to provide us with greater financial flexibility for us to fund our future expansion.

The financial impact of the utilisation of proceeds from the Public Issue on our Unaudited Pro Forma Consolidated Statements of Financial Position as at 31 December 2014 is set out in Section 12.4 of this Prospectus.

4.9 BROKERAGE, UNDERWRITING COMMISSION AND PLACEMENT FEE

4.9.1 Brokerage

We will pay brokerage in respect of the Issue Shares under the Retail Offering at the rate of 1.0% of the Final Retail Price in respect of all successful applications which bear the stamp of either the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

The Joint Global Coordinators, the Joint Bookrunners and the Co-Lead Managers are entitled to charge brokerage commission to successful applicants under the Institutional Offering. For the avoidance of doubt, such brokerage commission under the Institutional Offering will not be payable by us or the Selling Shareholders.

4.9.2 Underwriting commission

As stipulated in the Retail Underwriting Agreement, the Joint Managing Underwriters and the Joint Underwriters have agreed to underwrite the Issue Shares under the Retail Offering for a total managing underwriting fee and an underwriting commission calculated at the rate of 0.3% and 1.2% of the Retail Price, respectively, multiplied by the number of Issue Shares underwritten pursuant to the Retail Offering in accordance with the terms of the Retail Underwriting Agreement.

4.9.3 Placement fee

The Selling Shareholders in respect of the Offer Shares and we in respect of the Issue Shares will pay the Placement Managers an aggregate placement fee and selling commission of 1.5% and the Selling Shareholders in respect of the Offer Shares and we in respect of the Issue Shares may pay an aggregate discretionary incentive fee of up to 0.5% as computed in accordance with the terms of the Placement Agreement.

The placement fee and selling commission, as well as any discretionary fee to be paid by the Selling Shareholders to the relevant Placement Managers will be funded using proceeds raised from the Offer for Sale and the Over-allotment Option, if exercised.

4.10 DETAILS OF THE UNDERWRITING, PLACEMENT AND LOCK-UP ARRANGEMENTS

4.10.1 Underwriting

We have entered into the Retail Underwriting Agreement with the Joint Managing Underwriters and the Joint Underwriters to jointly underwrite 242,500,000 Issue Shares under the Retail Offering, subject to the clawback and reallocation provisions as set out in Section 4.3.3 of this Prospectus and upon the terms and subject to the conditions of the Retail Underwriting Agreement.

Subject to certain conditions precedent in the Retail Underwriting Agreement, each of Maybank IB, CIMB and RHB has agreed to underwrite 24,250,001 Issue Shares, Bank Muamalat Malaysia Berhad has agreed to underwrite 36,375,000 Issue Shares, and each of Affin Hwang Investment Bank Berhad, AmInvestment Bank Berhad, KAF Investment Bank Berhad, Kenanga Investment Bank Berhad, MIDF Amanah Investment Bank Berhad, Public Investment Bank Berhad and Hong Leong Investment Bank Berhad has agreed to underwrite 19,053,571 Issue Shares.

Details of the underwriting commission are set out in Section 4.9.2 of this Prospectus, whilst the salient terms of the Retail Underwriting Agreement are as follows:

The underwriting obligations of the Joint Underwriters are subject to certain conditions precedent which must be satisfied on or prior to three Market Days after the closing date for the Retail Offering or such later date as consented to in writing by the Joint Managing Underwriters.

The Joint Managing Underwriters (for and on behalf of the Joint Underwriters), may at their sole discretion, and by notice to us given at any time before the date of our Listing, terminate, cancel and withdraw the underwriting commitment if:

(i) there is any breach by us of any of our obligations or any of the warranties or undertakings set out in the Retail Underwriting Agreement in any respect;

(ii) we withhold any material information from the Joint Managing Underwriters and/or the Joint Underwriters, which, in the opinion of the Joint Managing Underwriters and the Joint Underwriters, which would have or is likely to have a Material Adverse Effect (as defined in the Retail Underwriting Agreement);

(iii) there shall have occurred, happened or come into effect any event or series of events beyond the reasonable control of the Joint Managing Underwriters and the Joint Underwriters by reason of Force Majeure (as defined below) which would have or can reasonably be expected to have, a Material Adverse Effect or which would have or is reasonably likely to have the effect of making any material obligation under the Retail Underwriting Agreement incapable of performance in accordance with its terms. "**Force Majeure**" means causes which are unpredictable and beyond the reasonable control of the party claiming Force Majeure which could not have been avoided or prevented by reasonable foresight, planning and implementation including but not limited to:

    (a) war, acts of warfare, sabotages, hostilities, invasion, incursion by armed force, act of hostile army, nation or enemy, civil war or commotion, hijacking, terrorism; or

    (b) riot, uprising against constituted authority, civil commotion, disorder, rebellion, organised armed resistance to the government, insurrection, revolt, military or usurped power; or

    (c) natural catastrophe including but not limited to earthquakes, floods, fire, storm, lightning, tempest, explosions, accident, epidemics or other acts of God;

(iv) any government requisition or other occurrence of any nature whatsoever which would have or is reasonably likely to have a Material Adverse Effect, including but not limited to:

    (a) any material disruptions in securities settlements, payment or clearance procedures in the U.S., Hong Kong, the United Kingdom, Malaysia or Singapore; or

    (b) any general moratorium on banking activities in any of the countries in paragraph (a) above;

(v) any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political or economic conditions or exchange control or currency exchange rates which in the opinion of the Joint Managing Underwriters would have or is likely to, have a Material Adverse Effect or a material adverse effect (whether in the primary market or in respect of dealings in the secondary market). For the avoidance of doubt, if the FTSE Bursa Malaysia KLCI ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:

(a) on or after the date of the Retail Underwriting Agreement; and

(b) prior to the closing date for the Retail Offering,

lower than 85% of the level of Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to the date of the Retail Underwriting Agreement and remains at or below that level for at least five consecutive Market Days, it shall be deemed a material adverse change in the stock market condition;

(vi) any other event in which Material Adverse Effect which have occurred or which in the opinion of the Joint Managing Underwriters is reasonably likely to occur;

(vii) trading of all securities on Bursa Securities has been suspended or other material form of general restriction in trading in securities is imposed for three consecutive Market Days or more;

(viii) any new law or regulation or change in law, regulation, directive, policy or ruling in any jurisdiction which in the opinion of the Joint Managing Underwriters and the Joint Underwriters will or is likely to prejudice the success of our Listing or which would have or is reasonably likely to have the effect of making it impracticable to enforce contracts to allot and/or transfer the Shares or making any obligation under the Retail Underwriting Agreement incapable of performance in accordance with its terms;

(ix) the Institutional Offering and/or the Retail Offering is stopped or delayed by us, any of the Selling Shareholders or the regulatory authorities for any reason whatsoever (unless such stoppage or delay has been approved by the Joint Managing Underwriters and the Joint Underwriters);

(x) the Listing does not take place by 30 June 2015 or such other extended date as may be agreed by the Joint Managing Underwriters;

(xi) any commencement of legal proceedings or action against any member of our Group or any of the Selling Shareholders or any of their directors, which in the opinion of the Joint Managing Underwriters and the Joint Underwriters, would have or is likely to have a Material Adverse Effect or make it impracticable to market the IPO or to enforce contracts to allot and/or transfer the Shares;

(xii) the Placement Agreement shall have been terminated or rescinded in accordance with its terms;

(xiii) any of the approvals as set out in the Retail Underwriting Agreement is revoked, suspended or ceases to have any effect whatsoever, or is varied or supplemented upon terms that would have or is likely to have a Material Adverse Effect; or

(xiv) any material statements contained in this Prospectus and/or the acceptance forms issued together with this Prospectus has become or been discovered to be untrue, inaccurate or misleading in any respect.

Notwithstanding the other provisions in the Retail Underwriting Agreement, we, the Joint Managing Underwriters and the Joint Underwriters, may however confer with a view to defer the IPO or to amend its terms or the terms of the Retail Underwriting Agreement or enter into a new underwriting agreement accordingly. However, we, the Joint Managing Underwriters and the Joint Underwriters are not under any obligation whatsoever to make a fresh underwriting agreement.

4.10.2 Placement

We and the Selling Shareholders expect to enter into the Placement Agreement with the Placement Managers in relation to the placement of 1,279,240,000 IPO Shares under the Institutional Offering, subject to the clawback and reallocation provisions and the Over-allotment Option as set out in Sections 4.3.3 and 4.3.4 of this Prospectus, respectively. We and each of the Selling Shareholders will be requested to give various representations, warranties and undertakings, and to indemnify the Placement Managers against certain liabilities in connection with our IPO.

4.10.3 Lock-up arrangement

(i) In conjunction with the Placement Agreement, we expect to agree, that we will not, and shall procure that any of our nominees or trustees holding any Shares on trust for or on behalf of us will not, without the prior written consent of the Joint Global Coordinators, for a period beginning on the date of the Placement Agreement and ending on, and including, the date that is 180 days after the date of the admission of our Company's entire issued share capital (including the IPO Shares) to the Official List of Bursa Securities and our Listing:

(a) issue, allot, offer, pledge, sell, contract or agree to sell, hypothecate, mortgage, charge, assign, issue or sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase, lend, subscribe for, hypothecate or create any encumbrance, or otherwise transfer or dispose of, directly or indirectly, conditionally or unconditionally, any Shares (or any other securities of our Company that are substantially similar to the Shares or any securities convertible into or exercisable or exchangeable for Shares), whether any such transaction is to be settled by delivery of Shares or such other securities, in cash or otherwise;

(b) enter into any swap, hedge or derivative or other transaction or arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares (or any securities convertible into or exercisable or exchangeable for or that represent the right to receive or are substantially similar to the Shares), whether any such transaction is to be settled by delivery of Shares or such other securities, in cash or otherwise;

(c) deposit any Shares (or any securities convertible into or exchangeable for or which carry rights to subscribe or purchase or that represent the right to receive or are substantially similar to the Shares) in any depository receipt facilities; or

(d) publicly announce any intention to do any of the transactions specified in (a), (b) and (c) above or file any registration statement under the U.S. Securities Act with respect to any of the foregoing.

The restrictions above do not apply to Shares to be sold pursuant to our IPO or pursuant to the grant of any of our Shares to eligible executives and employees of our Group.

(ii) In conjunction with the Placement Agreement, each Selling Shareholder expects to agree that, they will not, and shall procure that any of its subsidiaries, nominees or trustees holding any Shares on trust for or on behalf of them will not, without the prior written consent of the Joint Global Coordinators, for a period beginning on the date of the Placement Agreement and ending on, and including, the date that is 180 days after the date of the admission of our Company's entire issued share capital (including the IPO Shares) to the Official List of Bursa Securities and our Listing:

(a) offer, pledge, sell, contract or agree to sell, hypothecate, mortgage, charge, assign, issue or sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase, lend, subscribe for, hypothecate or create any encumbrance, or otherwise transfer or dispose of, directly or indirectly, conditionally or unconditionally, any Shares (or any other securities of our Company that are substantially similar to the Shares or any securities convertible into or exercisable or exchangeable for Shares), whether any such transaction is to be settled by delivery of Shares or such other securities, in cash or otherwise;

(b) enter into any swap, hedge or derivative or other transaction or arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares (or any securities convertible into or exercisable or exchangeable for or that represent the right to receive or are substantially similar to the Shares), whether any such transaction is to be settled by delivery of Shares or such other securities, in cash or otherwise;

(c) deposit any Shares (or any securities convertible into or exchangeable for or which carry rights to subscribe or purchase or that represent the right to receive or are substantially similar to the Shares) in any depository receipt facilities;

(d) publicly announce any intention to do any of the transactions specified in (a), (b) and (c) above or file any registration statement under the U.S. Securities Act with respect to any of the foregoing; or

(e) sell, transfer or otherwise dispose of any interest in any shares in any company or other entity controlled by it which is directly, or through another company or other entity indirectly, the beneficial owner of the Shares.

The restrictions above do not apply (i) to Shares to be sold pursuant to our IPO, (ii) in respect of the additional Shares that are sold pursuant to the Over-allotment Option granted by the Selling Shareholders to the Stabilising Manager, on behalf of the Joint Bookrunners and the Co-Lead Managers, or (iii) to the transfer of Shares by the Selling Shareholders as contemplated under the Share Lending Agreement, provided that these lock-up restrictions will apply to our Shares returned to the Selling Shareholders pursuant to the Share Lending Agreement.

4.11 TRADING AND SETTLEMENT IN SECONDARY MARKET

Upon our Listing, our Shares will be traded through Bursa Securities and settled by book-entry settlement through the CDS, which is operated by Bursa Depository. This will be effected in accordance with the Rules of Bursa Depository and the provisions of the SICDA. Accordingly, we will not deliver share certificates to subscribers or purchasers of the IPO Shares.

Beneficial owners of our Shares are required under the Rules of Bursa Depository to maintain the Shares in CDS accounts, either directly in their names or through authorised nominees. Persons whose names appear in the Record of Depositors maintained by Bursa Depository will be treated as our shareholders in respect of the number of Shares credited to their respective securities accounts.

Transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS account being debited with the number of Shares sold and the buyer's CDS account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for our Shares that are settled on a book-entry basis, although there is a nominal transfer fee of RM10 payable for each transfer not transacted on the market.

Shares held in CDS accounts may not be withdrawn from the CDS except in the following instances:

(i) to facilitate a share buy-back;

(ii) to facilitate conversion of debt securities;

(iii) to facilitate a company restructuring process;

(iv) where a body corporate is removed from the Official List;

(v) to facilitate a rectification of any error; and

(vi) in any other circumstances determined by Bursa Depository from time to time, after consultation with the SC.

Trading of shares of companies listed on Bursa Securities is normally done in "board lots" of 100 shares. Investors who desire to trade less than 100 shares are required to trade under the odd lot board. Settlement of trades done on a "ready" basis on Bursa Securities generally takes place on the third Market Day following the transaction date, and payment for the securities is generally settled on the third Market Day following the transaction date.

It is expected that our Shares will commence trading on Bursa Securities approximately 10 Market Days after the closing date of the Institutional Offering. Subscribers of our Shares will not be able to sell or otherwise deal in the Shares (except by way of book-entry transfer to other CDS accounts in circumstances which do not involve a change in beneficial ownership) prior to the commencement of trading on Bursa Securities.

Before investing in our Shares, you should pay particular attention to the fact that, to a large extent, our and our associates' and joint venture's operations are subject to the legal, regulatory and business environment in the countries in which we, our associates and our joint venture operate. Our business is subject to a number of factors, many of which are beyond our control. Before making an investment decision, you should carefully consider, along with the other matters in this Prospectus, the risks and investment considerations set out below. The risks and investment considerations set out below are not an exhaustive list of the risks and challenges that we currently face or that may develop in the future. These and other risks, whether known or unknown, may in the future have a material adverse effect on us or our Shares.

5.1 RISKS RELATING TO OUR INDUSTRY

5.1.1 Any inability of our power plants to generate or deliver power could decrease, if not eliminate, revenues derived by us from our power plants

A number of factors could prevent our power plants from generating or delivering power, including the following:

(i) the breakdown or failure of power generation equipment or other equipment or processes, leading to unexpected maintenance needs, unplanned outages or other operational issues;

(ii) flaws in equipment design or in power plant construction;

(iii) the failure of civil structures or transmission systems;

(iv) issues with the quality of, or interruptions in the supply of, key inputs, including water, fuel or other key inputs;

(v) the inability to operate due to a failure to meet licencing requirements or to obtain or maintain required regulatory permits and approvals;

(vi) human error, including mistakes made by an operator when operating any equipment leading to unintended consequences of plant operations;

(vii) pollution or environmental contamination affecting the operation of our power plants;

(viii) force majeure and catastrophic events, including fires, explosions, landslides, tropical storms, floods and terrorist acts, any of which could cause forced outages, suspension of operations, personal injury, loss of life and severe damage and destruction to our power plants; and

(ix) scheduled and unscheduled outages due to maintenance, expansion or refurbishment works.

If any of these risks or any similar risk materialises, our ability to generate or deliver power through one or more of our power plants could be adversely affected, thereby decreasing or eliminating revenues that we can derive from available capacity payments, energy payments and, where applicable, daily utilisation payments under our PPAs. For example, the Tanjung Bin Power Plant experienced unscheduled outages as described in Section 7.15 of this Prospectus. For further information on the unscheduled outages at the Tanjung Bin Power Plant and their impact on our financial performance, see Sections 7.15 and 12.2.2(ii)(a) of this Prospectus, respectively. Although we have implemented a recovery programme of remedial and improvement works and other steps to address the issues that caused the unscheduled outages at the Tanjung Bin Power Plant, there can be no assurance that we have properly identified and remedied these issues, or that such issues will not recur.

In addition, if we are unable to deliver power for prolonged periods such that we are in material breach of one or more of our PPAs, TNB may terminate our PPAs after the lapse of the applicable cure periods, which in turn may lead to an event of default under our power plants' financing documents. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and cash flows.

5.1.2 Interruptions in fuel supply could adversely affect our financial results

Our power plants rely on the availability of fuel for their operations, and we are subject to the risk of interruptions in our fuel supply. Purchases from PETRONAS, the sole supplier of natural gas for our plants, accounted for 14.7%, 26.3% and 23.9% of our total purchases of fuel and purchases from TFS, the sole supplier of coal for our plants, accounted for 74.4%, 62.7% and 65.6% of our total purchases of fuel for the FYE 31 December 2012, 2013 and 2014, respectively. If our fuel supplies are interrupted for any reason, including fuel shortages in the market, disruptions in fuel transportation or issues related to our fuel suppliers, operations at our plants may be disrupted. Historically, we have experienced shortages of natural gas for our gas-fired power plants when the natural gas supply to our power plants was curtailed. Although we were able to use distillate oil as back-up fuel during periods when natural gas supply to our power plants was curtailed, there can be no assurance that we will always be able to do so. In the event we do not have sufficient fuel to operate one or more of our plants, the availability of our plants for despatch may be reduced or our plants may not be able to declare themselves available for despatch. Any of these events could have a material adverse effect on our business, financial condition, results of operations and cash flows.

5.1.3 Due to the higher price of natural gas compared to the price of coal, our gas-fired power plants may not be as competitive as coal-fired plants when the renewal or extension of our gas-fired plants' PPAs are being considered by TNB

Declining natural gas production in Malaysia, particularly in Peninsular Malaysia, and disruptions in the supply of natural gas have influenced government policies resulting in higher natural gas prices and other associated costs.

The Economic Transformation Programme of the Government anticipates a decline in the production of natural gas in Peninsular Malaysia between 2010 and 2025. According to the Economic Transformation Programme, the production of natural gas is expected to decline by 73.8% from 6.1 billion standard cubic feet per day ("**bscfd**") in 2010 to 1.6 bscfd in 2025. Nevertheless, the actual production of natural gas in 2012 was higher than expected at 6.5 mmscfd as compared to expected production of 5.8 mmscfd. From January 2007 to June 2008, the Government had set the domestic price of natural gas at RM6.40 per mmbtu, but this price was revised to RM14.41 per mmbtu in July 2008 and RM10.70 per mmbtu in March 2009. On 30 May 2011, the Government announced a revision in the regulated natural gas price for the electricity and industrial sectors, whereby the price was scheduled to be increased by RM3.00 per mmbtu every six months from 1 June 2011 to 1 December 2015. Accordingly, effective 1 June 2011, the price of natural gas was increased to RM13.70 per mmbtu when sold to the power generation sector. The price was subsequently revised to RM15.20 per mmbtu in January 2014, which in turn led to an electricity tariff hike of around 14.9% for every kWh in Peninsular Malaysia.

The decline in natural gas production has also led to an increase in other associated costs, including TNB's costs for compensating CCGT and OCGT power plants for using costly distillate oil as a back-up fuel when there are gas shortages. In the event of a natural gas curtailment, PETRONAS will notify TNB of such event, and a national gas task force, formed by the Energy Commission and whose members include PETRONAS, TNB and the IPPs, will meet to discuss future actions in light of a curtailment, which may include TNB directing the IPPs to run on distillate oil.

In addition, the importation of LNG into Malaysia has led to higher natural gas prices. In tandem with the importation of LNG into Malaysia in May 2013, a two-tier natural gas pricing formula has been adopted by the Government for gas used for power generation. Under the two-tier pricing mechanism, any new gas demand of up to 1,000 mmscfd sold to the power sector is priced at a controlled price, and any additional volume requirement will be priced at market rate based on a Government-approved gas pricing formula. Using this mechanism, effective January 2014, the price of natural gas has been set at RM15.20 per mmbtu for the first 1,000 mmscfd and RM41.68 per mmbtu for quantities exceeding 1,000 mmscfd. When TNB contracts for IPP capacity, these and other factors may contribute to greater demand for coal-fired power plants, whose fuel cost is relatively lower. In terms of TNB's decision as to which contracted IPP to despatch from time to time, these factors may make TNB more likely to despatch power generated from a coal-fired plant over that from a gas-fired plant. In Malaysia, four of the five power plants currently owned by our subsidiaries are gas-fired plants, representing approximately 46.5% of our total effective power generation capacity in Malaysia. The revenue generated from our subsidiaries that own gas-fired power plants accounted for 36.1%, 43.9% and 40.2% of our total revenues for the FYE 31 December 2012, 2013 and 2014, respectively. In light of their higher fuel costs, we cannot assure you that the PPAs for our gas-fired plants (including our PD Power PPA) will be renewed or extended upon their expiration on similar or satisfactory terms or at all, and any failure to renew or extend such PPAs on similar or satisfactory terms or at all could have a material adverse effect on our business, financial condition, results of operations and cash flows.

5.1.4 Economic, market and regulatory conditions that are beyond our control may adversely affect the power industry

Sustained downturns in the economy generally affect the power industry and negatively affect our power generation operations. If we seek to renew or extend our existing PPAs or secure new PPAs during economic downturns that result in declines in energy demand in Malaysia or other countries in which we and our associates operate, the tariffs that we receive could be reduced, as further detailed in Section 5.2.9 of this Prospectus. Similarly, there are other market conditions beyond our control that could negatively impact the power industry and our power generation operations, including the following:

(i) supply of, and demand for, energy commodities, which may impact the prices of such commodities;

(ii) increased availability of competitively priced alternative energy sources that are preferred by some customers over natural gas- or coal-produced electricity; and

(iii) changes in government and government policies.

In addition, in the long-term, there may be a possibility of the Government changing the structure of the power industry through the introduction of a market system where power producers make competitive offers to supply electricity in a wholesale market and derive revenue primarily based on the quantities and prices at which their electricity is sold, as determined by supply and demand in the market. Currently in Malaysia, the sale of power by an IPP is regulated by its PPA. IPPs under a different industry structure may not enjoy a fixed tariff rate, a pass through of their fuel costs and/or a stable available capacity payment as provided in PPAs currently in effect. In addition, under each PPA of our power plants, with the exception of the PD Power PPA, in the event of an industry restructuring, if we and TNB cannot reach an agreement on revising the terms of our PPA within six months of such restructuring, TNB may terminate our PPA and purchase our power plant at a purchase price set forth in our PPA. If any of the foregoing occurs, we cannot assure you that we could continue to operate as an IPP in Malaysia. The salient terms of our PPAs, including terms relating to an industry restructuring, are set out in Section 7.24 and Annexure C of this Prospectus.

Failure to address the negative impact of these economic, market and regulatory conditions may have a material adverse effect on our business, financial condition, results of operations and cash flows.

5.1.5 Competition could adversely affect our business, financial condition, results of operations and cash flows

The independent power industry is composed of numerous capable competitors, some of whom may have more extensive operating experience in the acquisition and development of power projects, larger staff and greater financial resources and operating capabilities than we have. Further, newer power plants owned by our competitors may have more attractive cost structures, particularly in respect of fuel costs, may be more efficient than our facilities and may be less capital-intensive than our facilities, any of which may place some of our facilities at a competitive disadvantage to the extent that our competitors are able to produce more power from each increment of cost or fuel than our facilities are capable of producing.

In addition to the competition already existing in the markets in which we and our associates and joint venture presently operate, or may consider operating in the future, we may encounter significant competition from new market entrants. Further consolidation of the power industry could also create strong competition. Any or all of these developments could adversely affect our business, financial condition, results of operations and cash flows.

5.1.6 Failure to comply with laws and regulations applicable to the power industry, including health, safety and environmental laws and regulations, or the cost of complying with these laws and regulations could have a material adverse effect on our business, financial condition, results of operations and cash flows

The power industry is subject to various laws and regulations, including health, safety and environmental laws and regulations, administered by local, national and overseas governmental authorities. These laws and regulations address, among others, occupational safety and health of employees; air and water discharges; the storage, treatment, discharge and disposal of waste; the location of facilities; site clean-ups; plant and wildlife protection and other aspects of the operations of our business. Failure to comply with any relevant laws and regulations, as well as injuries or other harm caused by such failure, may result in financial penalties or administrative or legal proceedings against us, including the termination or suspension of the operation of our facilities.

In addition, we must obtain various licences, concessions, permits and approvals to operate our businesses. Even when we obtain the required licences, concessions, permits and approvals, we are subject to continuous review under the applicable laws and regulations, the implementation of which is subject to change from time to time.

Further, we have incurred, and expect to continue to incur, operating costs to comply with government regulations, and we have made, and expect to continue to make, capital expenditures on an ongoing basis to comply with health, safety and environmental laws and regulations. In addition, future environmental legislation, including those relating to the Kyoto Protocol and greenhouse gas emissions, may materially impact our operations and increase our capital expenditures and operating and maintenance costs. For further details on the legislations pertaining to the Kyoto Protocol and greenhouse gas emissions, see Section 8 of this Prospectus.

There can be no assurance that we will be able to remain in compliance with applicable health, safety and environmental laws and regulations, that we will be able to obtain, maintain or renew required licences, concessions, permits and approvals or that we will not become involved in future litigation or other proceedings (or be held responsible in any future litigation or other proceedings) relating to health, safety and environmental matters or other regulatory matters, the costs of which could be material.

In addition, there can be no assurance that the adoption of new health, safety and environmental laws and regulations, new interpretations of existing laws and regulations or other similar developments will not result in our power plants being subject to forced shutdowns or the imposition of fines and penalties.

Our failure to comply with any or all applicable government regulations, or a change in any or all such regulations, may disrupt our operations and could have a material adverse effect on our business, financial condition, results of operations and cash flows.

5.1.7 Energy conservation and greenhouse gas reductions could negatively impact our growth prospects

Certain regulatory and legislative bodies have introduced, or are considering, requirements and/or incentives to reduce energy consumption and greenhouse gas emissions. For example, the Promotion of Investments Act 1986 provides companies that undertake energy conservation or renewable energy projects with various tax incentives and these companies may also apply for import duty and sales tax exemptions on imported machinery, equipment and other materials. Additionally, improvements in, or applications of, technology could lead to declines or slower than anticipated growth in per capita energy consumption. To the extent energy conservation efforts or greenhouse gas emission reductions result in reduced energy demand or significantly slows the growth in energy demand, the growth prospects of our business could be adversely impacted.

5.1.8 IPPs in Peninsular Malaysia rely on TNB as the sole offtaker for the power produced by their power plants

IPPs in Peninsular Malaysia rely on TNB to purchase the power generated by their power plants. For the FYE 31 December 2012, 2013 and 2014, TNB accounted for 96.2%, 95.9% and 94.3% of our total revenues, respectively. However, there can be no assurance that TNB will be able to continue to meet its obligations under our PPAs in the future. TNB's failure to make payments under our PPAs could materially and adversely affect our business, financial condition, results of operations and cash flows.

5.2 RISKS RELATING TO OUR BUSINESS

5.2.1 We may not be successful in implementing our business strategies

Our overall business strategy may involve substantial investments in new facilities and businesses, acquisitions relating to expanding capacity and entering into new businesses and the formation of strategic alliances, partnerships and joint ventures.

Due to inherent uncertainties, our strategic initiatives may expose us to a number of risks and challenges, including the following:

(i) new and expanded business activities may require higher capital expenditures and operating costs than initially planned or anticipated, may result in temporary increases in costs arising from the development of new technologies and may involve additional challenges in meeting compliance requirements;

(ii) new and expanded business activities may result in lower growth or profit than we currently anticipate, with no assurance that these business activities will become profitable at the level that we anticipate or at all;

(iii) new and expanded businesses may require substantial government subsidies to become profitable, and these subsidies may be substantially reduced or entirely discontinued in the future;

(iv) we may fail to identify and enter into new business opportunities in a timely manner or we may be unable to obtain sufficient financing to pursue growth strategies, placing us at a disadvantage in comparison with our competitors, particularly in overseas markets; and

(v) we may need to hire or retrain greater numbers of skilled and qualified personnel than we had anticipated to supervise and conduct the new and expanded business activities.

For our business strategies in certain markets, particularly those outside Malaysia, we depend on relationships with partners and co-investors to provide expertise, develop relationships with local clients, participate in the management of existing projects and identify project opportunities. Disagreements or disputes between us and our partners or co-investors or changes in the scope of a project, the local political or economic conditions or a partner's or co-investor's financial condition may affect our business activities, may result in us dissolving relationships with these partners or co-investors or may require us to buy or sell a portion of the remaining interests in an affected project, which could adversely affect our reputation in the markets in which we operate or intend to operate.

As part of our business strategy, we may also seek, evaluate or engage in potential acquisitions, mergers, joint ventures, strategic alliances, partnerships, restructurings, combinations, rationalisations, divestments or other similar opportunities. As the prospects of these initiatives are uncertain, there can be no assurance that we will be able to successfully implement or grow new ventures or that these ventures will not prove more difficult or costly than we had originally anticipated. In addition, in conducting due diligence in connection with a potential acquisition of interests in existing businesses, we will rely on resources available to us, including information provided by the target business and, where appropriate, third-party investigations or reports. However, there can be no assurance that our due diligence would necessarily reveal all facts that may be relevant to evaluating the opportunity.

We are pursuing a strategy of increasing the diversity of our energy portfolio. For example, in June 2013, we acquired a 50.0% participating interest in the unincorporated joint venture that owns the Macarthur Wind Farm. While more stringent environmental requirements in Malaysia and overseas may provide new business opportunities such as those related to green technologies, we may incur additional costs in pursuing these ventures, and we may not realise our anticipated levels of profits from these ventures. There can be no assurance that we will be able to identify suitable acquisitions or investments, successfully bid for new projects or successfully integrate newly acquired companies into our existing portfolio. In addition, there can be no assurance that any acquired assets will be free from default or operational limitations.

We regularly review the profitability and growth potential of our existing and new businesses. As a result of these reviews, we may decide to exit from, or to limit our investments in, these ventures. Systemic and other risks may cause these ventures not to achieve profitability to the extent originally anticipated, and we may fail to recover investments or expenditures that we have incurred.

Any of the foregoing may have a material adverse effect on our business, financial condition, results of operations and cash flows.

5.2.2 For our projects under development, the estimated timeframe and budget for the completion of critical tasks may be materially different from the actual completion date and costs, which may delay the CODs of, or reduce the economic returns from, such projects

We are currently involved in several development projects, the most significant of which is the construction of the Tanjung Bin Energy Power Plant in Johor, Malaysia. These projects involve many risks, including the following:

(i) environmental, engineering, construction and commissioning risks relating to cost overruns, delays or performance that is below expected levels of output or efficiency; and

(ii) the breakdown or failure of equipment.

In addition, projects under development may be affected by the timing of the issuance of permits and licences by government agencies, the manufacturing and delivery schedules for key equipment and the supply and cost of materials such as cement, steel and other items. Further, project delays or cancellations or adjustments to the scope of work may occur from time to time due to incidents of force majeure or legal impediments and may result in the imposition of financial penalties, including the payment of liquidated damages, if a project does not commence commercial operation by the target date.

The EPC contractors for the construction of the Tanjung Bin Energy Power Plant have reported to us that as at 25 February 2015, the actual physical completion of the construction of the Tanjung Bin Energy Power Plant stood at approximately 88.7% against the scheduled completion of approximately 95.4%, representing a variance of approximately 6.7% in the construction progress. For further information on the progress of the construction of the Tanjung Bin Energy Power Plant and possible consequences should the scheduled COD of the plant be delayed beyond 1 March 2016, which would include loss of revenue from available capacity payments of approximately RM1.9 million per day and liquidated damages of RM600,000 per day payable to TNB, see Section 7.6.4.6 of this Prospectus.

Depending on the severity and duration of the relevant events or circumstances, these risks may significantly delay the commencement of new projects or reduce the economic benefit from such projects, including as a result of higher capital requirements, loss of revenue and liquidated and other contractual damage claims, which in turn could have a material adverse effect on our business, financial condition, results of operations and cash flows.

5.2.3 Our operations are primarily conducted in Malaysia, which exposes us to risks associated with Malaysia and the performance of the Malaysian economy

We are incorporated in Malaysia, and historically, we have derived, and continue to derive, substantially all of our revenues from Malaysia. Our revenues from Malaysia accounted for 99.8%, 97.9% and 96.6% of our total revenues for the FYE 31 December 2012, 2013 and 2014, respectively. Accordingly, our business is highly dependent on the state of the Malaysian economy. Demand for electricity is directly related to the performance of the Malaysian economy (including overall growth and income levels) and the overall levels of business activity in Malaysia. Between July 1997 and 1999, Malaysia experienced a significant financial and economic downturn that resulted in, among others, a significant devaluation of the RM and an increase in the number and size of companies filing for corporate reorganisation and protection from their creditors. Recent developments in the Middle East and general weakening of the global economy have increased the uncertainty of global economic prospects and may continue to adversely affect the Malaysian economy. For example, the Malaysian economy was affected by the global economic crisis that began in late 2007, as evidenced by the 1.5% decline in Malaysia's GDP in 2009 and the decline in the growth rate of Malaysia's GDP to 4.8% in 2008, compared to 6.3% in 2007. The Malaysian economy recovered in 2011 with a 5.1% GDP growth rate, which continued to increase to 5.6% in 2012. The GDP growth rate declined to 4.7% in 2013 but subsequently increased to 6.0% in 2014. We cannot assure you that the Malaysian economy will continue to grow or that Malaysia's GDP will not decrease. Factors that may adversely affect the Malaysian economy include:

(i) decreases in business, industrial, manufacturing or financial activities in Malaysia;

(ii) scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in Malaysia;

(iii) exchange rate fluctuations;

(iv) a prolonged period of inflation or increase in interest rates;

(v) changes in the Government's taxation policies;

(vi) a re-emergence of Severe Acute Respiratory Syndrome, avian influenza (commonly known as bird flu), swine flu or the emergence of the Ebola virus or any other disease or epidemic in Malaysia;

(vii) natural disasters, including landslides, tropical storms, fires, floods or similar events;

(viii) political instability, terrorism or military conflict in Malaysia, other countries in the SEA region or globally; and

(ix) other regulatory, political, economic or social developments in or affecting Malaysia.

The factors above and other factors beyond our control may reduce the demand for electricity in Malaysia and could have a material adverse effect on our business, growth prospects, financial condition, results of operations and cash flows.

5.2.4 Our current projects and our expansion plans in overseas markets may subject us to different or greater risks than those associated with our domestic operations

While our operations have been primarily based in Malaysia, through our subsidiary, associates and joint venture, we have operations overseas and plan to expand these operations. In particular, we plan to further diversify the geographic focus of our operations to include other parts of SEA, South Asia, the MENA region, Australia, the United Kingdom, Turkey and South Africa. Overseas operations generally carry risks that are different from, or greater than, those we face in our domestic operations, including the following:

(i) challenges of complying with multiple foreign laws and regulatory requirements, including tax laws and laws regulating our operations, investments and foreign exchange;

(ii) volatility of overseas economic conditions, including variations in demand for the products and services of our overseas operations and fluctuations in foreign currency exchange rates;

(iii) legal systems that may be less predictable and less well-developed;

(iv) difficulties in enforcing legal judgments or arbitral awards and creditors' and shareholders' rights in foreign jurisdictions;

(v) risk of expropriation and exercise of sovereign immunity, where the counterparty is a foreign government;

(vi) difficulties in establishing, staffing and managing foreign operations;

(vii) differing labour regulations;

(viii) political and economic instability, natural calamities, war and terrorism;

(ix) lack of familiarity with local markets and competitive conditions;

(x) changes in applicable laws and regulations in Malaysia that affect foreign investments;

(xi) obstacles to the repatriation of dividends, earnings and cash; and

(xii) other economic, market and regulatory conditions beyond our control that may adversely affect our overseas operations and expansion plans.

Any failure by us to recognise, or respond to, these differences may adversely affect the success of our operations in overseas markets, the ability of our international operations to pay dividends or make other distributions to us, the amount of our equity contributions to, and distributions from, our international operations and other developments that we may not be fully capable of insuring against or otherwise mitigate. Any of these developments could materially and adversely affect our business, financial condition, results of operations and cash flows.

5.2.5 We may fail to effectively manage our present or future assets, projects, associates or joint ventures in which we have, or will have, minority interests

We have previously expanded our business through acquisitions, partnerships and joint ventures, and these remain our key strategies in the future growth of our business. Acquisitions, partnerships or joint ventures may require us to make significant cash investments, issue stock or incur substantial debt. Further, problems may arise preventing the effective integration of expanded operations and the ability to maintain key pre-acquisition relationships.

We may not be able to effectively manage or execute our business strategy with respect to our present or future assets, projects, associates or joint ventures in which we have, or will have, equity interests of 50.0% or less. Our control over these assets, projects, associates or joint ventures is generally subject to the terms of applicable agreements and arrangements. Other than as provided for in these agreements and arrangements, our ownership interests do not provide us with the right to control the actions of these assets, projects, associates and joint ventures. For example, the Kapar Power Plant, which is owned by our associate, KEV, over which we do not have management control, experienced various operational issues in recent years. For further information on the issues at the Kapar Power Plant and their impact to our financial performance, see Section 12.2.2(ii)(b) of this Prospectus. Further, our partners in these assets, projects, associates or joint ventures may:

(i) have economic or business interests or goals that are inconsistent with ours;

(ii) take actions contrary to our instructions or requests or contrary to our policies or objectives; or

(iii) be unable or unwilling to fulfil their obligations under the applicable agreement or arrangement or to provide anticipated levels of support.

Any disagreement with any of our partners in connection with the scope of performance of our respective obligations with respect to any of these assets, projects, associates or joint ventures, or with respect to their provision of anticipated levels of support, could affect our ability to develop or operate the respective asset, project, associate or joint venture. Any serious dispute with any of our partners could adversely affect our business, financial condition, results of operations and cash flows.

5.2.6 The use of derivative instruments, such as forwards, futures and options contracts, may not fully hedge the risks of adverse fluctuations in foreign exchange and interest rates

We use derivative instruments such as forwards, futures, non-deliverable forwards, swap and options contracts, or other similar transactions or combination of these transactions, in the ordinary course of our business to hedge the risks of adverse fluctuations in foreign exchange and interest rates. However, because foreign exchange and credit markets are very volatile, we may not be able to fully hedge the future gains or losses with these instruments against the corresponding change in the underlying currency or note. Any severe or wide fluctuation in these currencies or notes could adversely affect our business, financial condition and results of operations if we are unable to manage such fluctuations effectively through these derivative instruments.

5.2.7 Our insurance coverage may not be adequate to cover all losses or liabilities that may arise in connection with our operations

We maintain insurance at levels that we believe are customary in the industry in which we operate to protect against various losses and liabilities. We maintain insurance to cover, among others, damage to the equipment, infrastructure and facilities of our power plants, business interruption risks and workers compensation. For example, we have insurance coverage for construction delays at the Tanjung Bin Energy Power Plant. There can be no assurance that this insurance or other insurance will be sufficient to cover any losses related to construction delays or other losses or liabilities that might be incurred in our operations, including at the Tanjung Bin Energy Power Plant. For a discussion of the progress in the construction of the Tanjung Bin Energy Power Plant, see Section 7.6.4.6 of this Prospectus. The operation of our facilities involves many risks and hazards, and if we were to incur a significant loss or liability for which we were not fully insured, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our insurance coverage is also subject to periodic renewal. If the availability of insurance coverage is reduced significantly for any reason, we may become exposed to certain risks for which we are not and/or could not be insured. Further, if premium levels for the insurance coverage required for these facilities increase significantly, we could incur substantially higher costs for such coverage or may decide to reduce the coverage amount, either of which could have an adverse effect on our business, financial condition, results of operations and cash flows.

5.2.8 We depend on experienced, skilled and qualified personnel and senior management, and our business, results of operations and cash flows may be disrupted if we are unable to retain their services

We rely on experienced, skilled and qualified personnel for the management and operation of our business. The loss of such experienced, skilled or qualified personnel may lead to operating challenges and increased costs. These challenges include lack of resources, loss of knowledge and lengthy period of time associated with skill development. In this case, costs, including costs related to contract labour, productivity and safety, may rise. Failure to hire and adequately train replacement employees, including the transfer of significant internal historical knowledge and expertise to new employees, or the limited availability and rising cost of contract labour may adversely affect our ability to manage and operate our business. The loss of a significant number of qualified personnel could adversely affect our ability to compete in our industry, which in turn could have a material adverse effect on our business, results of operations and cash flows.

In addition, we rely, and will likely continue to rely, significantly on the continued individual and collective contributions of our senior management. There can be no assurance that we will be able to retain our senior management. The loss of any of these key employees without a suitable replacement, or our inability to retain these key employees, could have a material adverse effect on our business, results of operations and cash flows.

5.2.9 We and our associate may not be able to renew or extend our or its existing PPAs or secure new PPAs on similar or satisfactory terms or at all, and we and our associate may not be able to renew our or its IPP Licences

Given the possibility of the Government changing the structure of the power industry, IPPs are coming under increasing pressure to provide more competitively priced tariffs when renewing or extending existing PPAs or bidding for new PPAs. Terms and conditions in the PPAs could become more stringent under each successive generation of PPAs with TNB. In addition, to the extent PPAs are renewed or extended, they may be for shorter periods than current renewals or extensions. For example, in February 2013, SEV signed a supplemental agreement to the Existing SEV PPA, which applies from March 2013 to June 2017, and the New SEV PPA, which takes effect upon the expiration of the Existing SEV PPA in June 2017. The New SEV PPA, which applies from July 2017 to June 2027, has a shorter term of 10 years compared to the 21-year term under the Existing SEV PPA. In addition, these new contractual arrangements for SEV provide for lower levelised tariffs as compared to the Existing SEV PPA. We and our associate sell the power generated by our and its power plants pursuant to our and its PPAs and we and our associate plan to seek to renew or extend our and its existing PPAs and bid for new PPAs in the future. We cannot assure you that we and our associates will be able to renew or extend our or its existing PPAs (including our PD Power PPA) or secure new PPAs upon similar or satisfactory terms or at all, and failure to do so could have a material adverse effect on our business, financial condition, results of operations and cash flows. If we or our associate are unable to renew or extend any of our or its existing PPAs, we or our associate will not be able to sell power using the relevant power plant at that juncture. In such event, we or our associate may consider either selling our or its power plant equipment to a third-party or using the equipment in our other power plants in or outside of Malaysia.

In Malaysia, the power plants owned by our subsidiaries and our associate are subject to the Electricity Supply Act. The entities owning these power plants operate under licences awarded by the Energy Commission, which is itself subject to the Electricity Supply Act. Only those licenced under the Electricity Supply Act (or otherwise exempted or created by statute to generate and/or supply electricity as a supply authority) are permitted to participate as suppliers of electricity in Malaysia. The power plants of our subsidiaries and associate have licences that expire on various dates in the future and we cannot assure you that the Energy Commission will renew the licences of our subsidiaries or associate upon their expiry dates. Any such non-renewal could have a material adverse effect on our business, financial condition, results of operations and cash flows. For further information on the licences held by our subsidiaries that operate power plants, see Annexure A of this Prospectus.

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5.2.10 The loss of certain tax exemptions and tax incentives or the imposition of new taxes would increase our tax liability and decrease our future profits

We currently benefit from certain tax exemptions and tax incentives pursuant to the Income Tax Act, Customs Act and Sales Tax Act. With respect to the Customs Act and the Sales Tax Act, the Government, through the Malaysian Investment Development Authority, agreed to exempt import duty and sales tax pursuant to Section 14(2) of the Customs Act and Section 10 of the Sales Tax Act, respectively, in relation to qualifying machinery, equipment and materials to be imported for electricity generation and located at the Tanjung Bin Energy Power Plant. This exemption must be applied for on an annual basis and is subject to evaluation by the Government based on current policy and merit. In the FYE 31 December 2012, we also enjoyed tax incentives of RM120.0 million per year meant to address changes in the tax system that had affected the deductibility of certain of our interest expenses. These tax incentives ceased after the assessment year 2013. For information on the impact of such tax incentive on our income tax expenses, see Section 12.2.5(xi) of this Prospectus.

There can be no assurance that these tax exemptions or tax incentives will not be revoked or repealed, or that we will be able to obtain and benefit from these or similar tax exemptions and tax incentives in the future, in which case our income from these sources would be subject to corporate income tax and accordingly, our tax expense would increase and our profitability would decrease. The loss of these tax exemptions and tax incentives or the imposition of new taxes, and any associated impact on us, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

5.2.11 Global capital and credit market issues could negatively affect our liquidity, increase our costs of borrowing and disrupt the operations of our suppliers and customers

Global capital and credit markets have experienced extreme volatility, disruption and decreased liquidity in recent years, making it more difficult for companies to access capital and credit markets. While there have been periods of stability in these markets, the environment has become more volatile and unpredictable. Volatility in global financial markets has added to the uncertainty of the global economic outlook and a number of countries, including European countries, the United States and China, are experiencing slow economic activity. While we do not have direct exposure to the affected European countries, the United States or China, the main risks we face are the damage to market confidence and access to, and costs of, funding and a slowing down in the activity of our business partners or other adverse impacts on entities with whom we have business dealings.

We depend on stable, liquid and well-functioning capital and credit markets to fund our future projects and development and to make timely repayments of our debt obligations. If market conditions continue to deteriorate due to economic, financial, political or other reasons, our ability to obtain bank financing and access the capital markets in the future may be adversely affected. We cannot assure you that any required additional financing, either on a short-term or long-term basis, will be made available on terms satisfactory to us or at all. If adequate funding is not available when needed, or is available only on unfavourable terms, meeting our capital needs or otherwise taking advantage of business opportunities or responding to competitive pressures may become challenging. Our business could also be negatively affected if our suppliers or customers are unable to perform their obligations owed to us under our contracts with them due to tighter capital and credit markets or a slowdown in the general economy. Any or all of these developments could have a material adverse effect on our business, financial condition, results of operations and cash flows.

5.2.12 We are controlled by a substantial shareholder, whose interests may not be aligned with those of the other shareholders of our Company

As disclosed in Section 9.3.3 of this Prospectus, upon the successful completion of our IPO and assuming that the Over-allotment Option is not exercised, MMC will own (directly and indirectly through its wholly-owned subsidiary, AOA) 37.8% of our enlarged issued and paid-up share capital. As the controlling shareholder of our Company, other than in respect of certain votes regarding matters in which it is an interested party and must abstain from voting under the Listing Requirements and the Act, MMC will be able to influence the election of our Directors and the approval of any corporate proposals or transactions requiring the approval of our shareholders.

The interests of MMC may differ from, or conflict with, the interests of our other shareholders. Although we will be required to comply with the conflicts of interests rule under the Listing Requirements, there can be no assurance that the interests of MMC will be aligned with the interests of the other shareholders of our Company.

5.2.13 We are a holding company and as a result, are dependent on dividends from our subsidiaries, associates and joint venture to meet our obligations and to provide funds for payment of dividends on our Shares

We are a holding company and conduct substantially all of our operations through our subsidiaries, associates and joint venture. Accordingly, dividends and other distributions received from our subsidiaries, associates and joint venture are our principal sources of income. Consequently, the amount of these dividends and distributions are an important factor in determining our ability to pay dividends on our Shares (to the extent declared by our Board). The ability of our subsidiaries, associates and joint venture to pay dividends or make other distributions to us is subject to the availability of their distributable reserves and them having sufficient funds that are not needed to fund their operations, debt servicing and other obligations or business plans. The ability to pay dividends or make other distributions is also subject to applicable laws, including restrictions on repatriation of profits, and restrictions on such payments contained in relevant financing and other agreements.

In addition, changes in applicable accounting standards may affect the ability of our subsidiaries, associates and joint venture, and, consequently, our ability, to pay dividends. As we are a shareholder of our subsidiaries, associates and joint venture, our claims as a shareholder will generally rank junior to all claims of our subsidiaries', associates' and joint venture's creditors and claimants. In the event of a liquidation of a subsidiary, associate or joint venture, there may not be sufficient assets for us to recoup our investment in that entity.

5.2.14 A delay or failure in the supply of our specialty parts, components or equipment from third-party suppliers may adversely affect our business and results of operations

We rely on third-parties for the timely supply of our specialty parts, components and equipment required for operation and maintenance of our plants. Our plants use specialty parts, components and equipment developed by our chosen technology suppliers, which may not be available from other companies. If we are not supplied with the specialty parts, components or equipment that we require in a timely manner for any reason, including as a result of logistical, technical or financial difficulties at the third-party suppliers, we may experience disruptions to our business operations.

Further, our third-party suppliers may request for changes in pricing, payment terms or other terms that could result in us having to make substantial additional payments or incur additional costs. In addition, any cancellation of, dispute arising from or inability to maintain business relationships with our third-party suppliers could adversely affect the operations of our power plants, and we may not be able to secure similar specialty parts, components or equipment from other third-parties. Any of these events could have a material adverse effect on our business and results of operations.

5.2.15 Exchange rate fluctuations could negatively affect our financial condition and results of operations

Part of our income and expenses, particularly those relating to our overseas investments and operations, are denominated in foreign currencies, while our reporting currency is the RM. Fluctuations in the exchange rate between the RM and foreign currencies may not have a material impact on our foreign currency denominated cash flow, but they may have an adverse impact on our reported income and expenses as they are required to be stated in RM, as well as on financial and other covenants contained in our indebtedness that are based upon such reported financial figures. For further information on the net foreign exchange gain and loss recognised by our Group for the FYE 31 December 2012, 2013 and 2014, see note 37 of Section A of the Accountants' Report included in Section 13 of this Prospectus.

5.2.16 Existing or future claims against our Company, subsidiaries, associates or joint venture, or our Directors or key management may have an unfavourable impact on us

From time to time, our Company, our subsidiaries, associates or joint venture, or our Directors or key management may be subject to litigation, investigations, claims and other legal proceedings. For a description of certain legal proceedings, see Sections 12.2.7(vii) and 15.5 of this Prospectus. Legal proceedings could cause us to incur unforeseen expenses, could occupy a significant amount of our management's time and attention, and could negatively affect our business operations and financial position. Further, legal proceedings could be time consuming with unpredictable outcomes and it is difficult for us to predict the possible losses, damages or expenses arising from such legal proceedings. An unfavourable outcome in these or other legal proceedings could have a material adverse effect on our business, financial position, results of operations and cash flows.

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5.3 RISKS RELATING TO OUR SHARES AND OUR IPO

5.3.1 The offering of our Shares may not result in a liquid market for our Shares

Prior to the Listing, there has been no public market for our Shares. There can be no assurance as to the development of any market, or the liquidity of any market that may develop, for our Shares, the ability of holders to sell our Shares or the prices at which holders would be able to sell our Shares. None of us, the Promoters, the Selling Shareholders or the Placement Managers have an obligation to make a market for our Shares.

Bursa Securities has granted its approval for the Listing. It is expected that there will be an approximate 10-Market Day gap between the closing of the Institutional Offering and trading of our Shares. We cannot assure you that there will be no event or occurrence that will have an adverse impact on the securities markets, our industry or us during this period that would adversely affect the market price of our Shares when they begin trading.

5.3.2 Our Share price may be volatile

The market price of our Shares could be affected by numerous factors, including the following:

(i) general market, political and economic conditions;

(ii) trading liquidity of our Shares;

(iii) differences in our actual financial and operating results and those expected by investors and analysts;

(iv) changes in earnings estimates and recommendations by financial analysts;

(v) changes in market valuations of listed shares in general or shares of companies comparable to ours;

(vi) perceived prospects of our business and the industry in which we operate;

(vii) changes in government policy, legislation or regulation; and

(viii) general operational and business risks.

In addition, many of the risks described elsewhere in this Prospectus could materially and adversely affect the market price of our Shares. Accordingly, there can be no assurance that our Shares will not trade at prices lower than the Institutional Price or the Retail Price.

Over the past few years, the Malaysian, regional and global equity markets have experienced significant price and volume volatility that has affected the share prices of many companies. Share prices of many companies have experienced wide fluctuations that are often unrelated to the operating performance of these companies, including fluctuations as a result of developments in other emerging markets. There can be no assurance that the price and trading of our Shares will not be subject to fluctuations.

5.3.3 There may be a delay in, or termination of, our Listing

The occurrence of certain events, including the following, may cause a delay in, or termination of, our Listing:

(i) the Joint Underwriters' exercise of their rights under the Retail Underwriting Agreement to discharge themselves of their obligations thereunder;

(ii) our inability to meet the minimum public spread requirement as determined by Bursa Securities, that is, having at least 25% of our enlarged issued and paid-up share capital in the hands of at least 1,000 public shareholders holding at least 100 Shares each at the point of our Listing; or

(iii) the revocation of approvals from the relevant authorities for our Listing for whatever reason.

In such an event, investors will not receive any IPO Shares, and we and the Selling Shareholders will become liable to return in full all monies paid in respect of all applications for the IPO Shares. If such monies are not returned in full within 14 days after we and the Selling Shareholders become liable to repay it, then, in accordance with the provision of Subsection 243(2) of the CMSA, we and the Selling Shareholders (including the officers of our Company and the Selling Shareholders) shall be jointly and severally liable to return such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC from the expiration of that period until the full refund is made.

In the event that our Listing is aborted and our Shares have been allotted to the shareholders, a return of monies to our shareholders could only be achieved by way of a cancellation of share capital as provided under the Act and its related rules. Such cancellation requires the sanction of our shareholders by special resolution in a general meeting, consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya. In the event the approval of the High Court of Malaya is not obtained, there can be no assurance that such monies can be recovered within a short period of time or at all in such circumstances.

5.3.4 We may not be able to pay dividends

We propose to pay dividends out of cash generated by our operations after setting aside necessary funding for capital expenditures and working capital needs. For further information on our dividend policy and our ability to pay dividends, see Sections 12.8 and 5.2.13 of this Prospectus, respectively. Dividend payments are not guaranteed, and our Board may decide, in its sole and absolute discretion, at any time and for any reason, not to pay dividends or to pay smaller dividends than we currently propose. If we do not pay dividends, or pay dividends at levels lower than that anticipated by investors, the market price of our Shares may be negatively affected and the value of the investment in our Shares may be reduced.

Further, our payment of dividends may adversely affect our ability to fund unexpected capital expenditures as well as our ability to make interest and principal repayments on any borrowings that we may have outstanding at the time. As a result, we may be required to borrow additional money or raise capital by issuing equity securities, which may not be on favourable terms or available at all. Further, in the event we incur new borrowings subsequent to our Listing, we may be subject to covenants restricting our ability to pay dividends.

5.3.5 The sale, or the possible sale, of a substantial number of our Shares in the public market following our IPO could adversely affect the price of our Shares

Following the IPO, up to 1,521,740,000 IPO Shares, representing up to approximately 30.4% of our enlarged issued and paid-up share capital, will be publicly held by investors participating in our IPO, while 1,890,434,000 Shares, representing approximately 37.8% of our enlarged issued and paid-up share capital, will be held by MMC (directly and indirectly through its wholly-owned subsidiary, AOA), assuming that the Over-allotment Option is not exercised. Following the Listing, the Shares sold in our IPO will be tradable on the Main Market of Bursa Securities without restriction. Our Shares may also be sold in the United States, subject to the restrictions of the U.S. Securities Act, or outside the United States, subject to the restrictions of Regulation S. We, EPF, KWAP, SEASAF and SCI Asia are expected to enter into lock-up arrangements and MMC and AOA, as the Promoters, are subject to moratorium in accordance with the Equity Guidelines and are also expected to enter into lock-up arrangements.

Notwithstanding our existing level of cash and cash equivalents, we may issue additional Shares after the end of the lock-up period in connection with financing activities or otherwise. In addition, any of EPF, KWAP, SEASAF, SCI Asia, MMC or AOA could dispose of some or all of our Shares that they hold after the lock-up period and moratorium period pursuant to their own investment objectives. If any of EPF, KWAP, SEASAF, SCI Asia, MMC or AOA sells, or is perceived as intending to sell, a substantial amount of our Shares that they hold, the market price for our Shares could be adversely affected.

5.3.6 Because the Retail Price and the Institutional Price are higher than our NA per Share, purchasers of our Shares in our IPO will experience immediate and substantial dilution, and purchasers of our Shares may experience further dilution if we issue additional Shares in the future

The Retail Price and the Institutional Price are higher than our NA per Share. Therefore, purchasers of our Shares in our IPO will experience an immediate dilution in NA per Share of RM0.63 per Share assuming that the Retail Price is RM1.80 and Institutional Price is RM1.80, and our existing shareholders will experience an increase in NA per Share.

In order to meet our funding requirements, we may consider offering and issuing additional Shares or equity-linked securities in the future. Purchasers of our Shares may experience further dilution in NA per Share if we issue additional Shares or equity-linked securities in the future.

5.3.7 Forward-looking statements in this Prospectus may not be accurate

This Prospectus contains forward-looking statements. All statements, other than statements of historical facts, included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, plans and objectives for future operations, are forward-looking statements. Such forward-looking statements are made based on assumptions that we believe to be reasonable as at the date of this Prospectus. Forward-looking statements can be identified by the use of forward-looking terminologies, such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions, and include all statements that are not historical facts. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements, or industry results expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such factors include, among others, general economic and business conditions, competition, the impact of new laws and regulations affecting our industry and initiatives of the Government.

In light of these uncertainties, the inclusion of such forward-looking statements in this Prospectus should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

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6. INFORMATION ON OUR GROUP

6.1 OUR COMPANY

6.1.1 Background and History

Our Company was incorporated in Malaysia under the Act on 26 April 2006 as a private limited company under the name of Nucleus Avenue (M) Sdn Bhd and commenced our business on 9 June 2006. We were converted into a public company on 26 September 2006 and assumed our present name on 25 April 2007.

In April 2007, MMC through Malakoff acquired all the assets (other than cash) of MB, including the assumption of all the liabilities of MB. The Acquisition resulted in the respective interests held by MB in the group being transferred to Malakoff. MB was subsequently de-listed from the Main Board of Bursa Securities (now known as Main Market of Bursa Securities) on 18 July 2007 after the completion of the Acquisition.

Our principal activity is to carry on the business of investment holding activities whilst the principal activities of our subsidiaries, associates and joint venture are set out in Section 6.2 of this Prospectus.

6.1.2 Pre-IPO Exercise

In conjunction with, and as an integral part of our Listing, we had implemented and completed the following Pre-IPO Exercise:

6.1.2.1 Conversion of RCPS

Prior to the Pre-IPO Exercise, we had a total of 41,792,004 RCPS with a par value of RM0.10 each ("**Existing RCPS**") in issue. In accordance with the terms governing the Existing RCPS, we issued one additional RCPS of RM0.90 each for every one Existing RCPS held by the holders of the Existing RCPS. Subsequently, we consolidated one Existing RCPS and one RCPS of RM0.90 each into one new RCPS of RM1.00 each ("**Consolidated RCPS**").

After the consolidation of the RCPS, the holders of the Consolidated RCPS converted the entire 41,792,004 Consolidated RCPS into 41,792,004 new ordinary shares of RM1.00 each in our Company ("**Pre-subdivided Shares**").

The following table shows the shareholding of our Company before and after the Conversion of RCPS:

	Before the Conversion of RCPS				After the Conversion of RCPS			
Shareholder	**Pre-subdivided Shares held**	**(%)**	**RCPS held**	**(%)**	**Pre-subdivided Shares held**	**(%)**	**RCPS held**	**(%)**
MMC	78,850,000	22.4	9,379,125	22.4	88,229,125	22.4	-	-
AOA	100,335,456	28.6	11,934,797	28.6	112,270,253	28.6	-	-
EPF	105,403,209	30.0	12,537,601	30.0	117,940,810	30.0	-	-
KWAP	35,134,403	10.0	4,179,200	10.0	39,313,603	10.0	-	-
SCI Asia	22,837,362	6.5	2,716,480	6.5	25,553,842	6.5	-	-
SEASAF	8,783,600	2.5	1,044,801	2.5	9,828,401	2.5	-	-
Total	**351,344,030**	**100.0**	**41,792,004**	**100.0**	**393,136,034**	**100.0**	**-**	**-**

Following the completion of the Conversion of RCPS, our issued and paid-up share capital increased from 351,344,030 Pre-subdivided Shares to 393,136,034 Pre-subdivided Shares.

The Conversion of RCPS does not involve any cash outlay from holders of the Existing RCPS.

6.1.2.2 Bonus Issue

Upon completion of the Conversion of RCPS, we undertook a bonus issue of 6,863,966 Bonus Shares, which were credited as fully paid-up on a pro-rata basis to our existing shareholders, calculated based on their respective shareholdings in our Company after the Conversion of RCPS for the purpose of increasing our issued and paid-up share capital from 393,136,034 Pre-subdivided Shares to 400,000,000 Pre-subdivided Shares in order to facilitate our Listing. Any fractional entitlements under the Bonus Issue have been dealt with by our Directors to arrive at the shareholding structure set out below:

	Before the Bonus Issue		After the Bonus Issue	
Shareholder	**Pre-subdivided Shares held**	**(%)**	**Pre-subdivided Shares held**	**(%)**
MMC	88,229,125	22.4	89,769,563	22.4
AOA	112,270,253	28.6	114,230,437	28.6
EPF	117,940,810	30.0	120,000,000	30.0
KWAP	39,313,603	10.0	40,000,000	10.0
SCI Asia	25,553,842	6.5	26,000,000	6.5
SEASAF	9,828,401	2.5	10,000,000	2.5
Total	**393,136,034**	**100.0**	**400,000,000**	**100.0**

After the Bonus Issue, our issued and paid-up share capital increased from 393,136,034 Pre-subdivided Shares to 400,000,000 Pre-subdivided Shares.

6.1.2.3 Subdivision of Shares

After the Bonus Issue, we undertook a subdivision of every one existing ordinary share of RM1.00 each in our Company into 10 ordinary shares of RM0.10 each in our Company, which were credited as fully paid-up.

Following the completion of the Subdivision of Shares, the authorised share capital of our Company was altered and increased from RM500,000,000 comprising 500,000,000 ordinary shares of RM1.00 each to RM1,000,000,000 comprising 10,000,000,000 ordinary shares of RM0.10 each whilst the resultant issued and paid-up share capital of our Company is RM400,000,000 comprising 4,000,000,000 ordinary shares of RM0.10 each.

6.1.3 Share Capital

Our authorised share capital is RM1,000,000,000 comprising 10,000,000,000 Shares whilst our issued and paid-up share capital is RM400,000,000 comprising 4,000,000,000 Shares as at the date of this Prospectus.

The changes in our issued and paid-up share capital for the past three years preceding the date of this Prospectus are as follows:

(i) Ordinary shares

Date of allotment/ conversion/ subdivision	No. of shares	Par value	Consideration	Cumulative issued and paid-up share capital
		RM		RM
1 April 2015	41,792,004	1.00	Pursuant to the Conversion of RCPS	393,136,034
1 April 2015	6,863,966	1.00	Pursuant to the Bonus Issue	400,000,000
1 April 2015	4,000,000,000	0.10	Pursuant to the Subdivision of Shares	400,000,000

(ii) RCPS

Date of allotment/ redemption/ conversion	No. of RCPS	Nominal value	Consideration	Cumulative issued and paid-up RCPS
		RM		RM
1 April 2015	41,792,004	0.90	Issuance of 41,792,004 new RCPS at a nominal value of RM0.90	41,792,004
1 April 2015	(41,792,004)	1.00	Converted pursuant to the Conversion of RCPS	-

Our issued and paid-up share capital will increase to RM500,000,000 comprising 5,000,000,000 Shares following the completion of the Public Issue.

6.1.4 Junior Sukuk Musharakah

On 3 September 2012, our Company issued the Junior Sukuk Musharakah of RM1,800 million of which RM1,700 million was utilised to refinance the Junior Sukuk which was used to partly refinance the Acquisition, with the balance utilised for our working capital purposes and to defray expenses incurred in relation to the issuance of the Junior Sukuk Musharakah. The Junior Sukuk Musharakah was issued via direct placement on a best effort basis to investors, namely KWAP, Lembaga Tabung Haji, CIMB Group Holdings Berhad and Malayan Banking Berhad. The Junior Sukuk Musharakah has a tenure of 30 years from the issue date.

The Junior Sukuk Musharakah is not rated given that the sukukholders do not require a rating and the Junior Sukuk Musharakah is non-tradable and non-transferable.

The Junior Sukuk Musharakah shall be subordinated to all other senior and unsecured debt of our Company in terms of priority but shall rank in priority over our preference and ordinary shareholders.

However, the Junior Sukuk Musharakah is intended to be fully redeemed via the proceeds to be raised from the Public Issue. For detailed information relating to the utilisation of proceeds, see Section 4.8 of this Prospectus.

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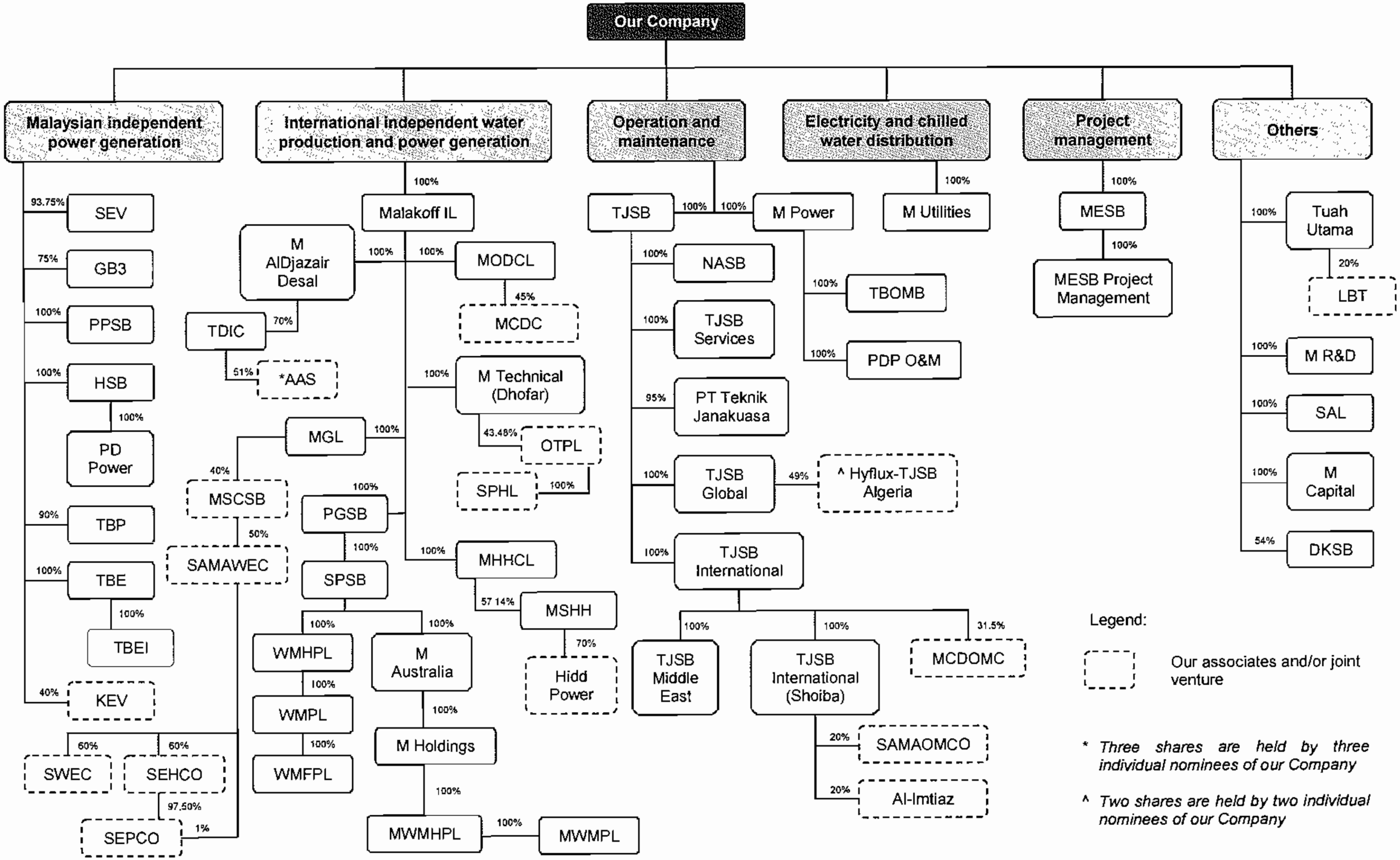
6. INFORMATION ON OUR GROUP *(Cont'd)*

6.2 SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

Our current group structure is set out below:



* Three shares are held by three individual nominees of our Company

^ Two shares are held by two individual nominees of our Company

6. INFORMATION ON OUR GROUP *(Cont'd)*

Our subsidiaries, associates and joint venture as at the Latest Practicable Date are as follows:

Name	Date and country of incorporation	Issued and paid-up share capital	Our effective equity interest	Principal activities
		RM (unless otherwise stated)	%	
Our subsidiaries				
PDP O&M	27 July 1990 Malaysia	2	100.00	Operation and maintenance of power plant
SEV	2 September 1992 Malaysia	4,001,000	93.75	Design, construction, operation and maintenance of a combined cycle power plant, generation and sale of electrical energy and generating capacity of the power plant
HSB	5 December 1992 Malaysia	30,010,000	100.00	Investment holding
PD Power	12 May 1993 Malaysia	300,000[1]	100.00	Independent power producer licensed by the Government to supply electricity exclusively to TNB
TJSB	28 July 1993 Malaysia	1,000,000	100.00	Investment holding company and provision of operation and maintenance and any related services
NASB	9 July 1994 Malaysia	100,000	100.00	Dormant
MESB	18 January 1996 Malaysia	1,000,000	100.00	Provision of engineering and project management services
M Utilities	20 January 1996 Malaysia	10,000,000	100.00	Build, own and operate an electricity distribution system and a centralised chilled water plant system
DKSB	30 July 1996 Malaysia	1,000,000	54.00	Land reclamation, development and/or sale of reclaimed land
TBP	11 March 1998 Malaysia	5,000,002	90.00	Design, engineering, procurement, construction, installation and commissioning, testing, operation and maintenance of a 2,100 MW coal-fired electricity generating facility and sale of electrical energy and generating capacity of the power plant

[1] *Comprising 150,000 ordinary shares of RM1.00 each and 150,000 RPS of RM1.00 each.*

6. INFORMATION ON OUR GROUP *(Cont'd)*

Name	Date and country of incorporation	Issued and paid-up share capital	Our effective equity interest	Principal activities
		RM (unless otherwise stated)	%	
TBE	21 April 1999 Malaysia	5,000,000	100.00	Design, engineering, procurement, construction, installation and commissioning, testing, operation and maintenance of a 1,000 MW coal-fired electricity generating facility
Tuah Utama	4 May 1999 Malaysia	2	100.00	Investment holding
PPSB	1 March 2000 Malaysia	1,000,000	100.00	Design, construction, operation and maintenance of a combined cycle power plant, generation and sale of electrical energy and generating capacity of the power plant
MGL	9 June 2000 British Virgin Islands	USD2	100.00	Offshore – Investment holding
GB3	9 August 2000 Malaysia	1,000,000	75.00	Design, construction, operation and maintenance of a combined cycle power plant, generation and sale of electrical energy and generating capacity of the power plant
Malakoff IL	26 August 2005 Cayman Islands	USD250,000	100.00	Offshore – Investment holding
TJSB International (Shoaiba)	11 November 2005 British Virgin Islands	USD2	100.00	Offshore – Investment holding
MHHCL	13 December 2005 Guernsey	USD56,266,912	100.00	Asset, property, investment, intellectual property and other holding companies
MSHH	13 December 2005 Guernsey	USD98,467,095	57.14	Asset, property, investment, intellectual property and other holding companies
M Technical (Dhofar)	20 April 2006 British Virgin Islands	USD2	100.00	Offshore – Investment holding
TJSB Middle East	22 August 2006 British Virgin Islands	USD2	100.00	Operation and maintenance of power plant
TJSB International	21 August 2006 Cayman Islands	USD2,000	100.00	Offshore – Investment holding
TJSB Global	3 November 2006 Malaysia	250,000	100.00	Investment holding

6. INFORMATION ON OUR GROUP *(Cont'd)*

Name	Date and country of incorporation	Issued and paid-up share capital	Our effective equity interest	Principal activities
		RM (unless otherwise stated)	%	
M AlDjazair Desal	4 January 2007 Malaysia	100,000	100.00	Investment holding
TDIC	28 February 2007 France	EUR37,000	70.00	Offshore – Investment holding
M Power	22 July 2010 Malaysia	2	100.00	Operation and maintenance of power plants
M R&D	18 February 2011 Malaysia	2	100.00	Promoting, developing, acquiring and enhancing our Group's capacity and innovation in the energy business
TJSB Services	25 April 2011 Malaysia	750,000	100.00	Provision of maintenance, repair and overhaul and any related services to power plants and any other plants of similar main and auxiliary operating systems
TBEI	22 November 2011 Malaysia	100,000	100.00	Administer and manage the development of a 1,000 MW coal-fired electricity generating facility
TBOMB	16 July 2012 Malaysia	2	100.00	Operation and maintenance of power plant
SAL	3 December 1996 British Virgin Islands	USD1,000	100.00	Dormant
M Capital	18 May 2005 Federal Territory of Labuan, Malaysia	USD2,000	100.00	Dormant
MODCL	23 May 2007 British Virgin Islands	USD2	100.00	Offshore – Investment holding
MESB Project Management	10 December 2008 Malaysia	2	100.00	Dormant
PT Teknik Janakuasa	19 April 2013 Indonesia	IDR5,117,214,900	95.00	Provision of operation and maintenance services to power plant and/or other utility plants
PGSB	3 June 2013 Malaysia	2	100.00	Investment holding
SPSB	3 June 2013 Malaysia	2	100.00	Investment holding

Name	Date and country of incorporation	Issued and paid-up share capital	Our effective equity interest	Principal activities
		RM (unless otherwise stated)	%	
WMHPL	5 June 2013 Australia	AUD1	100.00	Investment holding
M Australia	7 June 2013 Australia	AUD1	100.00	Investment holding
M Holdings	7 June 2013 Australia	AUD1	100.00	Investment holding
MWMHPL	16 March 2007 Australia	AUD44,002,816	100.00	Investment holding
MWMPL	16 March 2007 Australia	AUD34,719,309	100.00	Leasing of wind turbine assets[2]
WMPL	5 June 2013 Australia	AUD1	100.00	Leasing of plant and equipment
WMFPL	5 June 2013 Australia	AUD1	100.00	Financing operations for Macarthur Wind Farm project
Our associates				
SPHL	2 March 1995 Bermuda	USD12,000	43.48	Offshore – Investment holding
LBT	18 December 1996 Malaysia	68,200,000[3]	20.00	Development, ownership and management of a dry bulk terminal
KEV	29 June 2000 Malaysia	2,000,000	40.00	Generation and sale of electricity
MSCSB	26 August 2005 Malaysia	3,741,320[4]	40.00	Investment holding
SAMAWEC	27 October 2005 Kingdom of Saudi Arabia	SR936,800,000	20.00	Offshore – Investment holding
SAMAOMCO	5 January 2006 Kingdom of Saudi Arabia	SR1,500,000	20.00	Operation and maintenance of power and water desalination plant
Hidd Power	21 January 2006 Bahrain	USD140,663,100	40.00	Building, operation and maintenance of power and water stations for special purposes (specific supply only)

2 *MWMPL holds 50.0% participating interest in the unincorporated joint venture of the Macarthur Wind Farm.*

3 *Comprising 68,000,000 ordinary shares of RM1.00 each and 20,000,000 redeemable cumulative convertible preference shares of RM0.01 each.*

4 *Comprising 100,000 ordinary shares of RM1.00 each and 3,641,320 RPS of RM1.00 each.*

6. INFORMATION ON OUR GROUP *(Cont'd)*

Name	Date and country of incorporation	Issued and paid-up share capital	Our effective equity interest	Principal activities
		RM (unless otherwise stated)	%	
OTPL	30 March 2006 British Virgin Islands	USD34,884,845	43.48	Offshore – Investment holding
SWEC	3 August 2006 Kingdom of Saudi Arabia	SR1,560,500,000	12.00	Design, construction, commissioning, testing, possession, operation and maintenance of crude oil fired power generation and water desalination plant
SEHCO	9 June 2007 Kingdom of Saudi Arabia	SR175,818,000	12.00	Development, construction, ownership, operation and maintenance of the Shuaibah Phase 3 Expansion IWP, transport and sale of water and undertake all works and activities related thereto, directly or through another company holding most of its shares or stock
Al-Imtiaz	10 June 2007 Kingdom of Saudi Arabia	SR500,000	20.00	Implementation of operation and maintenance contracts for stations of electrical power generation and water desalination
Hyflux-TJSB Algeria	5 December 2007 Algeria	AD7,000,000	49.00[5]	Operation and maintenance of water desalination plant
SEPCO	21 September 2008 Kingdom of Saudi Arabia	SR175,818,000	11.90	Development, construction, possession, operation and maintenance of the Shuaibah Phase 3 Expansion IWP, transfer and sell water and all relevant works and activities
MCDC	19 January 2013 Sultanate of Oman	OMR15,555,040	45.00	Desalination of water
MCDOMC	21 August 2013 Sultanate of Oman	OMR150,000	31.50	Operation and maintenance of pump stations and pipelines, installation and repair of electric power and transformer plants and telecommunications and radar plants, export and import offices, and laying and maintenance of all kinds of pipes, business agencies (excluding portfolio and securities) and wholesale of industrial chemicals

[5] *Two shares are held by two individual nominees of our Company.*

Name	Date and country of incorporation	Issued and paid-up share capital	Our effective equity interest	Principal activities
		RM (unless otherwise stated)	%	
Our joint venture				
AAS	9 June 2007 Algeria	AD3,474,130,000	35.70[6]	Construction, operation and maintenance of a sea water desalination plant and marketing of the desalinated water produced

The details of our subsidiaries, associates and joint venture as at the Latest Practicable Date are set out below:

6.2.1 Our subsidiaries

(i) PDP O&M (Company No. 201606-P)

PDP O&M was incorporated in Malaysia under the Act on 27 July 1990 as a private limited company under the name of Paling Murni Sdn Bhd. On 20 May 1991, the company changed its name from Paling Murni Sdn Bhd to Servitel Development Sdn Bhd. On 13 April 2007, the company subsequently changed its name to Sime Darby Biofuels Sdn Bhd and on 6 May 2014, the company assumed its present name. PDP O&M commenced its business in June 1991, and it is presently involved in the operation and maintenance of power plant.

As at the Latest Practicable Date, the authorised share capital of PDP O&M is RM25,000,000.00 comprising 25,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2 comprising 2 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of PDP O&M for the past three years preceding the Latest Practicable Date.

PDP O&M is a wholly-owned subsidiary of M Power which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, PDP O&M does not have any subsidiary or associate.

(ii) SEV (Company No. 248091-X)

SEV was incorporated in Malaysia under the Act on 2 September 1992 as a private limited company under the name of Fasteam Ventures Sdn Bhd. On 13 February 1993, the company changed its name from Fasteam Ventures Sdn Bhd to Sikap Energy Ventures Sdn Bhd and subsequently on 15 July 1994, the company assumed its present name. SEV is principally involved in the design, construction, operation and maintenance of a combined cycle power plant, generation and sale of electrical energy and generating capacity of the power plant and commenced its business on 3 June 1993.

[6] *Three shares are held by three individual nominees of our Company.*

As at the Latest Practicable Date, the authorised share capital of SEV is RM1,900,000,000 comprising 1,800,000,000 RPS of RM1.00 each and 100,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM4,001,000 comprising 4,001,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of SEV for the past three years preceding the Latest Practicable Date.

The shareholders of SEV and their shareholdings in SEV as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
Malakoff	3,750,937	93.75
EPF	250,063	6.25

As at the Latest Practicable Date, SEV does not have any subsidiary or associate.

(iii) HSB (Company No. 253262-K)

HSB was incorporated in Malaysia under the Act on 5 December 1992 as a private limited company under its present name. HSB is principally involved in investment holding and commenced its business on 5 December 1992.

As at the Latest Practicable Date, the authorised share capital of HSB is RM50,000,000 comprising 50,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM30,010,000 comprising 30,010,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of HSB for the past three years preceding the Latest Practicable Date.

HSB is our wholly-owned subsidiary. The subsidiary of HSB as at the Latest Practicable Date is PD Power, details of which are set out in Section 6.2.1(iv) of this Prospectus. As at the Latest Practicable Date, HSB does not have any associate.

(iv) PD Power (Company No. 263941-V)

PD Power was incorporated in Malaysia under the Act on 12 May 1993 as a private limited company under the name of Efficient Ace Sdn Bhd. On 15 July 1993, the company assumed its present name and was converted into a public company on 22 November 1996. PD Power is an independent power producer licensed by the Government to supply electricity exclusively to TNB and commenced its business in July 1993.

As at the Latest Practicable Date, the authorised share capital of PD Power is RM500,000 comprising 250,000 ordinary shares of RM1.00 each and 250,000 RPS of RM1.00 each and its issued and paid-up share capital is RM300,000 comprising 150,000 ordinary shares of RM1.00 each and 150,000 RPS of RM1.00 each.

There has been no change in the issued and paid-up share capital of PD Power for the past three years preceding the Latest Practicable Date.

PD Power is a wholly-owned subsidiary of HSB which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, PD Power does not have any subsidiary or associate.

(v) TJSB (Company No. 271559-H)

TJSB was incorporated in Malaysia under the Act on 28 July 1993 as a private limited company under the name of Gainbid (M) Sdn Bhd. On 25 November 1993, the company assumed its present name. TJSB commenced its business on 11 April 1994 where TJSB was principally involved in the operation and maintenance of power plants until 18 January 2013, when its principal business was changed to investment holding company and provision of operation and maintenance and any related services, following the disposal of its local operation and maintenance business including those held by its subsidiary, NASB, to M Power.

As at the Latest Practicable Date, the authorised share capital of TJSB is RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of TJSB for the past three years preceding the Latest Practicable Date.

TJSB is our wholly-owned subsidiary. The direct subsidiaries of TJSB as at the Latest Practicable Date are NASB, TJSB International, TJSB Global, TJSB Services and PT Teknik Janakuasa, details of which are set out in Sections 6.2.1(vi), (xxii), (xxiii), (xxviii) and (xxxv) of this Prospectus, respectively. The indirect subsidiaries of TJSB as at the Latest Practicable Date are TJSB International (Shoaiba) and TJSB Middle East, details of which are set out in Sections 6.2.1(xvii) and (xxi) of this Prospectus, respectively.

The indirect associates of TJSB as at the Latest Practicable Date are SAMAOMCO, Al-Imtiaz, Hyflux-TJSB Algeria and MCDOMC, details of which are set out in Sections 6.2.2(vi), (xi), (xii) and (xv) of this Prospectus, respectively.

(vi) NASB (Company No. 307034-D)

NASB was incorporated in Malaysia under the Act on 9 July 1994 as a private limited company under its present name. NASB was principally involved in the operation and maintenance of power plants and commenced its business on 19 December 2000. NASB which was the operator of the Prai Power Plant subsequently ceased operation on 18 January 2013 after its operation and maintenance business was disposed to M Power.

As at the Latest Practicable Date, the authorised share capital of NASB is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of NASB for the past three years preceding the Latest Practicable Date.

NASB is a wholly-owned subsidiary of TJSB which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, NASB does not have any subsidiary or associate.

(vii) MESB (Company No. 374402-H)

MESB was incorporated in Malaysia under the Act on 18 January 1996 as a private limited company under the name of Jelmas Sdn Bhd. On 3 April 1996, the company assumed its present name. MESB is principally involved in the provision of engineering and project management services and commenced its business on 20 October 1997.

As at the Latest Practicable Date, the authorised share capital of MESB is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of MESB for the past three years preceding the Latest Practicable Date.

MESB is our wholly-owned subsidiary. The subsidiary of MESB as at the Latest Practicable Date is MESB Project Management, details of which are set out in Section 6.2.1(xxxiv) of this Prospectus. As at the Latest Practicable Date, MESB does not have any associate.

(viii) M Utilities (Company No. 374739-T)

M Utilities was incorporated in Malaysia under the Act on 20 January 1996 as a private limited company under the name of Wirazone Sdn Bhd. On 5 September 2012, the company assumed its present name. M Utilities is principally involved in the building, owning and operating an electricity distribution system and a centralised chilled water plant system and commenced its business on 6 January 1997.

As at the Latest Practicable Date, the authorised share capital of M Utilities is RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of M Utilities for the past three years preceding the Latest Practicable Date.

M Utilities is our wholly-owned subsidiary. As at the Latest Practicable Date, M Utilities does not have any subsidiary or associate.

(ix) DKSB (Company No. 396174-T)

DKSB was incorporated in Malaysia under the Act on 30 July 1996 as a private limited company under its present name. DKSB is principally involved in land reclamation, development and/or sale of reclaimed land and commenced its business on 14 August 1996.

As at the Latest Practicable Date, the authorised share capital of DKSB is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of DKSB for the past three years preceding the Latest Practicable Date.

The shareholders of DKSB and their shareholdings in DKSB as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
Malakoff	540,000	54.00
Halim Rasip Holdings Sdn Bhd and Perbadanan Kemajuan Negeri Perak	260,000	26.00
Gantang Sakti Sdn Bhd	200,000	20.00

As at the Latest Practicable Date, DKSB does not have any subsidiary or associate.

(x) TBP (Company No. 459016-X)

TBP was incorporated in Malaysia under the Act on 11 March 1998 as a private limited company under the name of SKS Power Sdn Bhd. On 6 January 2004, the company assumed its present name. TBP is principally involved in the design, engineering, procurement, construction, installation and commissioning, testing, operation and maintenance of a 2,100 MW coal-fired electricity generating facility and sale of electrical energy and generating capacity of the power plant and commenced its business on 27 May 2002.

As at the Latest Practicable Date, the authorised share capital of TBP is RM400,000,000 comprising 300,000,000 RPS of RM1.00 each and 100,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM5,000,002 comprising 5,000,002 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of TBP for the past three years preceding the Latest Practicable Date.

The shareholders of TBP and their shareholdings in TBP as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
Malakoff	4,500,002	90.00
EPF	500,000	10.00

As at the Latest Practicable Date, TBP does not have any subsidiary or associate.

(xi) TBE (Company No. 481582-X)

TBE was incorporated in Malaysia under the Act on 21 April 1999 as a private limited company under the name of Transpool Sdn Bhd. On 29 November 2011, the company assumed its present name. TBE is principally involved in the design, engineering, procurement, construction, installation and commissioning, testing, operation and maintenance of a 1,000 MW coal-fired electricity generating facility and commenced its business on 12 April 2011.

As at the Latest Practicable Date, the authorised share capital of TBE is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of TBE for the past three years preceding the Latest Practicable Date.

TBE is our wholly-owned subsidiary. The subsidiary of TBE as at the Latest Practicable Date is TBEI, details of which are set out in Section 6.2.1(xxix) of this Prospectus. As at the Latest Practicable Date, TBE does not have any associate.

(xii) Tuah Utama (Company No. 482595-P)

Tuah Utama was incorporated in Malaysia under the Act on 4 May 1999 as a private limited company under its present name. Tuah Utama is principally involved in investment holding and commenced its business on 28 June 2000.

As at the Latest Practicable Date, the authorised share capital of Tuah Utama is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2 comprising 2 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of Tuah Utama for the past three years preceding the Latest Practicable Date.

Tuah Utama is our wholly-owned subsidiary. As at the Latest Practicable Date, Tuah Utama does not have any subsidiary. The direct associate of Tuah Utama as at the Latest Practicable Date is LBT, details of which are set out in Section 6.2.2(ii) of this Prospectus.

(xiii) PPSB (Company No. 506784-H)

PPSB was incorporated in Malaysia under the Act on 1 March 2000 as a private limited company under its present name. PPSB is principally involved in the design, construction, operation and maintenance of a combined cycle power plant, generation and sale of electrical energy and generating capacity of the power plant and commenced its business on 21 November 2000.

As at the Latest Practicable Date, the authorised share capital of PPSB is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of PPSB for the past three years preceding the Latest Practicable Date.

PPSB is our wholly-owned subsidiary. As at the Latest Practicable Date, PPSB does not have any subsidiary or associate.

(xiv) MGL (Company No. 391499)

MGL was incorporated in British Virgin Islands on 9 June 2000 as a company limited by shares under its present name. MGL is principally involved in offshore investment holding and commenced its business on 27 September 2005.

As at the Latest Practicable Date, the authorised share capital of MGL is USD50,000 comprising 50,000 ordinary shares of USD1.00 each and its issued and paid-up share capital is USD2 comprising 2 ordinary shares of USD1.00 each.

There has been no change in the issued and paid-up share capital of MGL for the past three years preceding the Latest Practicable Date.

MGL is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, MGL does not have any subsidiary. The direct associate of MGL as at the Latest Practicable Date is MSCSB, details of which are set out in Section 6.2.2(iv) of this Prospectus.

The indirect associates of MGL as at the Latest Practicable Date are SAMAWEC, SWEC, SEHCO and SEPCO, details of which are set out in Sections 6.2.2(v), (ix), (x) and (xiii) of this Prospectus, respectively.

(xv) GB3 (Company No. 523034-M)

GB3 was incorporated in Malaysia under the Act on 9 August 2000 as a private limited company under its present name. GB3 is principally involved in the design, construction, operation and maintenance of a combined cycle power plant, generation and sale of electrical energy and generating capacity of the power plant and commenced its business on 23 August 2000.

As at the Latest Practicable Date, the authorised share capital of GB3 is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of GB3 for the past three years preceding the Latest Practicable Date.

The shareholders of GB3 and their shareholdings in GB3 as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
Malakoff	750,000	75.00
TNB	200,000	20.00
EPF	50,000	5.00

As at the Latest Practicable Date, GB3 does not have any subsidiary or associate.

(xvi) Malakoff IL (Company No. CR-154048)

Malakoff IL was incorporated in Cayman Islands on 26 August 2005 as an exempted company with limited liability under its present name. Malakoff IL is principally involved in offshore investment holding and commenced its business on 21 September 2005.

As at the Latest Practicable Date, the authorised share capital of Malakoff IL is USD1,000,000 comprising 1,000,000 ordinary shares of USD1.00 each and its issued and paid-up share capital is USD250,000 comprising 250,000 ordinary shares of USD1.00 each.

The change in the issued and paid-up share capital of Malakoff IL for the past three years preceding the Latest Practicable Date is as follows:

Date of allotment	No. of shares allotted	Par value	Consideration	Cumulative issued and paid-up share capital
		USD		USD
10 December 2012	248,000	1.00	Cash	250,000

Malakoff IL is our wholly-owned subsidiary. The direct subsidiaries of Malakoff IL as at the Latest Practicable Date are MGL, MHHCL, M Technical (Dhofar), M AlDjazair Desal, MODCL and PGSB, details of which are set out in Sections 6.2.1(xiv), (xviii), (xx), (xxiv), (xxxiii) and (xxxvi) of this Prospectus, respectively. The indirect subsidiaries of Malakoff IL as at the Latest Practicable Date are MSHH, TDIC, SPSB, WMHPL, M Australia, M Holdings, MWMHPL, MWMPL, WMPL and WMFPL details of which are set out in Sections 6.2.1(xix), (xxv), (xxxvii), (xxxviii), (xxxix), (xl), (xli), (xlii), (xliii) and (xliv) of this Prospectus, respectively.

The indirect associates of Malakoff IL as at the Latest Practicable Date are SPHL, MSCSB, SAMAWEC, Hidd Power, OTPL, SWEC, SEHCO, SEPCO and MCDC, details of which are set out in Sections 6.2.2(i), (iv), (v), (vii), (viii), (ix), (x) (xiii), and (xiv) of this Prospectus, respectively. The indirect joint venture of Malakoff IL as at the Latest Practicable Date is AAS, details of which are set out in Section 6.2.3(i) of this Prospectus.

(xvii) TJSB International (Shoaiba) (Company No. 684571)

TJSB International (Shoaiba) was incorporated in British Virgin Islands on 11 November 2005 as a private limited company under its present name. TJSB International (Shoaiba) is principally involved in offshore investment holding and commenced its business on 13 December 2005.

As at the Latest Practicable Date, the authorised share capital of TJSB International (Shoaiba) is USD50,000 comprising 50,000 ordinary shares of USD1.00 each and its issued and paid-up share capital is USD2.00 comprising 2 ordinary shares of USD1.00 each.

There has been no change in the issued and paid-up share capital of TJSB International (Shoaiba) for the past three years preceding the Latest Practicable Date.

TJSB International (Shoaiba) is a wholly-owned subsidiary of TJSB International. TJSB International is a wholly-owned subsidiary of TJSB which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, TJSB International (Shoaiba) does not have any subsidiary.

The associates of TJSB International (Shoaiba) as at the Latest Practicable Date are SAMAOMCO and Al-Imtiaz, details of which are set out in Sections 6.2.2(vi) and (xi) of this Prospectus, respectively.

(xviii) MHHCL (Company No. 44055)

MHHCL was incorporated in Guernsey on 13 December 2005 as a limited liability company under the name of IP Middle East Holding Company Limited. On 30 August 2012, the company assumed its present name. MHHCL is principally involved in asset, property, investment, intellectual property and other holding companies and commenced its business on 15 December 2005.

As at the Latest Practicable Date, the authorised share capital of MHHCL is USD100,000,000 comprising 100,000,000 ordinary shares of USD1.00 each and its issued and paid-up share capital is USD56,266,912 comprising 56,266,912 ordinary shares of USD1.00 each.

There has been no change in the issued and paid-up share capital of MHHCL for the past three years preceding the Latest Practicable Date.

MHHCL is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. The direct subsidiary of MHHCL as at the Latest Practicable Date is MSHH, details of which are set out in Section 6.2.1(xix) of this Prospectus. The indirect associate of MHHCL as at the Latest Practicable Date is Hidd Power, details of which are set out in Section 6.2.2(vii) of this Prospectus.

(xix) MSHH (Company No. 44056)

MSHH was incorporated in Guernsey on 13 December 2005 as a limited liability company under the name of IPSUM Hidd Holding Company Limited. On 9 October 2012, the company assumed its present name. MSHH is principally involved in asset, property, investment, intellectual property and other holding companies and commenced its business on 15 December 2005.

As at the Latest Practicable Date, the authorised share capital of MSHH is USD150,000,000 comprising 150,000,000 ordinary shares of USD1.00 each and its issued and paid-up share capital is USD98,467,095 comprising 98,467,095 ordinary shares of USD1.00 each.

There has been no change in the issued and paid-up share capital of MSHH for the past three years preceding the Latest Practicable Date.

MSHH is a 57.14%-owned subsidiary of MHHCL. MHHCL is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary.

The shareholders of MSHH and their shareholdings in MSHH as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
MHHCL	56,266,911	57.14
Summit Global Management II BV	42,200,184	42.86

The direct subsidiary of MSHH as at the Latest Practicable Date is Hidd Power, details of which are set out in Section 6.2.2(vii) of this Prospectus. As at the Latest Practicable Date, MSHH does not have any associate.

(xx) M Technical (Dhofar) (Company No. 1022733)

M Technical (Dhofar) was incorporated in British Virgin Islands on 20 April 2006 as a private company limited by shares under its present name. M Technical (Dhofar) is principally involved in offshore investment holding and commenced its business on 15 May 2006.

As at the Latest Practicable Date, the authorised share capital of M Technical (Dhofar) is USD50,000 comprising 50,000 ordinary shares of USD1.00 each and its issued and paid-up share capital is USD2 comprising 2 ordinary shares of USD1.00 each.

There has been no change in the issued and paid-up share capital of M Technical (Dhofar) for the past three years preceding the Latest Practicable Date.

M Technical (Dhofar) is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, M Technical (Dhofar) does not have any subsidiary. The direct associate of M Technical (Dhofar) as at the Latest Practicable Date is OTPL, details of which are set out in Section 6.2.2(viii) of this Prospectus. The indirect associate of M Technical (Dhofar) as at the Latest Practicable Date is SPHL, details of which are set out in Section 6.2.2(i) of this Prospectus.

(xxi) TJSB Middle East (Company No. 1046617)

TJSB Middle East was incorporated in British Virgin Islands on 22 August 2006 as a private company limited by shares under its present name. TJSB Middle East is principally involved in the operation and maintenance of power plant and commenced its business on 31 October 2006.

As at the Latest Practicable Date, the authorised share capital of TJSB Middle East is USD50,000 comprising 50,000 ordinary shares of USD1.00 each and its issued and paid-up share capital is USD2 comprising 2 ordinary shares of USD1.00 each.

There has been no change in the issued and paid-up share capital of TJSB Middle East for the past three years preceding the Latest Practicable Date.

TJSB Middle East is a wholly-owned subsidiary of TJSB International. TJSB International is a wholly-owned subsidiary of TJSB which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, TJSB Middle East does not have any subsidiary or associate.

(xxii) TJSB International (Company No. 172822)

TJSB International was incorporated in Cayman Islands on 21 August 2006 as an exempted company with limited liability under its present name. TJSB International is principally involved in offshore investment holding and commenced its business on 21 August 2006.

As at the Latest Practicable Date, the authorised share capital of TJSB International is USD50,000 comprising 50,000 ordinary shares of USD1.00 each and its issued and paid-up share capital is USD2,000 comprising 2,000 ordinary shares of USD1.00 each.

There has been no change in the issued and paid-up share capital of TJSB International for the past three years preceding the Latest Practicable Date.

TJSB International is a wholly-owned subsidiary of TJSB which in turn is our wholly-owned subsidiary. The direct subsidiaries of TJSB International as at the Latest Practicable Date are TJSB International (Shoaiba) and TJSB Middle East, details of which are set out in Sections 6.2.1(xvii) and (xxi) of this Prospectus, respectively. The direct associate of TJSB International as at the Latest Practicable Date is MCDOMC, details of which are set out in Section 6.2.2 (xv) of this Prospectus. The indirect associates of TJSB International as at the Latest Practicable Date are SAMAOMCO and Al-Imtiaz, details of which are set out in Sections 6.2.2(vi) and (xi) of this Prospectus, respectively.

(xxiii) TJSB Global (Company No. 752049-A)

TJSB Global was incorporated in Malaysia under the Act on 3 November 2006 as a private limited company under the name of Access Performance Sdn Bhd. On 3 July 2007, the company assumed its present name. TJSB Global is principally involved in investment holding and commenced its business on 1 October 2007.

As at the Latest Practicable Date, the authorised share capital of TJSB Global is RM500,000 comprising 500,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM250,000 comprising 250,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of TJSB Global for the past three years preceding the Latest Practicable Date.

TJSB Global is a wholly-owned subsidiary of TJSB which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, TJSB Global does not have any subsidiary. The direct associate of TJSB Global as at the Latest Practicable Date is Hyflux-TJSB Algeria, details of which are set out in Section 6.2.2(xii) of this Prospectus.

(xxiv) M AlDjazair Desal (Company No. 758150-T)

M AlDjazair Desal was incorporated in Malaysia under the Act on 4 January 2007 as a private limited company under its present name. M AlDjazair Desal is principally involved in investment holding and commenced its business on 5 February 2007.

As at the Latest Practicable Date, the authorised share capital of M AlDjazair Desal is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of M AlDjazair Desal for the past three years preceding the Latest Practicable Date.

M AlDjazair Desal is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. The direct subsidiary of M AlDjazair Desal as at the Latest Practicable Date is TDIC, details of which are set out in Section 6.2.1(xxv) of this Prospectus. The indirect joint venture of M AlDjazair Desal as at the Latest Practicable Date is AAS, details of which are set out in Section 6.2.3(i) of this Prospectus.

(xxv) TDIC (Company No. 494 473 234 RCS Paris)

TDIC was incorporated in France on 28 February 2007 as a French *société par actions simplifiée* (simplified joint-stock company) under its present name. TDIC is principally involved in offshore investment holding and commenced its business in 2007.

As at the Latest Practicable Date, the authorised and issued share capital of TDIC is EUR37,000 comprising 3,700 ordinary shares of EUR10 each and its paid-up share capital is EUR37,000 comprising 3,700 ordinary shares of EUR10 each.

Save for the payment of the balance 50% of the share capital of EUR18,500 by capitalisation of debts on 29 November 2012, there has been no change in the issued and paid-up share capital of TDIC for the past three years preceding the Latest Practicable Date.

TDIC is a 70%-owned subsidiary of M AlDjazair Desal. M AlDjazair Desal is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary.

The shareholders of TDIC and their shareholdings in TDIC as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
M AlDjazair Desal	2,590	70.00
MenaSpring Utility (Tlemcen) Pte Ltd	1,110	30.00

As at the Latest Practicable Date, TDIC does not have any subsidiary or associate. The joint venture of TDIC as at the Latest Practicable Date is AAS, details of which are set out in Section 6.2.3(i) of this Prospectus.

(xxvi) M Power (Company No. 909003-H)

M Power was incorporated in Malaysia under the Act on 22 July 2010 as a private limited company under the name of Malakoff Power Sdn Bhd and was converted into a public company on 6 September 2010. M Power is principally involved in operation and maintenance of power plants and commenced its business on 10 April 2012.

As at the Latest Practicable Date, the authorised share capital of M Power is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2 comprising 2 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of M Power for the past three years preceding the Latest Practicable Date.

M Power is our wholly-owned subsidiary. The direct subsidiaries of M Power as at the Latest Practicable Date are PDP O&M and TBOMB, details of which are set out in Sections 6.2.1(i) and (xxx) of this Prospectus, respectively. As at the Latest Practicable Date, M Power does not have any associate.

(xxvii) M R&D (Company No. 932908-P)

M R&D was incorporated in Malaysia under the Act on 18 February 2011 as a private limited company under its present name. M R&D is principally involved in promoting, developing, acquiring and enhancing our Group's capacity and innovation in the energy business and commenced its business on 7 July 2011.

As at the Latest Practicable Date, the authorised share capital of M R&D is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2 comprising 2 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of M R&D for the past three years preceding the Latest Practicable Date.

M R&D is our wholly-owned subsidiary. As at the Latest Practicable Date, M R&D does not have any subsidiary or associate.

(xxviii) TJSB Services (Company No. 941971-X)

TJSB Services was incorporated in Malaysia under the Act on 25 April 2011 as a private limited company under its present name. TJSB Services is principally involved in the provision of maintenance, repair and overhaul and any related services to power plants and any other plants of similar main and auxiliary operating systems and commenced its business on 13 August 2012.

As at the Latest Practicable Date, the authorised share capital of TJSB Services is RM750,000 comprising 750,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM750,000 comprising 750,000 ordinary shares of RM1.00 each.

Details of the changes to the issued and paid-up share capital of TJSB Services for the past three years preceding the Latest Practicable Date are as follows:

Date of allotment	No. of shares allotted	Par value	Consideration	Cumulative issued and paid-up share capital
		RM		RM
19 September 2014	749,998	1.00	Cash	750,000

TJSB Services is a wholly-owned subsidiary of TJSB which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, TJSB Services does not have any subsidiary or associate.

(xxix) TBEI (Company No. 969142-W)

TBEI was incorporated in Malaysia under the Act on 22 November 2011 as a private limited company under the name of Powerfield Sdn Bhd. On 9 December 2011, the company changed its name to Tanjung Bin Energy Issuer Sdn Bhd and was converted into a public company on 14 December 2011. TBEI is principally involved in the administration and managing of the development of a 1,000* MW coal-fired electricity generating facility and commenced its business in February 2012.

As at the Latest Practicable Date, the authorised share capital of TBEI is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of TBEI for the past three years preceding the Latest Practicable Date.

TBEI is a wholly-owned subsidiary of TBE which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, TBEI does not have any subsidiary or associate.

(xxx) TBOMB (Company No. 1010097-P)

TBOMB was incorporated in Malaysia under the Act on 16 July 2012 as a private limited company under the name of Sterling Asia Sdn Bhd and was converted into a public company on 7 November 2012. On 24 December 2012, the company assumed its present name. TBOMB is principally involved in the operation and maintenance of power plant and commenced its business on 18 October 2012.

As at the Latest Practicable Date, the authorised share capital of TBOMB is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2 comprising 2 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of TBOMB since its incorporation.

TBOMB is a wholly-owned subsidiary of M Power which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, TBOMB does not have any subsidiary or associate.

(xxxi) SAL (Company No. 208252)

SAL was incorporated in British Virgin Islands on 3 December 1996 as a limited liability company under its present name. SAL is a dormant company.

As at the Latest Practicable Date, the authorised share capital of SAL is USD50,000 comprising 50,000 ordinary shares of USD1.00 each and its issued and paid-up share capital is USD1,000 comprising 1,000 ordinary shares of USD1.00 each.

There has been no change in the issued and paid-up share capital of SAL for the past three years preceding the Latest Practicable Date.

SAL is our wholly-owned subsidiary. As at the Latest Practicable Date, SAL does not have any subsidiary or associate.

(xxxii) M Capital (Company No. LL04818)

M Capital was incorporated in Federal Territory of Labuan, Malaysia under the Labuan Companies Act, 1990 on 18 May 2005 as a private limited company under its present name. M Capital is a dormant company.

As at the Latest Practicable Date, the authorised share capital of M Capital is USD12,000 comprising 12,000 ordinary shares of USD1.00 each and its issued and paid-up share capital is USD2,000 comprising 2,000 ordinary shares of USD1.00 each.

There has been no change in the issued and paid-up share capital of M Capital for the past three years preceding the Latest Practicable Date.

M Capital is our wholly-owned subsidiary. As at the Latest Practicable Date, M Capital does not have any subsidiary or associate.

(xxxiii) MODCL (Company No. 1406937)

MODCL was incorporated in British Virgin Islands on 23 May 2007 as a private company limited by shares under the name of KuwMal Investments Limited. On 4 November 2008, the company changed its name to Malakoff Ras Azzour Limited and on 25 February 2013, the company assumed its present name. MODCL is principally involved in offshore investment holding and commenced its business on 20 February 2013.

As at the Latest Practicable Date, the authorised share capital of MODCL is USD50,000 comprising 50,000 ordinary shares of USD1.00 each and its issued and paid-up share capital is USD2 comprising 2 ordinary shares of USD1.00 each.

There has been no change in the issued and paid-up share capital of MODCL for the past three years preceding the Latest Practicable Date.

MODCL is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, MODCL does not have any subsidiary. The direct associate of MODCL as at the Latest Practicable Date is MCDC, details of which are set out in Section 6.2.2(xiv) of this Prospectus.

(xxxiv) MESB Project Management (Company No. 841103-D)

MESB Project Management was incorporated in Malaysia under the Act on 10 December 2008 as a private limited company under its present name. MESB Project Management is a dormant company.

As at the Latest Practicable Date, the authorised share capital of MESB Project Management is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2 comprising 2 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of MESB Project Management for the past three years preceding the Latest Practicable Date.

MESB Project Management is a wholly-owned subsidiary of MESB which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, MESB Project Management does not have any subsidiary or associate.

(xxxv) PT Teknik Janakuasa (Company No. 35)

PT Teknik Janakuasa was incorporated in Indonesia on 19 April 2013 as a private limited company under its present name. PT Teknik Janakuasa is principally involved in the provision of operation and maintenance services to power plant and/or other utility plants and commenced its business on 7 June 2013.

As at the Latest Practicable Date, the authorised share capital of PT Teknik Janakuasa is IDR5,117,214,900 comprising 526,300 ordinary shares of IDR9,723 each and its issued and paid-up share capital is IDR5,117,214,900 comprising 526,300 ordinary shares of IDR9,723 each.

There has been no change in the issued and paid-up share capital of PT Teknik Janakuasa since its incorporation.

The shareholders of PT Teknik Janakuasa and their shareholdings in PT Teknik Janakuasa as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
TJSB	499,985	95.00
Madam Meutia Hidayati Besila	26,315	5.00

PT Teknik Janakuasa is a 95%-owned subsidiary of TJSB which is our wholly-owned subsidiary. As at the Latest Practicable Date, PT Teknik Janakuasa does not have any subsidiary or associate.

(xxxvi) PGSB (Company No. 1048469-U)

PGSB was incorporated in Malaysia under the Act on 3 June 2013 as a private company limited by shares under its present name. PGSB is principally involved in investment holding and commenced its business on 7 June 2013.

As at the Latest Practicable Date, the authorised share capital of PGSB is RM400,000 comprising 400,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2 comprising 2 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of PGSB since its incorporation.

PGSB is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. The direct subsidiary of PGSB as at the Latest Practicable Date is SPSB, details of which are set out in Section 6.2.1(xxxvii) of this Prospectus. The indirect subsidiaries of PGSB as at the Latest Practicable Date are WMHPL, M Australia, M Holdings, MWMHPL, MWMPL, WMPL and WMFPL details of which are set out in Sections 6.2.1(xxxviii), (xxxix), (xl), (xli), (xlii), (xliii) and (xliv) of this Prospectus, respectively. As at the Latest Practicable Date, PGSB does not have any associate.

(xxxvii) SPSB (Company No. 1048471-K)

SPSB was incorporated in Malaysia under the Act on 3 June 2013 as a private company limited by shares under its present name. SPSB is principally involved in investment holding and commenced its business on 7 June 2013.

As at the Latest Practicable Date, the authorised share capital of SPSB is RM400,000 comprising 400,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2 comprising 2 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of SPSB since its incorporation.

SPSB is a wholly-owned subsidiary of PGSB. PGSB is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. The direct subsidiaries of SPSB as at the Latest Practicable Date are WMHPL and M Australia, details of which are set out in Sections 6.2.1(xxxviii) and (xxxix) of this Prospectus, respectively. The indirect subsidiaries of SPSB as at the Latest Practicable Date are M Holdings, MWMHPL, MWMPL, WMPL and WMFPL, details of which are set out in Sections 6.2.1(xl), (xli), (xlii), (xliii) and (xliv) of this Prospectus, respectively. As at the Latest Practicable Date, SPSB does not have any associate.

(xxxviii) WMHPL (Company No. ACN 164 122 678)

WMHPL was incorporated in Australia on 5 June 2013 as a proprietary company limited by shares under its present name. WMHPL is principally involved in investment holding and commenced its business on 5 June 2013.

As at the Latest Practicable Date, the issued and paid-up share capital of WMHPL is AUD1.00 comprising one ordinary share.

There has been no change in the issued and paid-up share capital of WMHPL since its incorporation.

WMHPL is a wholly-owned subsidiary of SPSB. SPSB is a wholly-owned subsidiary of PGSB. PGSB is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. The direct subsidiary of WMHPL as at the Latest Practicable Date is WMPL, details of which are set out in Section 6.2.1(xliii) of this Prospectus. The indirect subsidiary of WMHPL as at the Latest Practicable Date is WMFPL, details of which are as set out in Section 6.2.1(xliv) of this Prospectus. As at the Latest Practicable Date, WMHPL does not have any associate.

(xxxix) M Australia (Company No. ACN 164 167 239)

M Australia was incorporated in Australia on 7 June 2013 as a proprietary company limited by shares under its present name. M Australia is principally involved in investment holding and commenced its business on 7 June 2013.

As at the Latest Practicable Date, the issued and paid-up share capital of M Australia is AUD1.00 comprising one ordinary share.

There has been no change in the issued and paid-up share capital of M Australia since its incorporation.

M Australia is a wholly-owned subsidiary of SPSB. SPSB is a wholly-owned subsidiary of PGSB. PGSB is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. The direct subsidiary of M Australia as at the Latest Practicable Date is M Holdings, details of which are set out in Section 6.2.1(xl) of this Prospectus. The indirect subsidiaries of M Australia are MWMHPL and MWMPL, details of which are set out in Sections 6.2.1(xli) and (xlii) of this Prospectus. As at the Latest Practicable Date, M Australia does not have any associate.

(xl) M Holdings (Company No. ACN 164 167 257)

M Holdings was incorporated in Australia on 7 June 2013 as a proprietary company limited by shares under its present name. M Holdings is principally involved in investment holding and commenced its business on 7 June 2013.

As at the Latest Practicable Date, the issued and paid-up share capital of M Holdings is AUD1.00 comprising 1 ordinary share.

There has been no change in the issued and paid-up share capital of M Holdings since its incorporation.

M Holdings is a wholly-owned subsidiary of M Australia. M Australia is a wholly-owned subsidiary of SPSB. SPSB is a wholly-owned subsidiary of PGSB. PGSB is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. The direct subsidiary of M Holdings is MWMHPL, details of which are set out in Section 6.2.1(xli) of this Prospectus. The indirect subsidiary of M Holdings is MWMPL, details of which are set out in Section 6.2.1(xlii) of this Prospectus. As at the Latest Practicable Date, M Holdings does not have any associate.

(xli) MWMHPL (Company No. ACN 124 445 094)

MWMHPL was incorporated in Australia on 16 March 2007 as a proprietary company limited by shares under the name of Three River Holdings Pty Limited. On 18 August 2008, the company changed its name to Meridian Energy Australia Pty Limited. On 27 October 2010, the company changed its name to Meridian Wind Macarthur Holdings Pty Limited and on 28 June 2013, the company assumed its present name. MWMHPL is principally involved in investment holding and commenced its business on 16 March 2007.

As at the Latest Practicable Date, the issued and paid-up share capital of MWMHPL is AUD44,002,816 comprising 174,330,816 ordinary shares.

The change in the issued and paid-up share capital of MWMHPL for the past three years preceding the Latest Practicable Date is as follows:

Date of reduction	Paid-up capital reduced	Consideration	Cumulative issued and paid-up share capital
	AUD		AUD
29 June 2013	130,328,000.00	N/A	44,002,816.00

MWMHPL is a wholly-owned subsidiary of M Holdings. M Holdings is a wholly-owned subsidiary of M Australia. M Australia is a wholly-owned subsidiary of SPSB. SPSB is a wholly-owned subsidiary of PGSB. PGSB is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. The subsidiary of MWMHPL is MWMPL, details of which are set out in Section 6.2.1(xlii) of this Prospectus. As at the Latest Practicable Date, MWMHPL does not have any associate.

(xlii) MWMPL (Company No. ACN 124 383 688)

MWMPL was incorporated in Australia on 16 March 2007 as a proprietary company limited by shares under the name of Three River Australia Pty Limited. On 21 February 2008, the company changed its name to Meridian Wind Macarthur Pty Limited and on 28 June 2013, the company assumed its present name. MWMPL is principally involved in the leasing of wind turbine assets and commenced its business on 16 March 2007.

As at the Latest Practicable Date, the issued and paid-up share capital of MWMPL is AUD34,719,309 comprising 165,047,309 ordinary shares.

The change in the issued and paid-up share capital of MWMPL for the past three years preceding the Latest Practicable Date is as follows:

Date of reduction	Paid-up capital reduced	Consideration	Cumulative issued and paid-up share capital
	AUD		AUD
29 June 2013	130,328,000.00	N/A	34,719,309.00

MWMPL is a wholly-owned subsidiary of MWMHPL. MWMHPL is a wholly-owned subsidiary of M Holdings. M Holdings is a wholly-owned subsidiary of M Australia. M Australia is a wholly-owned subsidiary of SPSB. SPSB is a wholly-owned subsidiary of PGSB. PGSB is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, MWMPL does not have any subsidiary or associate.

(xliii) WMPL (Company No. ACN 164 123 497)

WMPL was incorporated in Australia on 5 June 2013 as a proprietary company limited by shares under its present name. WMPL is principally involved in leasing of plant and equipment and commenced its business on 5 June 2013.

As at the Latest Practicable Date, the issued and paid-up share capital of WMPL is AUD1.00 comprising 1 ordinary share.

There has been no change in the issued and paid-up share capital of WMPL since its incorporation.

WMPL is a wholly-owned subsidiary of WMHPL. WMHPL is a wholly-owned subsidiary of SPSB. SPSB is a wholly-owned subsidiary of PGSB. PGSB is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. The subsidiary of WMPL as at the Latest Practicable Date is WMFPL, details of which are set out in Section 6.2.1(xliv) of this Prospectus. As at the Latest Practicable Date, WMPL does not have any associate.

(xliv) WMFPL (Company No. ACN 164 130 250)

WMFPL was incorporated in Australia on 5 June 2013 as a proprietary company limited by shares under its present name. WMFPL is principally involved in financing operations for Macarthur Wind Farm project and commenced its business on 5 June 2013.

As at the Latest Practicable Date, the issued and paid-up share capital of WMFPL is AUD1.00 comprising one ordinary share.

There has been no change in the issued and paid-up share capital of WMFPL since its incorporation.

WMFPL is a wholly-owned subsidiary of WMPL. WMPL is a wholly-owned subsidiary of WMHPL. WMHPL is a wholly-owned subsidiary of SPSB. SPSB is a wholly-owned subsidiary of PGSB. PGSB is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary. As at the Latest Practicable Date, WMFPL does not have any subsidiary or associate.

6.2.2 Our associates

(i) SPHL (Company No. 20545)

SPHL was incorporated in Bermuda on 2 March 1995 as an exempt company under its present name. SPHL is principally involved in offshore investment holding and commenced its business on 8 November 2006.

As at the Latest Practicable Date, the authorised share capital of SPHL is USD12,000 comprising 12,000 ordinary shares of USD1.00 each and its issued and paid-up share capital is USD12,000 comprising 12,000 ordinary shares of USD1.00 each.

SPHL is a wholly-owned subsidiary of OTPL. OTPL is an associate of M Technical (Dhofar). M Technical (Dhofar) is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary.

As at the Latest Practicable Date, SPHL does not have any subsidiary or associate.

(ii) LBT (Company No. 414060-T)

LBT was incorporated in Malaysia under the Act on 18 December 1996 as a private limited company under its present name. LBT is principally involved in development, ownership and management of a dry bulk terminal and commenced its business on 10 January 1997.

As at the Latest Practicable Date, the authorised share capital of LBT is RM100,000,000 comprising 98,000,000 ordinary shares of RM1.00 each, 100,000,000 redeemable cumulative convertible preference shares of RM0.01 each and 100,000,000 RCPS of RM0.01 each and its issued and paid-up share capital is RM68,200,000 comprising 68,000,000 ordinary shares of RM1.00 each and 20,000,000 redeemable cumulative convertible preference shares of RM0.01 each.

LBT is an associate of Tuah Utama which in turn is our wholly-owned subsidiary.

The shareholders of LBT and their shareholdings in LBT as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
Tuah Utama	13,600,000	20.00
Pelabuhan Lumut Sdn Bhd	54,400,000	80.00

As at the Latest Practicable Date, both Integrax Berhad, being the holding company of Pelabuhan Lumut Sdn Bhd, and Tuah Utama hold 16,000,000 and 4,000,000 redeemable cumulative convertible preference shares of RM0.01 each in LBT, respectively.

As at the Latest Practicable Date, LBT does not have any subsidiary or associate.

(iii) KEV (Company No. 518564-T)

KEV was incorporated in Malaysia under the Act on 29 June 2000 as a private limited company under its present name. KEV is principally involved in generation and sale of electricity and commenced its business on 31 July 2000.

As at the Latest Practicable Date, the authorised share capital of KEV is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2,000,000 comprising 2,000,000 ordinary shares of RM1.00 each.

The shareholders of KEV and their shareholdings in KEV as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
Malakoff	800,000	40.00
TNB	1,200,000	60.00

As at the Latest Practicable Date, KEV does not have any subsidiary or associate.

(iv) MSCSB (Company No. 707779-X)

MSCSB was incorporated in Malaysia under the Act on 26 August 2005 as a private limited company under its present name. MSCSB is principally involved in investment holding and commenced its business on 28 September 2005.

As at the Latest Practicable Date, the authorised share capital of MSCSB is RM10,000,000 comprising 100,000 ordinary shares of RM1.00 each and 9,900,000 RPS of RM1.00 each and its issued and paid-up share capital is RM3,741,320 comprising 100,000 ordinary shares of RM1.00 each and 3,641,320 RPS of RM1.00 each.

MSCSB is an associate of MGL. MGL is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary.

The shareholders of MSCSB and their shareholdings in MSCSB as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
MGL	40,000	40.00
Desaru Investments (Cayman Isl) Limited	40,000	40.00
Independent Power International Limited	20,000	20.00

As at the Latest Practicable Date, MGL, Desaru Investments (Cayman Isl) Limited and Independent Power International Limited hold 1,456,528, 1,456,528 and 728,264 RPS of RM1.00 each in MSCSB, respectively.

As at the Latest Practicable Date, MSCSB does not have any subsidiary. The direct associate of MSCSB as at the Latest Practicable Date is SAMAWEC, details of which are set out in Section 6.2.2(v) of this Prospectus. The indirect associates of MSCSB as at the Latest Practicable Date are SWEC, SEHCO and SEPCO, details of which are set out in Sections 6.2.2(ix), (x) and (xiii) of this Prospectus, respectively.

(v) SAMAWEC (Commercial Registration No. 4030158342)

SAMAWEC was incorporated in Kingdom of Saudi Arabia on 27 October 2005 as a limited liability company under its present name. SAMAWEC is principally involved in offshore investment holding and commenced its business on 27 October 2005.

As at the Latest Practicable Date, the authorised share capital of SAMAWEC is SR936,800,000 comprising 936,800 ordinary shares of SR1,000 each and its issued and paid-up share capital is SR936,800,000 comprising 936,800 ordinary shares of SR1,000 each.

SAMAWEC is an associate of MSCSB which is an associate of MGL. MGL is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary.

The shareholders of SAMAWEC and their shareholdings in SAMAWEC as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
MSCSB	468,400	50.00
Shuaibah National Company for Water & Power	468,400	50.00

The direct subsidiaries of SAMAWEC as at the Latest Practicable Date are SWEC and SEHCO, details of which are set out in Sections 6.2.2(ix) and (x) of this Prospectus, respectively. The indirect subsidiary of SAMAWEC as at the Latest Practicable Date is SEPCO, details of which are set out in Section 6.2.2(xiii) of this Prospectus. As at the Latest Practicable Date, SAMAWEC does not have any associate.

(vi) SAMAOMCO (Commercial Registration No. 4030159385)

SAMAOMCO was incorporated in Kingdom of Saudi Arabia on 5 January 2006 as a limited liability company under its present name. SAMAOMCO is principally involved in the operation and maintenance of power and water desalination plant and commenced its business on 14 January 2010.

As at the Latest Practicable Date, the authorised share capital of SAMAOMCO is SR1,500,000 comprising 1,500 ordinary shares of SR1,000 each and its issued and paid-up share capital is SR1,500,000 comprising 1,500 ordinary shares of SR1,000 each.

SAMAOMCO is an associate of TJSB International (Shoaiba) which is a wholly-owned subsidiary of TJSB International. TJSB International is a wholly-owned subsidiary of TJSB which in turn is our wholly-owned subsidiary.

The shareholders of SAMAOMCO and their shareholdings in SAMAOMCO as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
TJSB International (Shoaiba)	300	20.00
Acwa Power	750	50.00
OASIS Parade Sdn Bhd	450	30.00

As at the Latest Practicable Date, SAMAOMCO does not have any subsidiary or associate.

(vii) Hidd Power (Company No. 59322)

Hidd Power was incorporated in Bahrain on 21 January 2006 as a closed joint stock company under its present name. Hidd Power is principally involved in the building, operation and maintenance of power and water stations for special purposes (specific supply only) and commenced its business on 22 January 2006.

As at the Latest Practicable Date, the authorised share capital of Hidd Power is USD150,000,000 comprising 30,000,000 ordinary shares of USD5.00 each and its issued and paid-up share capital is USD140,663,100 comprising 28,132,620 ordinary shares of USD5.00 each.

Hidd Power is a 70%-owned subsidiary of MSHH. MSHH is a 57.14%-owned subsidiary of MHHCL. MHHCL is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary.

The shareholders of Hidd Power and their shareholdings in Hidd Power as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
MSHH	19,692,834	70.00
Kahrabel F.Z.E	8,439,786	30.00

As at the Latest Practicable Date, Hidd Power does not have any subsidiary or associate.

(viii) OTPL (Company No. 1018827)

OTPL was incorporated in British Virgin Islands on 30 March 2006 as a BVI Business Company under its present name. OTPL is principally involved in offshore investment holding and commenced its business on 30 March 2006.

OTPL is authorised to issue 35,000,000 ordinary shares of USD1.00 each and as at the Latest Practicable Date, it has issued 34,884,845 ordinary shares of USD1.00 each.

OTPL is an associate of M Technical (Dhofar). M Technical (Dhofar) is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary.

The shareholders of OTPL and their shareholdings in OTPL as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
M Technical (Dhofar)	15,167,233	43.48
Oman Power Limited	9,858,806	28.26
Darbat Power LLC	9,858,806	28.26

The wholly-owned subsidiary of OTPL as at the Latest Practicable Date is SPHL, details of which are set out in Section 6.2.2(i) of this Prospectus. As at the Latest Practicable Date, OTPL does not have any associate.

(ix) SWEC (Commercial Registration No. 4030163258)

SWEC was incorporated in Kingdom of Saudi Arabia on 3 August 2006 as a joint stock company under its present name. SWEC is principally involved in the design, construction, commissioning, testing, possession, operation and maintenance of crude oil fired power generation and water desalination plant and commenced its business on 14 January 2010.

As at the Latest Practicable Date, the authorised share capital of SWEC is SR1,560,500,000 comprising 156,050,000 ordinary shares of SR10 each and its issued and paid-up share capital is SR1,560,500,000 comprising 156,050,000 ordinary shares of SR10 each.

SWEC is a 60%-owned subsidiary of SAMAWEC. SAMAWEC is an associate of MSCSB which is an associate of MGL. MGL is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary.

The shareholders of SWEC and their shareholdings in SWEC as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
SAMAWEC	93,630,000	60.00
Water Electricity Holding Company	49,936,000	32.00
SEC	12,484,000	8.00

As at the Latest Practicable Date, SWEC does not have any subsidiary or associate.

(x) SEHCO (Commercial Registration No. 4430229364)

SEHCO was incorporated in Kingdom of Saudi Arabia on 9 June 2007 as a limited company under its present name. SEHCO is principally involved in the development, construction, ownership, operation and maintenance of the Shuaibah Phase 3 Expansion IWP, transport and sale of water and undertake all works and activities related thereto, directly or through another company holding most of its shares or stock and commenced its business on 17 November 2009.

As at the Latest Practicable Date, the authorised share capital of SEHCO is SR175,818,000 comprising 17,581,800 ordinary shares of SR10 each and its issued and paid-up share capital is SR175,818,000 comprising 17,581,800 ordinary shares of SR10 each.

SEHCO is a 60%-owned subsidiary of SAMAWEC. SAMAWEC is an associate of MSCSB which in turn is an associate of MGL. MGL is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary.

The shareholders of SEHCO and their shareholdings in SEHCO as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
SAMAWEC	10,549,080	60.00
Public Investment Fund	5,626,176	32.00
SEC	1,406,544	8.00

The subsidiary of SEHCO as at the Latest Practicable Date is SEPCO, details of which are set out in Section 6.2.2(xiii) of this Prospectus. As at the Latest Practicable Date, SEHCO does not have any associate.

(xi) Al-Imtiaz (Commercial Registration No. 4030170110)

Al-Imtiaz was incorporated in Kingdom of Saudi Arabia on 10 June 2007 as a limited liability company under its present name. Al-Imtiaz is principally involved in the implementation of operation and maintenance contracts for stations of electrical power generation and water desalination and commenced its business on 17 November 2009.

As at the Latest Practicable Date, the authorised share capital of Al-Imtiaz is SR500,000 comprising 500 ordinary shares of SR1,000 each and its issued and paid-up share capital is SR500,000 comprising 500 ordinary shares of SR1,000 each.

Al-Imtiaz is an associate of TJSB International (Shoaiba) which is a wholly-owned subsidiary of TJSB International. TJSB International is a wholly-owned subsidiary of TJSB which in turn is our wholly-owned subsidiary.

The shareholders of Al-Imtiaz and their shareholdings in Al-Imtiaz as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
TJSB International (Shoaiba)	100	20.00
Acwa Power	250	50.00
OASIS Parade Sdn Bhd	50	10.00
Desaru Investments (Cayman Islands) Limited	100	20.00

As at the Latest Practicable Date, Al-Imtiaz does not have any subsidiary or associate.

(xii) Hyflux-TJSB Algeria (Company No. 0978626B08)

Hyflux-TJSB Algeria was incorporated in Algeria on 5 December 2007 as a joint stock company under its present name. Hyflux-TJSB Algeria is principally involved in the operation and maintenance of water desalination plant and commenced its business on 5 December 2007.

As at the Latest Practicable Date, the authorised share capital of Hyflux-TJSB Algeria is AD7,000,000 comprising 1,000 ordinary shares of AD7,000 each and its issued and paid-up share capital is AD7,000,000 comprising 1,000 ordinary shares of AD7,000 each.

Hyflux-TJSB Algeria is an associate of TJSB Global. TJSB Global is a wholly-owned subsidiary of TJSB which in turn is our wholly-owned subsidiary.

The shareholders of Hyflux-TJSB Algeria and their shareholdings in Hyflux-TJSB Algeria as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
TJSB Global	488	48.80
Hyflux Engineering Pte Ltd	507	50.70
Lim Suat Wah*	1	0.10
Habib Husin^	1	0.10
Rosli Abd Hamid^	1	0.10
Siew Kum Meng*	1	0.10
Kum Mun Lock*	1	0.10

Notes:

* *Lim Suat Wah, Siew Kum Meng and Kum Mun Lock are the individual nominees of Hyflux Engineering Pte Ltd.*

^ *Both Habib Husin and Rosli Abd Hamid are the individual nominees of our Company.*

As at the Latest Practicable Date, Hyflux-TJSB Algeria does not have any subsidiary or associate.

(xiii) SEPCO (Commercial Registration No. 4030182913)

SEPCO was incorporated in Kingdom of Saudi Arabia on 21 September 2008 as a joint stock company under its present name. SEPCO is principally involved in the development, construction, possession, operation and maintenance of the Shuaibah Phase 3 Expansion IWP, transfer and sell water and all relevant works and activities and commenced its business on 17 November 2009.

As at the Latest Practicable Date, the authorised share capital of SEPCO is SR175,818,000 comprising 17,581,800 ordinary shares of SR10 each and its issued and paid-up share capital is SR175,818,000 comprising 17,581,800 ordinary shares of SR10 each.

SEPCO is a 97.5%-owned subsidiary of SEHCO which is a 60%-owned subsidiary of SAMAWEC. SAMAWEC is an associate of MSCSB which is an associate of MGL. MGL is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary.

The shareholders of SEPCO and their shareholdings in SEPCO as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
SEHCO	17,142,255	97.50
SAMAWEC	175,818	1.00
SEC	87,909	0.50
Mohammad Abdullah Rashid Abunayyan	87,909	0.50
Rasheed Abdulrahman Naseer Al-Rasheed	87,909	0.50

As at the Latest Practicable Date, SEPCO does not have any subsidiary or associate.

(xiv) MCDC (Company No. 1163374)

MCDC was incorporated in the Sultanate of Oman on 19 January 2013 as a closed joint stock company under its present name. MCDC is principally involved in the desalination of water and commenced its business on 19 January 2013.

As at the Latest Practicable Date, the authorised share capital of MCDC is OMR25,000,000 comprising 25,000,000 ordinary shares of OMR1.00 each and its issued and paid-up share capital is OMR15,555,040 comprising 15,555,040 ordinary shares of OMR1.00 each.

MCDC is a 45%-owned associate of MODCL. MODCL is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary.

The shareholders of MCDC and their shareholdings in MCDC as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
MODCL	6,999,768	45.00
Summit Water Middle East Company	6,999,768	45.00
Cadagua Al Ghubrah UK Limited	1,555,504	10.00

As at the Latest Practicable Date, MCDC does not have any subsidiary or associate.

(xv) MCDOMC (Commercial Registration No. 1180016)

MCDOMC was incorporated in the Sultanate of Oman on 21 August 2013 as a limited liability company under its present name. MCDOMC is principally involved in the operation and maintenance of pump stations and pipelines, installation and repair of electric power and transformer plants and telecommunications and radar plants, export and import offices, and laying and maintenance of all kinds of pipes, business agencies (excluding portfolio and securities) and wholesale of industrial chemicals, and commenced its business on 21 August 2013.

As at the Latest Practicable Date, the authorised share capital of MCDOMC is OMR150,000 comprising 150,000 ordinary shares of OMR1.00 each and its issued and paid-up share capital is OMR150,000 comprising 150,000 ordinary shares of OMR1.00 each.

MCDOMC is a 31.50%-owned associate of TJSB International. TJSB International is a wholly-owned subsidiary of TJSB which in turn is our wholly-owned subsidiary.

The shareholders of MCDOMC and their shareholdings in MCDOMC as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
TJSB International	47,250	31.50
Sumisho Capital Management Co.	47,250	31.50
Cadagua S.A.	10,500	7.00
Al-Barij International Limited	45,000	30.00

As at the Latest Practicable Date, MCDOMC does not have any subsidiary or associate.

6.2.3 Our joint venture

(i) AAS (Company No. 07B0974571)

AAS was incorporated in Algeria on 9 June 2007 as a joint stock company under its present name. AAS is principally involved in the construction, operation and maintenance of a sea water desalination plant and marketing of the desalinated water produced and commenced its business in 2007.

As at the Latest Practicable Date, the authorised share capital of AAS is AD3,474,130,000 comprising 3,474,130 ordinary shares of AD1,000 each and its issued and paid-up share capital is AD3,474,130,000 comprising 3,474,130 ordinary shares of AD1,000 each.

AAS is a joint venture of TDIC which is a 70%-owned subsidiary of M AlDjazair Desal. M AlDjazair Desal is a wholly-owned subsidiary of Malakoff IL which in turn is our wholly-owned subsidiary.

The shareholders of AAS and their shareholdings in AAS as at the Latest Practicable Date are set out below:

Shareholder	No. of ordinary shares	%
TDIC	1,771,803	51.00
Algeria Energy Company SpA	1,702,322	49.00
Habib Husin*	1	^
Nordin Kasim*	1	^
Mohd Radzuan Yahya*	1	^
Ahcène Ouzane	1	^
Lau Yeun Huei Edwin	1	^

Notes:

* *Habib Husin, Nordin Kasim and Mohd Radzuan Yahya are the individual nominees of our Company.*

^ *Less than 0.01%.*

As at the Latest Practicable Date, AAS does not have any subsidiary or associate.

6.2.4 Trust established in our Group

We hold our investment in our Australian entities through SPSB. SPSB directly holds all of the issued shares in M Australia and WMHPL. SPSB indirectly holds all of the issued shares in M Holdings, MWMHPL and MWMPL through M Australia, and all of the issued shares in WMPL and WMFPL through WMHPL. Further details of SPSB are set out in Section 6.2.1(xxxvii) of this Prospectus.

In addition, SPSB holds all of the 130,328,010 units in issue in the Wind Macarthur Holding Trust (ABN 13 229 199 120) ("**WMH Trust**") and WMHPL holds all of the 130,328,010 units in issue in the Wind Macarthur Trust (ABN 80 258 208 280) ("**WM Trust**"). The WMH Trust and WM Trust were constituted in Australia on 5 June 2013 in accordance with Victorian law and in accordance with the terms of the respective trust deeds dated 5 June 2013 entered into by WMHPL, as trustee for the WMH Trust and WMPL as trustee for the WM Trust.

Both WMH Trust and WM Trust are investment holding trusts for our interest in the land assets of the Macarthur Wind Farm. The land on which the substation for the Macarthur Wind Farm is located is owned in equal 50% shares by WMPL (as trustee for the WM Trust) and Macarthur WFPL, being our joint venture partner for the Macarthur Wind Farm. The land on which the wind turbines are located is owned by third parties and is leased in equal 50% shares by WMPL (as trustee for the WM Trust) and Macarthur WFPL. For clarity, only those parts of the land on which the wind turbines are located are leased and each of these leases currently expires on 1 February 2038. MWMPL and Macarthur WFPL are also the grantee of registered easements over parts of parcels of land owned by third parties. The purpose of the easements is to allow for electricity transmission lines connecting the wind turbines to the electrical substation to traverse these parcels of land.

In addition to the lands which are either owned or leased, WMPL (as trustee for the WM Trust) and Macarthur WFPL each own a 50% share in all of the fixed assets relating to the Macarthur Wind Farm, namely all wind driven electricity generation equipment and facilities used in the exploitation of wind to produce electricity.

For further information on our properties and equipments relating to the Macarthur Wind Farm, see Annexure B of this Prospectus.

Save for the issuance of RCULS of up to RM30,000,000 and RM112,500,000 in nominal value by TBP and SEV, respectively, and the issuance of redeemable convertible unsecured Islamic debt securities of up to RM270,000,000 and RM1,687,500,000 in nominal value by TBP and SEV, respectively, our Group does not have any outstanding warrants, options, convertible securities or uncalled capital as at the date of this Prospectus.

None of our Shares and shares in our subsidiaries were issued and allotted at a discount or have any special terms. Our issued Shares and issued shares in our subsidiaries are fully paid-up.

As at the Latest Practicable Date, neither our Company nor our subsidiaries are involved in any bankruptcy, receivership or similar proceedings.

7. BUSINESS OF OUR GROUP

7.1 OVERVIEW

According to Frost & Sullivan, we are the largest IPP in Malaysia and SEA in terms of total generation capacity as at the Latest Practicable Date. As a multinational water and power company, we are also engaged in the independent water production and power generation business in the MENA region and the renewable energy business in Australia, with a combined effective water production capacity of approximately 358,850 m^3 per day and power generation capacity of approximately 690 MW as at the Latest Practicable Date. In addition, we are engaged in the operation and maintenance business, serving our own power plants in Malaysia as well as power plants and water plants of certain of our associates, our joint venture and third-party clients abroad. To complement our Malaysian independent power generation business, we also operate an electricity and chilled water distribution business, provide project management services and are working to develop additional renewable energy projects.

In Malaysia, through our subsidiaries, we own three CCGT power plants, one OCGT power plant and one coal-fired thermal power plant, and, through an associate, we have an interest in a power plant that has multi-fuel power generation facilities. All of these power plants are located in Peninsular Malaysia.

Of our three CCGT power plants, the SEV Power Plant is the largest CCGT power plant owned by an IPP in Malaysia, based on generation capacity as at the Latest Practicable Date, and, according to Frost & Sullivan, all three of our CCGT power plants have consistently achieved thermal efficiency above IPP industry averages from 2008 to 2012. Based on reliability factor, we believe our Port Dickson Power Plant is one of the most reliable OCGT power plants in Malaysia, as it has consistently performed above IPP industry averages of 98.1%, 98.4%, 97.9%, 94.5% and 95.1% in the years 2008 to 2012, respectively.

Our coal-fired thermal power plant, the Tanjung Bin Power Plant, is the first privately owned coal-fired power plant in Malaysia and is one of the largest privately owned coal-fired power plants in SEA, based on generation capacity, as at the Latest Practicable Date. According to Frost & Sullivan, its generation capacity of 2,100 MW accounted for approximately 29.3% of Peninsular Malaysia's total installed coal-fired generation capacity as at the Latest Practicable Date. We are currently constructing another coal-fired thermal power plant, the Tanjung Bin Energy Power Plant which is expected to have 1,000 MW of generation capacity and is scheduled to commence commercial operation in 2016.

Through our equity interest in our associate, KEV, we own a 40.0% interest in the Kapar Power Plant, which has multi-fuel power generation facilities.

All of our power plants and our associate's power plant in Malaysia sell the power that they generate to TNB pursuant to long-term PPAs. TNB owns the National Grid, which is the electricity power transmission network in Peninsular Malaysia.

We have also invested in several large-scale water production and power generation projects overseas through joint ventures. We provided development services for most of these projects, and we currently provide operation and maintenance services to these projects. Our international independent water production and power generation businesses currently consist of our interests in plants in the MENA region and assets in Australia. In the Kingdom of Saudi Arabia, we have interests in the Shuaibah Phase 3 Expansion IWP and the Shuaibah Phase 3 IWPP, which collectively form the largest independent water project in the MENA region as at 31 December 2013, based on collective plant design water production capacity of 1,030,000 m^3 per day, and they supply electricity and water to Saudi Arabia's Water and Electricity Company. According to Frost & Sullivan, the collective plant design capacity of the Shuaibah Phase 3 Expansion IWP and the Shuaibah Phase 3 IWPP accounted for 10.1% of the gross water plant design capacity in the Kingdom of Saudi Arabia as at 31 December 2013.

In Algeria, we have a 35.7% interest in the Souk Tleta IWP, which supplies water to Algeria's national water company, L'Algerienne Des Eaux, and Algeria's national oil and gas company, Sonatrach. In May 2012, we acquired a 40.0% equity interest in Hidd Power, the owner of the Hidd IWPP in Bahrain, which supplies electricity and water to Bahrain's Ministry of Electricity and Water and accounted for approximately 34.0% of Bahrain's gross installed power generation capacity and approximately 58.6% of Bahrain's gross water production capacity in 2013, according to Frost & Sullivan.

In January 2013, we, together with our partners, formed MCDC to undertake the design, construction, ownership, financing, and operation and maintenance of the Al Ghubrah IWP in the Sultanate of Oman. Through our wholly-owned indirect subsidiary, Malakoff IL, we have a 45.0% equity interest in MCDC. We expect the construction of Al Ghubrah IWP to be completed and for it to commence commercial operation in the third quarter of 2015, with an expected water production capacity of 191,000 m^3 per day.

In June 2013, we acquired a 50.0% participating interest in the unincorporated joint venture that owns the 420 MW Macarthur Wind Farm which is the largest wind farm in the southern hemisphere as at the Latest Practicable Date, according to Frost & Sullivan.

Our investment in the Macarthur Wind Farm is our first renewable energy project. In addition, in line with the Government's drive to develop the green and renewable power generation sector, we are reviewing potential projects in Malaysia involving small run-of-river hydro projects and waste-to-energy projects. On the international front, we are exploring the development of various renewable energy technologies, including wind and solar energy.

We conduct our operation and maintenance business in Malaysia through our wholly-owned subsidiaries M Power, TBOMB and PDP O&M, and outside Malaysia through TJSB and its subsidiaries.

The following table provides selected data in respect of the Malaysian and overseas operating assets of our subsidiaries, associates and joint venture, in each case as at the Latest Practicable Date.

Plant name	Location	Plant type	PPA/WPA/ PWPA expiration	Generating capacity[1]	Effective equity participation	Effective capacity
In Malaysia:						
Tanjung Bin Power Plant	Johor	Coal	2031	2,100 MW	90.00%	1,890 MW
SEV Power Plant	Perak	CCGT	2027	1,303 MW	93.75%	1,221.6 MW
Kapar Power Plant	Selangor	Multi-fuel	2019/29[2]	2,420 MW	40.00%	968 MW
GB3 Power Plant	Perak	CCGT	2022	640 MW	75.00%	480 MW
Port Dickson Power Plant	Negeri Sembilan	OCGT	2016	436.4 MW	100.00%	436.4 MW
Prai Power Plant	Pulau Pinang	CCGT	2024	350 MW	100.00%	350 MW
Total effective power generation capacity, in Malaysia						**5,346.0 MW**
Under construction in Malaysia:						
Tanjung Bin Energy Power Plant	Johor	Coal	2041	1,000 MW	100.00%	1,000 MW

7. BUSINESS OF OUR GROUP *(Cont'd)*

Plant name	Location	Plant type	PPA/WPA/ PWPA expiration	Generating capacity[1]	Effective equity participation	Effective capacity
Outside Malaysia:						
Hidd IWPP	Bahrain	Water/ Natural gas/ Distillate oil	2027	410,000 m^3/day 929 MW	40.00%	164,000 m^3/ day 372 MW
Shuaibah Phase 3 IWPP	Kingdom of Saudi Arabia	Water/Oil	2030	880,000 m^3/day 900 MW	12.00%	105,600 m^3/day 108 MW
Souk Tleta IWP[3]	Algeria	Water	2036	200,000 m^3/day	35.70%	71,400 m^3/day
Shuaibah Phase 3 Expansion IWP	Kingdom of Saudi Arabia	Water	2029	150,000 m^3/day	11.90%	17,850 m^3/day
Macarthur Wind Farm	Australia	Wind	2038	420 MW	50.00%	210 MW
Total effective water production capacity, outside Malaysia						**358,850m^3/day**
Total effective power generation capacity, outside Malaysia						**690 MW**
Under construction outside Malaysia:						
Al Ghubrah IWP	Sultanate of Oman	Water	2034	191,000 m^3/day	45.00%	85,950 m^3/day
Total effective power generation capacity, in and outside Malaysia						**6,036.0 MW**

Notes:

(1) MW indicates capacity for electric power generation and m^3/day indicates capacity for water production.

(2) The Kapar Power Plant has four phases. The term of the PPA for the fourth phase expires in 2019 and the term of the PPA for the first three phases expires in 2029.

(3) Owned by our joint venture AAS.

Historically, our subsidiaries have completed the following greenfield projects on or ahead of schedule:

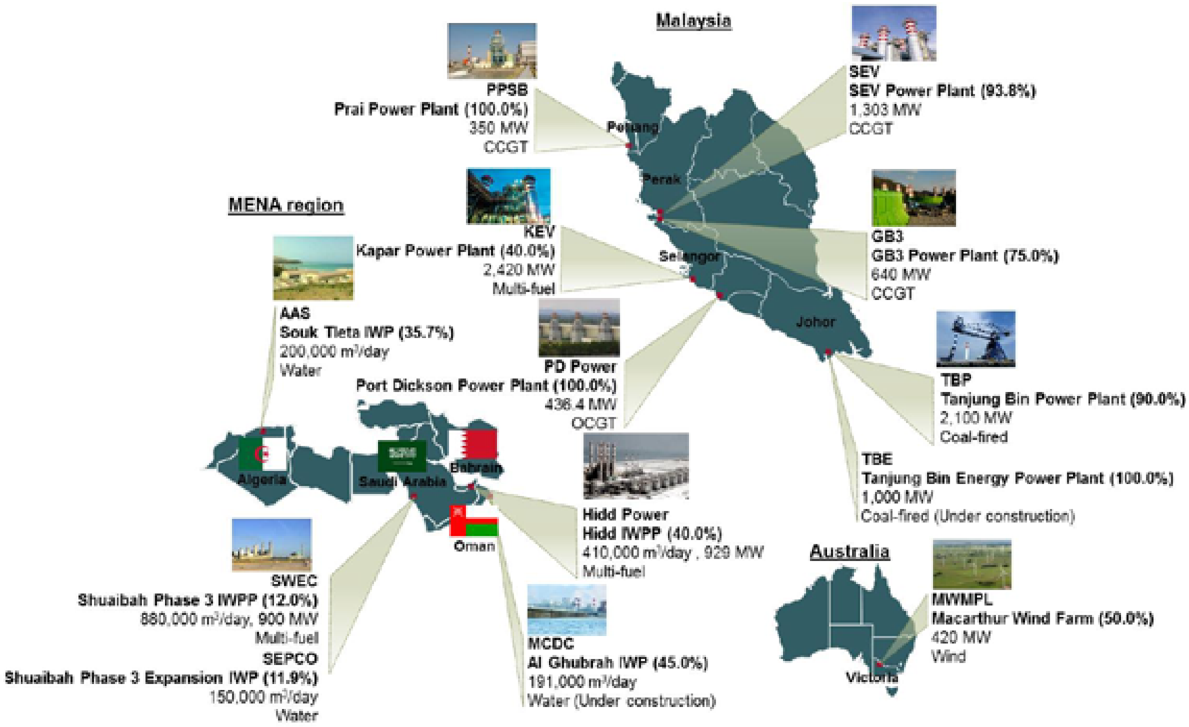
(i) the construction of the Tanjung Bin Power Plant was completed on schedule;

(ii) the construction of the SEV Power Plant's Block 1 and Block 2 were completed ahead of schedule by three weeks and six months, respectively; and

(iii) the construction of the GB3 Power Plant was completed ahead of schedule by one month, including the conversion of the GB3 Power Plant from an OCGT power plant to a CCGT power plant, which was ahead of schedule by 2.5 months.

7. BUSINESS OF OUR GROUP *(Cont'd)*

The following summarises the Malaysian and overseas operating assets of our subsidiaries, associates and joint venture in various countries as at the Latest Practicable Date.



For further information on the licences held by our subsidiaries that own and/or operate power plants, see Annexure A of this Prospectus.

In our electricity and chilled water distribution business, which began in 2000, our wholly-owned subsidiary, M Utilities, supplies electricity to all the buildings in the Kuala Lumpur Sentral Development on an exclusive basis pursuant to an 11-year licence issued by the Energy Commission expiring on 14 October 2017, and is renewable for an additional ten years. The Kuala Lumpur Sentral Development is a combined office, hotel, residential, retail and transit hub located approximately 1.5 km from Kuala Lumpur's central business district and covers an area of approximately 72 acres. M Utilities also supplies chilled water to the buildings in the Kuala Lumpur Sentral Development pursuant to chilled water supply agreements that will expire between 2027 and 2032, but are renewable upon mutual agreement of the parties.

In our project management business, our wholly-owned subsidiary, MESB provides project management services related primarily to plant design review and construction monitoring for our own power plant projects. It offers large-scale project management expertise related to the execution of engineering, procurement and construction contracts for plants, as well as managing relationships with engineers and the relevant authorities.

Our largest shareholder is MMC which, directly and indirectly through its wholly-owned subsidiary, AOA, holds a combined 51.0% equity interest in us prior to the IPO. MMC is one of the leading utilities and infrastructure groups in Malaysia, with interests in ports and logistics, energy and utilities, and engineering and construction. Our other shareholders and their pre-IPO equity interests in us are EPF, which owns a 30.0% equity interest, KWAP, which owns a 10.0% equity interest, SCI Asia, which owns a 6.5% equity interest, and SEASAF, which owns a 2.5% equity interest.

For the FYE 31 December 2014, our revenue was RM5,594.5 million and our PAT was RM412.8 million. As at 31 December 2014, our total assets were RM29,336.1 million and our equity attributable to owners of our Company was RM3,963.6 million.

7.2 COMPETITIVE STRENGTHS

7.2.1 Largest IPP in Malaysia and SEA with an attractive portfolio of international power and water production assets

We are the largest IPP in Malaysia and SEA in terms of total generation capacity as at the Latest Practicable Date, according to Frost & Sullivan. We have a sizeable portfolio of power generation assets in Malaysia, the MENA region and Australia, with total gross power generation capacity of 9,498.4 MW.

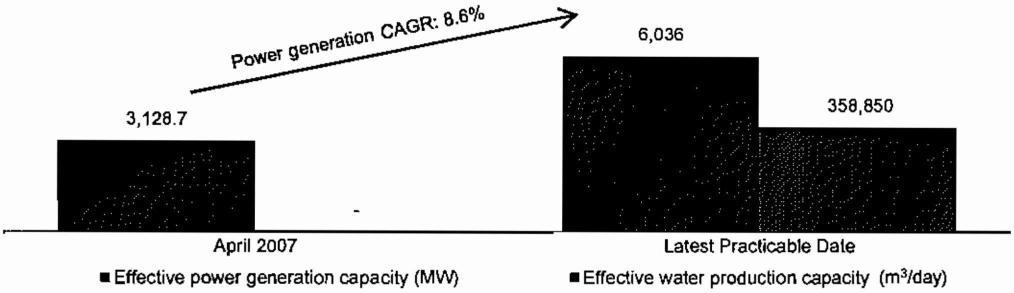
According to Frost & Sullivan, our domestic effective power generation capacity from six power plants, of which five are majority-owned by our subsidiaries and one is owned by our associate, is approximately 5,346 MW, and represents 24.9% of Peninsular Malaysia's total installed capacity as at the Latest Practicable Date.

The MB group had a major presence in the Malaysian power generation sector since 1993 and since the completion of the Acquisition in 2007, we have continued to be engaged in the development, ownership and operation of Malaysian IPPs. We have led the development of two major power plants in Malaysia, namely, the Tanjung Bin Power Plant, which became fully operational in August 2007 and the Tanjung Bin Energy Power Plant, which is expected to commence commercial operations in 2016. In April 2014, we undertook the PD Power Acquisition, and we now own all of the 436.4 MW of generating capacity of the Port Dickson Power Plant.

Our power generation portfolio in Malaysia is complemented by an attractive portfolio of power and water production assets in the MENA region and in Australia. According to Frost & Sullivan, a notable trend in the MENA region's power generation sector is the integration of water production and power generation as a measure to meet the electricity demand and also address the water scarcity issue, one of the major concerns of the governments in the region. Since 2007, we have consistently expanded into international water production in the Kingdom of Saudi Arabia, Algeria, and Bahrain with the commencement of commercial operations of the Shuaibah Phase 3 Expansion IWP and the Shuaibah Phase 3 IWPP in the Kingdom of Saudi Arabia in 2009 and 2010, respectively, and the Souk Tleta IWP in Algeria, which commenced operations in 2011. In May 2012, we acquired a 40.0% equity interest in Hidd Power, the owner of the Hidd IWPP in Bahrain. According to Frost & Sullivan, the Shuaibah Phase 3 Expansion IWP and the Shuaibah Phase 3 IWPP collectively form the largest independent water project in the MENA region, based on collective plant design water production capacity of 1,030,000 m^3 per day, and accounted for 10.1% of the gross water plant design capacity in the Kingdom of Saudi Arabia as at 31 December 2013. The Souk Tleta IWP supplies water to Algeria's national water company, L'Algerienne Des Eaux, and Algeria's national oil and gas company, Sonatrach. According to Frost & Sullivan, the Hidd IWPP in Bahrain supplies electricity and water to Bahrain's Ministry of Electricity and Water and accounted for approximately 34.0% of Bahrain's gross installed power generation capacity and approximately 58.6% of Bahrain's gross water production capacity in 2013. In June 2013, we completed the acquisition of a 50.0% participating interest in the unincorporated joint venture that owns the Macarthur Wind Farm. The Macarthur Wind Farm is the largest wind farm in the southern hemisphere as at the Latest Practicable Date, according to Frost & Sullivan, and this acquisition forms part of our strategic road-map to building up our renewable asset portfolio.

Our international expansion efforts have transformed us into a leading multinational power and water producer, with a gross international power generation capacity of 2,249 MW and gross water production capacity of 1,640,000 m^3 per day as at the Latest Practicable Date. In addition, the Al Ghubrah IWP in the Sultanate of Oman, which is currently under construction, is expected to provide us with an additional gross water production capacity of 191,000 m^3 per day upon commencement of commercial operations in the third quarter of 2015.

As a result of our expansion efforts, we have grown our total effective power generation capacity from 3,128.7 MW since the completion of the Acquisition in April 2007 to 6,036 MW as at the Latest Practicable Date, representing a CAGR of 8.6% for the period. At the same time, our venture into the MENA region through investments in our associates and joint venture has expanded our portfolio of assets to include water production businesses with a total effective water production capacity of 358,850 m^3 per day. The chart below summarises the results of our expansion efforts since the completion of the Acquisition.



For the FYE 31 December 2014, the share of profit, net of tax, from our equity-accounted foreign associates that have interests in Shuaibah Phase 3 Expansion IWP, Shuaibah Phase 3 IWPP and Hidd IWPP, and our equity-accounted foreign joint venture that has interest in the Souk Tleta IWP, collectively contributed 23.9% of our profit attributable to the owners of our Company.

7.2.2 Well positioned to benefit from growth in electricity and water demand in target markets

Frost & Sullivan forecasts growth in electricity demand in Malaysia at a CAGR of approximately 9.7% per year between 2014 and 2018. Given the expected growth in electricity demand, together with the near-term retirement of older power plants, the Government plans to expand power generation capacity in Malaysia to maintain a power reserve margin of at least 25%. To cater for the anticipated increase in electricity demand, the Government has announced its intentions to expand the generation capacity of existing power plants and construct new power plants. The Energy Commission targets approximately 10,923 MW to 11,323 MW of additional planned power generation capacity in Peninsular Malaysia between 2014 and 2020 (including the continuation of existing PPAs), with approximately 4,777 MW of new power supply agreements by 2016, under which the plants are targeted to be operational between 2015 and 2016. Of the 4,777 MW that has already been awarded, 1,000 MW was awarded to our wholly-owned subsidiary, TBE, which owns the Tanjung Bin Energy Power Plant. The remaining 3,777 MW of new power supply agreements were awarded to TNB (3,103 MW) and Edra Global Energy Berhad *(formerly known as 1MDB Energy Group Berhad)* (675 MW).

With the expected expansion of our effective power generation capacity as a result of the addition of the Tanjung Bin Energy Power Plant, our effective power generation capacity will exceed 7,000 MW by 2016. We expect that Tanjung Bin Energy Power Plant will cater to the increasing demand for power in the Iskandar development region in Johor, Malaysia, which is projected by the South Johor Economic Region Comprehensive Development Plan 2025 to grow from 1,479 MW in 2010 to 2,254 MW in 2020. We expect that the limited addition of planned near-term power generation capacity in Malaysia will provide significant development opportunities for us as an IPP and create favourable conditions for the extension of some of our PPAs expiring in the future, as evidenced by the Energy Commission's ten-year extension of the term for the SEV Power Plant to sell power to TNB.

Further, with Malaysia's GDP expected to grow at a rate of 5.5% to 6.0% in 2014 and a rate of 4.5% to 5.5% in 2015, according to the Ministry of Finance, Malaysia, we are well positioned to continue to increase our effective power generation capacity and benefit from the expected growth in power demand in Malaysia.

According to Frost & Sullivan, in the MENA region, GDP is expected to grow at a rate of 6.3% per year between 2014 and 2018, according to forecasts by the International Monetary Fund. Power demand in the countries where we have an existing presence, namely, the Kingdom of Saudi Arabia, Algeria and Bahrain, is also expected to grow at a CAGR of 6.3%, 7.5% and 4.1%, respectively, between 2014 and 2018, whilst water consumption for the MENA region is estimated to grow at a CAGR of 2.1% for the same period, based on forecasts by Frost & Sullivan. We intend to consolidate and increase our market share in this region by capitalising on this growth through our interests in existing projects, such as through brownfield expansions, as well as through new opportunities, including privatisations or acquisitions of existing power generation or water production assets and new greenfield project development.

In Australia, according to Frost & Sullivan, wind power generation is the largest renewable energy generation sector and is expected to grow at a CAGR of 25.5% between 2012-13 and 2019-20. Wind power generation is also expected to record the highest growth within the Australian renewable energy sector between 2013 and 2018. We believe we are well positioned to capitalise on this growth as the Macarthur Wind Farm is presently contributing towards the Australian Federal Government's expanded Renewable Energy Target, which aims to have 20% of the country's electricity generated from renewable sources by 2020. The southern and south western coasts of Australia are also amongst the most suitable areas in the world for wind energy generation and may offer opportunities for further capacity expansion due to the Macarthur Wind Farm's presence in this strategic location.

7.2.3 Proven development, acquisition and operation and maintenance track record

We have a long and successful track record of greenfield development that includes EPC negotiations, executing acquisition transactions, and operation and maintenance for both power generation and water production assets in Malaysia, the MENA region and Australia.

In Malaysia, we have successfully completed the financing, design, engineering, procurement, construction, installation, testing, commissioning and operation and maintenance of the SEV Power Plant and the GB3 Power Plant, which are CCGT power plants with a combined generating capacity of 1,943 MW, as well as the Tanjung Bin Power Plant, one of the largest privately owned coal-fired power plants in SEA with a generating capacity of 2,100 MW as at the Latest Practicable Date. Our subsidiaries completed the construction of the Tanjung Bin Power Plant on schedule and the construction of the SEV Power Plant's Block 1 and Block 2 ahead of schedule by three weeks and six months, respectively. The construction of the GB3 Power Plant was also ahead of schedule by one month, including the conversion of the GB3 Power Plant from an OCGT power plant to a CCGT power plant, which was ahead of schedule by 2.5 months.

Outside of Malaysia, through joint ventures, we completed the construction of the Shuaibah Phase 3 IWPP in the Kingdom of Saudi Arabia, which has 900 MW of power generation capacity and 880,000 m^3 per day of water production capacity, the Shuaibah Phase 3 Expansion IWP in the Kingdom of Saudi Arabia, which has 150,000 m^3 per day of water production capacity, and the Souk Tleta IWP in Algeria, which has 200,000 m^3 per day of water production capacity. We are also currently involved through joint ventures in the design, construction, ownership, financing, and operation and maintenance of the Al Ghubrah IWP in the Sultanate of Oman, which we expect to have 191,000 m^3 per day of water production capacity.

We are very selective in our participation in new projects as well as in our bidding approach and will only proceed with potential new projects if we are confident of value being created. In line with this strategy, we have demonstrated a successful acquisition track record, having completed the acquisitions of a 40.0% interest in Hidd Power in Bahrain from International Power Holdings Limited in 2012 and a 50.0% participating interest in the Macarthur Wind Farm in 2013. In addition, in April 2014, we further consolidated our interest in the Port Dickson Power Plant by undertaking the PD Power Acquisition. Previously, in 2006, the MB group acquired a 20.0% interest in Dhofar Power Company, and in 2007, we acquired a 12.5% interest in CEGCO, an electricity generator in Jordan. We subsequently disposed of our entire interest in Dhofar Power Company in 2009 in line with the decision of the government of Oman to restructure Oman's electricity industry, and also divested our entire stake in CEGCO in 2012, where the project's controlling shareholder had also disposed of its interest, to realise the gain on those investments.

Our portfolio of power generation and water production assets is complemented by our strong operation and maintenance capabilities, with a total operation and maintenance portfolio capacity of 8,049.4 MW of power, 1,421,000 m^3 of water per day and 55 tonnes of steam per hour as at the Latest Practicable Date. We have over 20 years of experience in operation and maintenance and a proven track record in operating different power plants, including CCGT, OCGT and coal-fired power plants, as well as multi-stage flash distillation desalination plants, reverse osmosis desalination plants and multi-effect distillation and co-generation plants.

Our established track record in operation and maintenance, include providing such services to third-parties locally and subsequently internationally. In 1999, MB via TJSB was awarded a five-year contract by PETRONAS Gas to train their personnel, as well as to operate and maintain the PETRONAS Centralised Utilities Facilities in Kerteh and Gebeng, Malaysia. Following the conclusion of the five-year period, the facilities were successfully returned to PETRONAS Gas to operate its facilities. After the Acquisition, we expanded our operation and maintenance business internationally. In 2013, we also successfully completed the five-years Operation and Maintenance Management Services agreement with Alghanim International General Trading and Contracting Co. W.L.L. in Kuwait ("**Alghanim**") for the operation, maintenance and management services of the Az Zour 800 MW OCGT Emergency Power Plant owned by the Ministry of Energy and Water, Kuwait ("**MEW**"). Alghanim was awarded an agreement by MEW to convert the Az Zour 800 MW OCGT Emergency Power Plant to the 1,200 MW CCGT power plant, and subsequently we were appointed by Alghanim to undertake the operation, maintenance and management services for its 1,200 MW CCGT power plant for four years. In the first quarter of 2013, we were awarded an operation maintenance management services contract by PT. Merak Energi, Indonesia for the operations maintenance and management services of a 120 MW coal-fired power plant with a steam production capacity of 55 tonnes of steam per hour located in the District of Banten, Indonesia. The contract is for a period of five years from the first unit commercial operation date in December 2013.

Our strong culture of operational excellence and a disciplined management system have ensured that our assets are not only managed and maintained efficiently, but are also cost effective through the deployment of the latest specialised operation and maintenance tools and methodologies. These tools and methodologies include Computerised Maintenance Management System, Reliability Centred Maintenance, Reliability Based Inspection, Reliability Centred Spares, Condition Based Maintenance, Root Cause Analysis, Performance Analysis (Gate Cycle), Safety & Security, Operations & Maintenance and Engineering Audits. Our systematic approach to operation and maintenance performance improvement is centred on enhancing capability development, as well as instilling a continuous improvement culture, with the aim of propelling our asset performance towards sustainable, world-class standards. We have developed a reliable operational methodology, as demonstrated by some of our power plants achieving higher than IPP industry averages, as set out in Section 1.5.3 of the executive summary of the IMR Report included in Section 8 of this Prospectus, in terms of thermal efficiency and equivalent availability factors. Our operational excellence is further evidenced by our ability to form partnerships with leading players in the power generation and water production businesses. We have complemented this with a culture that promotes commitment to strong health, safety and environmental practices, where, for example, our wholly-owned gas-fired Prai Power Plant achieved a significant milestone in 2013 when it clocked in three million man hours with zero accidents recorded since it commenced operations in June 2003.

7.2.4 Well positioned to capitalise on the increasing role of coal-fired power generation in Malaysia

Coal is expected to have an increasing share of the overall power generation fuel mix in Malaysia, driven by its lower cost relative to gas as fuel for power generation. Peninsular Malaysia has historically relied on domestic natural gas to fuel economic growth. With maturing gas fields and escalating demand growth, the country is importing LNG to fill the gap. According to Frost & Sullivan, the domestic price of natural gas is RM15.20 per mmbtu as at the Latest Practicable Date. Domestic natural gas prices are expected to gradually rise in the future until they reflect market prices. As a result, Malaysia's installed capacity for coal-fired power generation is expected to increase from 31.8% of the total installed power generation capacity in 2010 to 49.0% by 2020, according to Frost & Sullivan.

We believe that we are well positioned to benefit from this increased reliance on coal, given our experience and track record in successfully developing and operating one of the largest privately owned coal-fired power plants in SEA. As at the Latest Practicable Date, our well diversified fuel mix, based on effective power generation capacity in Malaysia, is approximately 46.5% gas-fired, 35.4% coal-fired and 18.1% multi-fuel-fired. We operate one of the largest privately owned coal-fired power plants in SEA, the Tanjung Bin Power Plant, with a generation capacity of 2,100 MW that accounted for approximately 29.3% of Peninsular Malaysia's total installed coal-fired generation capacity as at the Latest Practicable Date, according to Frost & Sullivan. The TBP PPA provides for demand-linked payments that provide us with the benefit of despatch bonuses when power demand increases and the plant despatches beyond the pre-defined thresholds set forth in the TBP PPA. We are also currently constructing the Tanjung Bin Energy Power Plant, which features a production process that operates at super-critical steam parameters, allowing for higher efficiency in electricity generation, and the latest fabric filter plant and flue gas desulphurization clean-coal technologies. This plant will further increase our coal-fired power generation capacity to approximately 45.5% of our total effective power generation capacity in Malaysia. Further, we have ready access to requisite land, existing coal handling and transmission infrastructure at our existing Tanjung Bin site that can be utilised for further capacity expansion. Our approximately 353 ha of land at the Tanjung Bin site has a remaining lease of up to 33 years which can be used to support further contract extensions beyond Tanjung Bin Power Plant's existing PPA or to support further capacity expansion.

We believe that our extensive experience and track record in coal-fired power generation has given us a competitive advantage in the industry, providing a platform on which we can continuously build and improve.

7.2.5 Reliable cash flow supported by long-term PPAs, high credit quality counterparties and strategic partnerships

Our power generation capacity is fully contracted for, based on long-term PPAs that feature fuel cost pass-through and scheduled escalations in relation to operating rates. More than two-thirds of our weighted average PPAs in Malaysia have remaining terms in excess of ten years based on effective generation capacity. We believe that we have the longest remaining PPA term among the operating IPPs in Malaysia, with a weighted average remaining PPA term of approximately 13 years (based on the effective generation capacity of each of our and our associate's power plants in Malaysia which are currently in operation), compared with approximately 11 years for our second-ranked competitor in Malaysia as at the Latest Practicable Date, according to the Energy Commission as at 14 September 2014. With the inclusion of the TBE PPA, our weighted average remaining PPA term will increase to approximately 15 years. Further, based on the effective generation capacity of each of our and our associates' power plants in and outside Malaysia which are currently in operation, our weighted average remaining PPA and PWPA term (including the remaining term of our Macarthur Wind Farm Contracts) is approximately 13 years.

Our contractual operating framework has resulted in high credit ratings of at least AA3/AA- as at the Latest Practicable Date by Rating Agency Malaysia/Malaysian Rating Corporation Berhad at various levels in our group of companies. This is also reflected in our strong and stable financial performance. For example, we achieved EBITDA of RM1,721.0 million and RM2,460.9 million with EBITDA margins of 36.5% and 44.0% for the FYE 31 December 2013 and 2014, respectively.

Our offtakers primarily consist of high credit quality government or government-linked entities, such as TNB, our sole offtaker in Malaysia, which is a 31%-government owned entity, with credit ratings of AAA (Rating Agency Malaysia), BBB+ (S&P) and A3 (Moody's) as at the Latest Practicable Date. In Australia, the primary offtaker for the Macarthur Wind Farm is AGL Energy Limited, with a credit rating of BBB (S&P) as at the Latest Practicable Date. Our associates' offtakers in the MENA region are state-owned enterprises. In Algeria, the offtakers are Algeria's national water company, L'Algerienne Des Eaux, and Algeria's national oil and gas company, Sonatrach. In Bahrain, which has a sovereign credit rating of BBB- (S&P) and Baa2 (Moody's) as at the Latest Practicable Date, the offtaker is Bahrain's Ministry of Electricity and Water. In the Kingdom of Saudi Arabia, electricity and water are sold to Saudi Arabia's Water and Electricity Company.

Our principal suppliers of fuel are PETRONAS and TFS, a wholly-owned subsidiary of TNB.

We are also able to leverage on our relationships with established and reputable international network of vendors and strategic partners, including Alstom Power, GE, Toshiba, TNB, Khazanah, PETRONAS, AGL Energy Limited, Acwa Power, Sumitomo and GDF Suez S.A.. Our experience and track record in the industry help provide the credentials and confidence to such vendors to continue working with our Company. In addition, we believe our strong network and relationships with our strategic partners will enhance our competitive positioning when jointly exploring new opportunities with them.

7.2.6 Experienced, skilled and qualified management team with strong execution capabilities, complemented by established local shareholders

Our management team has extensive experience in the power industry and a proven track record of successfully developing and operating power plants as well as executing acquisitions. Our management team's breadth of experience includes planning, design review, project management, developing and commissioning of gas-fired, coal-fired and oil-fired power plants and water production technologies. The majority of our senior management team has an average of 20 years of related experience in the power industry and has spent an average of 16 years with us.

We are continuously developing our senior management team to strengthen the team's leadership capability that is critical to business growth and sustainability. To ensure a pipeline of talent to assume senior management positions in the future and business critical positions, we have established a robust succession planning framework and implemented leadership programmes that entail on-the-job learning, coaching and mentoring programmes. As such, we seek to ensure that our managers and staff are equipped with the best-in-class technical and execution capabilities.

Our shareholders include Malaysian institutions and experienced local and international financial investors. Our largest shareholder, MMC, is one of the largest listed utilities and infrastructure groups in Malaysia by market capitalisation, with interests in ports and logistics, energy and utilities, as well as engineering and construction businesses. Two of our other shareholders include pension funds, namely EPF and KWAP, which have been our shareholders since 2007.

7.3 BUSINESS STRATEGIES AND FUTURE PLANS

Our vision is to be a leading Malaysian multinational power and water company.

To achieve this vision, we are anchored by the following strategic pillars:

- Sustainable and continuous growth;
- Maximising value from existing assets; and
- Continued focus on operational excellence and organisational capability.

Our ultimate goals include:

- Expanding our effective power generation capacity to 10,000 MW and expanding our effective water production capacity by approximately 150% by 2020 by:
    - Commencing operations of the 1,000 MW Tanjung Bin Energy Power Plant by 2016;
    - Selectively pursuing additional investments and acquisitions on our own as well as in collaboration with our strategic partners; and
    - Maintaining our investment objectives focus on assets that are fully contracted through long-term off-take contracts, have long-term non-recourse project debt facilities in place and are expected to have a significant operating useful life following completion of the initial off-take agreement;
- Delivering profitable growth to our shareholders that commensurate with our generation capacity growth by:
    - Focusing on profitable and sustainable growth projects; and
    - Acquiring assets that would provide immediate value accretion;

- Further diversifying our assets portfolio by expanding our renewable power generation portfolio both domestically and internationally by:
  - Exploring opportunities in developed markets where power generation from renewable sources is prioritised; and
  - Focusing on smaller to medium scale, low capital, high profitability renewable energy projects;
- Doubling the contribution from operation and maintenance by 2020 in line with the increase in the capacity serviced by our operation and maintenance business, as well as our electricity and chilled water distribution business by:
  - Exploring opportunities for the provision of operation and maintenance services to third-party power and water plants and new projects; and
  - Capitalising on the track record and strength of our existing operation and maintenance team; and
- Optimising our capital structure to support sustainable growth by optimising asset portfolio, capital structure and funding costs.

To achieve our goals, we intend to leverage on our position as Malaysia and SEA's largest IPP, based on effective generation capacity, with a proven track record of completing projects within a specified timeframe and budget, as well as executing attractive acquisitions. We will capitalise on our existing sites, landbank and infrastructure to the extent possible to grow our operations. In addition, we aim to work with our shareholders and strategic partners to lead us to new opportunities, including collaboration at the project level.

Our key strategies and plans that support our goals are highlighted below.

7.3.1 Further expand our power generation platform in Malaysia to meet increasing power demand

We aim to increase our effective power generation capacity to reach 10,000 MW by 2020. We plan to achieve this through successfully completing the development, construction and commissioning of the 1,000 MW Tanjung Bin Energy Power Plant, which is expected to commence commercial operations in 2016 and will increase our domestic effective power generation capacity by approximately 18.7% from our current 5,346 MW.

We also plan to pursue additional investments in, or acquisitions of, new or existing power generation assets on a selective basis to expand our market presence and advance our market position at attractive returns.

We are in the midst of discussions with PETRONAS to participate in a 1,300 MW co-generation power plant that forms part of PETRONAS' Refinery and Petrochemicals Integrated Development ("**RAPID**") project. The RAPID project is part of the Pengerang Integrated Complex ("**PIC**") in Southern Johor, Malaysia, which comprises the world-scale RAPID and other associated facilities. RAPID is estimated to cost about USD16 billion while the associated facilities will involve an investment of about USD11 billion. Developed within a 6,242-acre site, the PIC will consist of a 300,000 barrels per day refinery and a petrochemical complex with a combined capacity of producing 7.7 million tonnes per annum of various grades of products including differentiated and specialty chemicals products such as synthetic rubbers and high grade polymers. The project will also see the development of a host of associated facilities including a raw water supply facility, a power co-generation plant, an LNG regasification terminal and other ancillary facilities. In April 2014, PETRONAS announced that a final investment decision had been reached on the RAPID project. Based on the current progress, the project is poised for its refinery start-up by early 2019. Notwithstanding the declining trend in oil prices since the last quarter of 2014, we take a long-term view with respect to our projects and will continue to evaluate our proposed participation in the RAPID project.

We are also currently studying the feasibility of other potential projects in Malaysia, which may include acquisitions. Across Peninsular Malaysia, we have existing land of approximately 400 ha which provide ready access to transmission infrastructure. We can leverage on the long remaining leases of our land, 47 years on average, for further capacity expansion or contract extensions beyond the life of our existing PPAs.

We believe that our existing sites and infrastructure including transmission lines and substations would be sufficient to accommodate our expansion and building of additional plants in the future.

7.3.2 Grow our international presence in power generation and water production

Being a multinational company, we also aim to increase our international effective power generation capacity. Our domestic expansion strategy, together with our international expansion strategy, will significantly expand our total effective power generation capacity from 6,036 MW to 10,000 MW by 2020. We believe our experience as a developer, operator and owner of generation assets will provide us with a strong foundation to explore investments in expected high electricity and water-demand regions outside of Malaysia.

We are currently studying the feasibility of a new 1,000 MW coal-fired power plant at the existing Tanjung Bin site for the export market to Singapore and another 1,000 MW coal-fired power plant to be located in north Peninsular Malaysia for the export market to Thailand. We believe that we are well positioned to capture these potential opportunities given our geographical proximity to Singapore and Thailand.

We remain keen to continue our relationships with our strategic partners who may identify other markets and regions of new and upcoming opportunities. In January 2013, we, together with our partners, formed MCDC to undertake the design, construction, ownership, financing, and operation and maintenance of the Al Ghubrah IWP in the Sultanate of Oman, which will have an expected water production capacity of 191,000 m^3 per day, thereby increasing our effective water production capacity as at the Latest Practicable Date by 24%. Pursuant to a WPA entered into with OPWP on 11 February 2013, the Al Ghubrah IWP is expected to supply water to OPWP for a term of 20 years commencing from the scheduled COD, which is expected in the third quarter of 2015.

We will continue to cooperate with our strategic partners to jointly participate in our international expansion projects. These partnerships provide us access to lower-cost financing and added specific expertise related to developing and operating assets in certain jurisdictions. In addition, these partnerships provide an added potential competitive advantage in securing projects in countries where government-to-government relationships are critical and provide us with enhanced risk mitigation. We have demonstrated this through our partnership with GDF Suez S.A. and Sumitomo in Hidd Power, Sumitomo and Cadagua in MCDC and AGL Energy Limited in the Macarthur Wind Farm.

Our international expansion strategy will focus on expanding into certain stable, developed and mature energy markets such as Australia and the United Kingdom, which are characterised by established merchant power markets. The stable regulatory, legal and power market structure in these countries make entry for new participants like us relatively seamless. We intend to develop our capabilities to become a merchant power operator in these markets.

We will also pursue new opportunities in emerging countries with high GDP-growth and expanding energy markets such as Thailand, Indonesia, Turkey and South Africa. We believe that the substantial energy demand-supply gap in these countries coupled with the shortfall in domestic investments in the energy sector provide for an opportune environment for a company with our competency and financial strength to thrive in. These countries have also been identified as areas where Malaysia-based companies have been successful in international expansion.

We intend to leverage on our experience and track record in our existing countries of operations, with a view to consolidating our market share in existing countries of operation and increasing our market share in our target countries. To achieve this objective, we plan to pursue various greenfield and brownfield projects, and acquisition opportunities in these countries.

We will pursue additional investments on a selective basis, focusing on profitable projects that will provide further geographic diversification. Our strategy includes making additional investments to further expand our portfolio without significant capital commitments. Any funding requirements for our business expansion will be financed through a combination of internally generated funds and/or borrowings.

7.3.3 Further expand renewable power portfolio

According to Frost & Sullivan, the Government plans to increase renewable power generation capacity (excluding large-scale hydroelectric power plants) to 2,080 MW by 2020 from 219 MW in 2011. This initiative will create new growth prospects for the Malaysian power generation industry and more opportunities for us to expand our renewable power generation portfolio. Several measures have been identified by the Government to increase the contribution of renewable energy in the electricity generation mix such as a Feed-in-Tariff surcharge and the establishment of a Renewable Energy Fund. According to Frost & Sullivan, biomass and small run-of-river hydro power projects will be the main contributors to Malaysia's renewable energy capacity target of 2,080 MW by 2020.

Outside of Malaysia, we will continue to explore opportunities in developed markets where renewable energy and power generation are given high importance and treated with priority such as Australia and the United Kingdom. According to Frost & Sullivan, electricity production from renewable energy in Australia is expected to expand to 63,000 GWh with an expected CAGR of 9.9% from 2012-2013 to 2019-2020, while electricity production from renewable energy in the United Kingdom is expected to expand to 110,000 GWh in 2020 with an expected CAGR of 12.7% from 2013 to 2020.

We plan to continue to pursue opportunities in the renewable power sector, focused on small run-of-river hydro, waste-to-energy and potentially biomass and biogas power projects, and we are considering the development, or potential acquisition, of additional wind and solar (involving the production of electrical energy from sunlight) projects. Our renewable power generation activities include:

- Exploring a waste-to-energy project (involving the production of electrical energy from incineration of waste) in Malaysia, where we have successfully been prequalified for and are in the process of submitting a bid for the waste-to-energy project for Kuala Lumpur at a 1,000 tonnes per day and 25 MW capacity project. If we are successful in our bid, we expect to start constructing this project in the first quarter of 2016. We are also actively pursuing other similar waste-to-energy projects in selected states in Malaysia; and

- Studying the feasibility of small run-of-river hydro projects in East and West Malaysia, primarily in Perak, Pahang and Sabah, each of which involves the development of a hydroelectric power project (involving the production of electrical energy harnessed from flowing water). We are already in discussions with various parties, mostly being state and government-backed agencies, for the potential development of 15 MW to 35 MW low-head dams or high-head run-of-river hydro projects.

Our strategic focus on renewable sources is evident from our successful addition of 210 MW of effective renewable power capacity through our acquisition of a 50.0% participating interest in the unincorporated joint venture that owns the Macarthur Wind Farm in June 2013.

7.3.4 Expand our operation and maintenance and our electricity and chilled water distribution businesses

Currently, M Power group of companies' core business is the provision of operation and maintenance services to our majority-owned power plants in Malaysia. The recent reorganisation in our operation and maintenance businesses had identified TJSB, through TJSB International group of companies, to focus on third-party and international operation and maintenance businesses. Besides operating and maintaining our owned or associates' assets, we continue to explore opportunities in the provision of operation and maintenance services to third-party power and water plants by capitalising on our existing strengths and experience in operation and maintenance. Our subsidiaries have already successfully secured and executed operation and maintenance contracts with numerous third-parties such as PETRONAS Gas and Alghanim, among others. On the back of our past experience in these locations, we are exploring other operation and maintenance opportunities in the MENA region, Indonesia and other SEA countries.

We are also currently supplying electricity and chilled water for air conditioning to the Kuala Lumpur Sentral Development area. We intend to further expand this business in similar development projects in major cities in Malaysia including the Tradewinds Square Project in Kuala Lumpur.

Based on our audited consolidated financial results for the FYE 31 December 2014, the contribution from our operation and maintenance business of approximately RM10.5 million represents 0.8% of our results from operating activities of approximately RM1,271.4 million.

7.3.5 Focus on financial prudence, technical competency, organisational and operational capabilities to support sustainable growth

We intend to continue to maintain our strong financial position while achieving profitable and sustainable growth. We will also continue to optimise our asset portfolio, capital structure and funding costs. For example, in 2013, we successfully refinanced the RM5,380 million M Power's Senior Sukuk to a new facility with a longer tenor and an amortising profile that better matches our cash flows.

We operate in a business that requires strong technical competency, operational capabilities and the ability to continue to attract and retain top talent. With the expansion of our operations, we will continue to emphasise the strengthening of our existing human capital management and processes to support our growth. Attracting the right talent with the right competencies is critical to support our growth plans for the future. We intend to do this by recruiting fresh graduates that we will train and integrate into our organisation. This will allow us to expand our business and sustain our corporate succession plans without having to recruit experienced staff at high cost. We are committed to training and providing avenues for continuous development to ensure the retention of our best talent, and this is demonstrated by the increase in our training programmes since the commencement of our business.

Central to our human capital development is a team of dedicated trainers that possess expertise in power plant operation and control. Our technical training team delivers foundation courses for power plant operation and maintenance personnel. The courses are designed to provide staff with knowledge and skills required to operate and maintain highly specialised power plant equipment. Our development programmes include on-the-job training, plant simulators and classroom training, supplemented with comprehensive assessments. We use a power plant simulator to train our employees. The simulator is an effective tool for power plant operational training that simulates the operating conditions of a power plant, allowing us to train employees without incurring power generation loss or damaging plant equipment. Our power plant simulator elevates the level of competency of operating personnel and builds the confidence required to handle day-to-day operation and emergencies. We have four units of power plant simulators for both CCGT power plants and coal-fired power plants. We have also been providing simulator training to both local and international clients.

We are also committed to maintaining and developing our existing world-class operating procedures and systems, as well as implementing innovative solutions to accommodate new technological advancements and geographical expansion. We are currently conducting operational performance benchmarking to be followed by a productivity improvement programme.

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7.4 HISTORY AND KEY MILESTONES

7.4.1 History and background of the Acquisition

A substantial portion of our Malaysian power generation businesses were previously the businesses of MB. MB was previously listed on the Main Board of the Kuala Lumpur Stock Exchange (now known as Main Market of Bursa Securities). MB was incorporated on 9 October 1975 as a plantation-based company. However, a shift in MB's corporate direction resulted in the disposal of its plantation-based assets in October 1993 and its subsequent venture into the Malaysian power generation sector.

MB grew its power generation business in Malaysia by developing, commencing operation of, or by acquiring interests in, the following power plants in Peninsular Malaysia: the SEV Power Plant in 1996, the GB3 Power Plant in 2001 and the Prai Power Plant in 2003. MB also acquired interests in the Port Dickson Power Plant and the Kapar Power Plant in 1993 and 2004, respectively. By 2005, MB had a total effective power generation capacity of 3,128.7 MW, representing approximately 17.8% of the total generation capacity of 17,623 MW in Peninsular Malaysia, according to the Energy Commission.[1] At the time of the Acquisition in 2007, the MB group had commenced the construction of the Tanjung Bin Power Plant as part of its plans to expand its domestic generation capacity.

Between 2005 and 2007, the MB group participated in various joint ventures that were awarded the Shuaibah Phase 3 Expansion IWP and the Shuaibah Phase 3 IWPP projects in the Kingdom of Saudi Arabia as well as the Souk Tleta IWP project in Algeria. These projects involved development, operation and maintenance services.

The MB group was also involved in the operation and maintenance of its own power plants through TJSB, which it had acquired in 1998, and was involved in the management of large scale engineering, procurement and construction projects through MESB. The MB group ventured into the electricity and chilled water distribution business through its then subsidiary, Wirazone Sdn Bhd (later renamed and rebranded as M Utilities) in 2000.

On 17 May 2006, MMC, through its then wholly-owned subsidiary, NAB, made an offer to acquire all the assets (other than cash) of MB, including the assumption of all the liabilities of MB for a total cash consideration of RM9,307.6 million (less any available cash balance in MB at the completion of the Acquisition). At the time, MMC held 22.0% equity interest in MB, comprising 197,858,334 ordinary shares of RM1.00 each that was subsequently transferred to NAB.

The Acquisition was completed on 30 April 2007, with the transfer of all the assets (other than cash) of MB, including the assumption of all the liabilities of MB, to NAB. The assets transferred to NAB included all of MB's equity interests in its then subsidiaries and associates. NAB had financed the Acquisition through a combination of equity and debt issuances. MB was delisted from the Official List of the Main Board of Bursa Securities (now known as Main Market of Bursa Securities) on 18 July 2007. NAB assumed our present name on 25 April 2007, following the Acquisition.

Following the Acquisition, EPF, KWAP, Standard Chartered Private Equity Limited (which has since transferred its shares to SCI Asia) and SEASAF purchased ordinary shares in our Company and emerged as our shareholders, with MMC holding 51.0% equity interest in our Company.

1 Electricity supply industry in Malaysia, Performance and Statistical Information Report 2006, the Energy Commission.

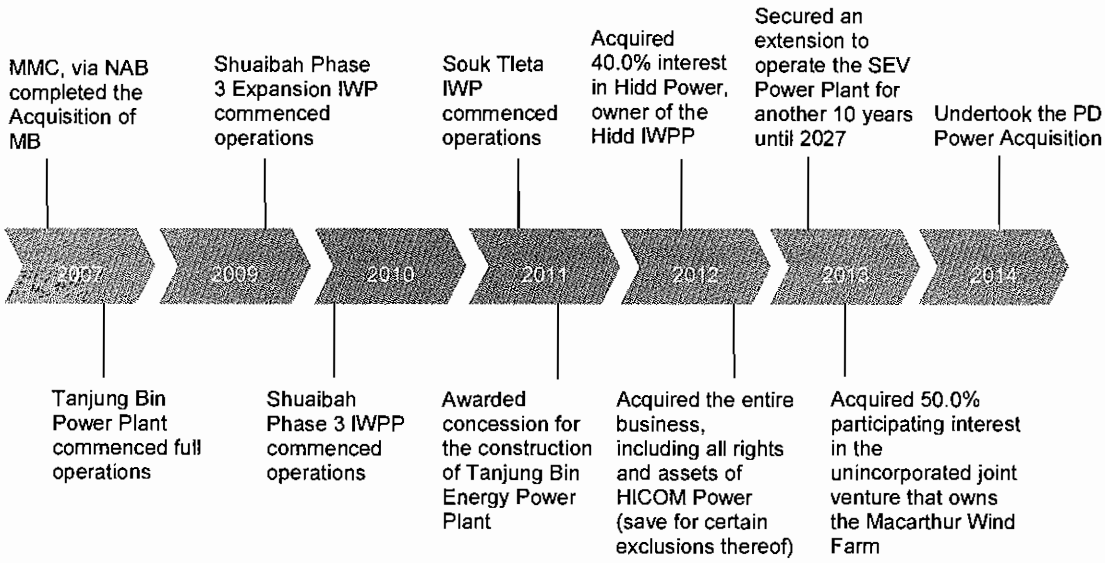
The Acquisition was part of MMC's transformation strategy to become a premier utilities and infrastructure player with three core businesses: ports and logistics, energy and utilities, and engineering and construction, with our Company as its flagship for the energy and utilities business. Since the completion of the Acquisition, MMC has been able to consolidate our financial results.

At the time of the Acquisition, MB did not have any imminent need to tap the equity market. Being in the private domain has also enabled us to be more agile and aggressive in our international expansion strategy, and we also have greater flexibility to pursue opportunities relating to water production and power generation projects abroad.

7.4.2 Key developments since the Acquisition

Since the completion of the Acquisition, we have been developing and acquiring new generation capacity to expand our portfolio to include power, water and renewable energy businesses that offer the potential for attractive project returns. In fact, on the domestic front, our agenda has continued to be focused on efforts to meet the forecasted power shortages in Peninsular Malaysia by actively pursuing either greenfield developments, acquisitions or investment opportunities.

Below is a summary of the key developments of our business since the completion of the Acquisition up to the Latest Practicable Date.



Since the completion of the Acquisition, our Group has also expanded into international water production and renewable energy businesses. We expanded overseas to the Kingdom of Saudi Arabia, Algeria and Bahrain, with the commencement of the commercial operations of the Shuaibah Phase 3 Expansion IWP and the Shuaibah Phase 3 IWPP in the Kingdom of Saudi Arabia in November 2009 and in January 2010, respectively, the Souk Tleta IWP in Algeria in April 2011 and the acquisition of a 40.0% equity interest in Hidd Power, which in turn owns Hidd IWPP in Bahrain, in May 2012. In June 2013, we ventured into the Australian market and the renewable energy sector with our acquisition of a 50.0% participating interest in the unincorporated joint venture that owns the Macarthur Wind Farm. The acquisition of the Macarthur Wind Farm forms part of our strategic road-map to building up our renewable energy asset portfolio and we believe that it will strengthen our Group's footing as a leading multinational power and water producer.

According to Frost & Sullivan, the Shuaibah Phase 3 Expansion IWP and the Shuaibah Phase 3 IWPP collectively form the largest independent water project in the MENA region, based on collective plant design water production capacity of 1,030,000 m^3 per day, and accounted for 10.1% of the gross water plant design capacity in the Kingdom of Saudi Arabia as at 31 December 2013. The Souk Tleta IWP supplies water to Algeria's national water company, L'Algerienne Des Eaux, and Algeria's national oil and gas company, Sonatrach. The Hidd IWPP in Bahrain supplies electricity and water to Bahrain's Ministry of Electricity and Water and accounted for approximately 34.0% of Bahrain's gross installed power generation capacity and approximately 58.6% of Bahrain's gross water production capacity in 2013, according to Frost & Sullivan. The Macarthur Wind Farm is the largest wind farm in the southern hemisphere as at the Latest Practicable Date and can generate enough clean energy to power approximately 220,000 average-sized homes in the State of Victoria, Australia. All these international ventures have resulted in our international operations having an effective power generation capacity of 690 MW and an effective water production capacity of 358,850 m^3 per day as at the Latest Practicable Date.

In addition, MCDC, the project company in which our wholly-owned subsidiary, Malakoff IL holds a 45.0% indirect equity interest, signed a 20-year WPA with OPWP in February 2013 for the Al Ghubrah IWP in the Sultanate of Oman which will have an expected water production capacity of 191,000 m^3 per day. The construction of the Al Ghubrah IWP is expected to be completed with the plant scheduled to commence commercial operations in the third quarter of 2015. As at 27 March 2015, the physical completion of the Al Ghubrah IWP stood at approximately 92.3%.

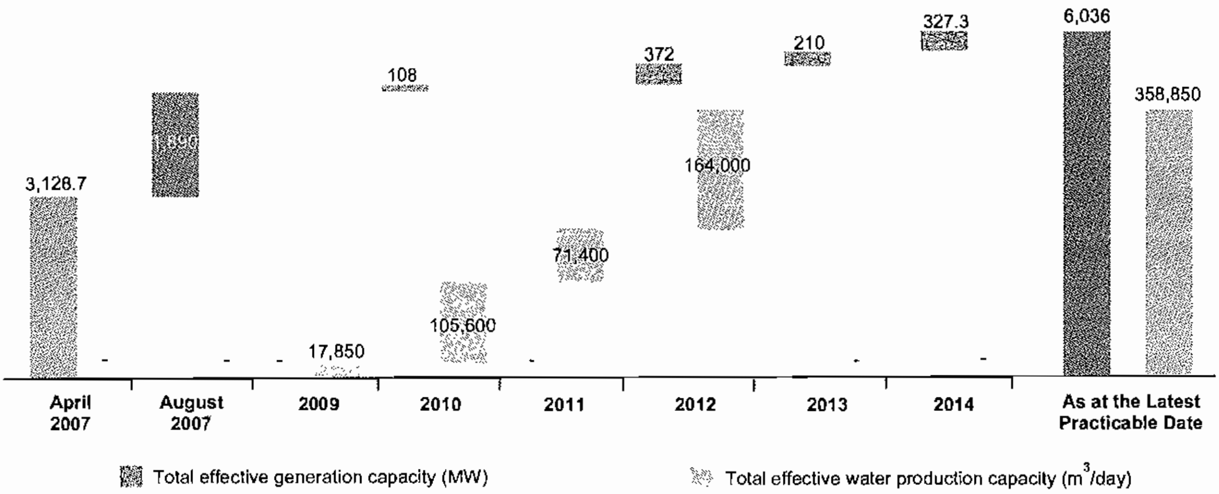
We have also continued to engage in the development, ownership and operation of Malaysian IPPs since the completion of the Acquisition. Since 2007, we have led the development of two major power plants in Malaysia, namely the Tanjung Bin Power Plant which became fully operational in August 2007 and the Tanjung Bin Energy Power Plant which is expected to commence commercial operations in 2016.

The Tanjung Bin Power Plant is the first privately owned coal-fired power plant in Malaysia and is one of the largest privately owned coal-fired power plants in SEA, based on generation capacity, as at the Latest Practicable Date. According to Frost & Sullivan, its 2,100 MW installed capacity accounted for approximately 29.3% of Peninsular Malaysia's total installed coal-fired generation capacity as at the Latest Practicable Date, and this increased the effective power generation capacity of our power plants in Malaysia from 3,128.7 MW at the time of the completion of the Acquisition to 5,018.7 MW by August 2007.

In 2011, we were awarded the concession for the construction, development, operation and maintenance for the Tanjung Bin Energy Power Plant for 25 years by the Energy Commission. The construction of the Tanjung Bin Energy Power Plant commenced in March 2012 involving a RM6.7 billion capital expenditure programme, of which RM5.2 billion has been spent as at 31 December 2014. The Tanjung Bin Energy Power Plant is expected to provide us with an additional 1,000 MW of effective power generation capacity upon commencement of its operations in 2016. In February 2013, we also secured an extension of the term for the SEV Power Plant to sell power to TNB until 2027.

In addition to retaining all of MB's Malaysian power generation businesses, in April 2014, we had also acquired the remaining 75.0% equity interest in PD Power, which owns the Port Dickson Power Plant, from Sime Darby Energy for a cash consideration of RM289.0 million. The purchase consideration took into consideration, among others, the expiration of the PD Power PPA in January 2016 and in the event that the PD Power PPA is not renewed. However, given the strategic location of the Port Dickson Power Plant, which is located in the central region of Peninsular Malaysia where there continues to be a strong demand for electricity consumption, coupled with the Government's intention to maintain a healthy reserve margin in the country, we believe that peaking plants such as the Port Dickson Power Plant would still be required and as such, we are optimistic that the PD Power PPA will be extended, especially since the Port Dickson Power Plant is still in excellent condition and has a readily available site which is close to the load centre and transmission line that allows for repowering of at least another 1,000 MW of power capacity. PD Power is still in discussions with the Energy Commission for the extension of the PD Power PPA. The ultimate decision on whether to extend the PD Power PPA is, however, beyond our control. In the event the PD Power PPA is extended, we do not expect to incur substantial capital expenditure as the Port Dickson Power Plant is still in excellent condition, unless we intend to repower the plant to increase the plant's capacity and generation.

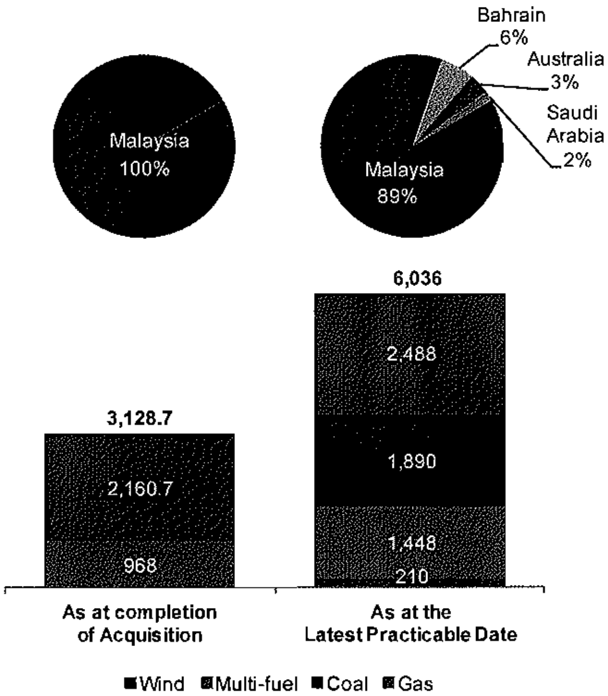
The chart below depicts the growth of our total effective power generation capacity and water production capacity from the completion of the Acquisition in April 2007 up to the Latest Practicable Date.



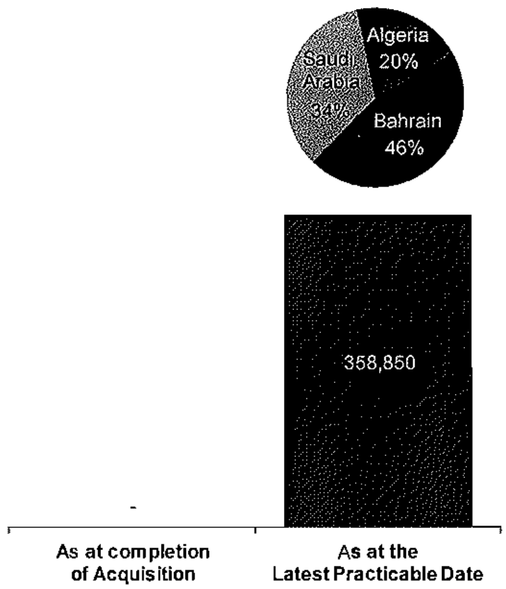
As at the Latest Practicable Date, our Group has 6,036 MW of total effective power generation capacity in operation in Malaysia, the MENA region and Australia, representing a CAGR of 8.6% in our total effective power generation capacity from the completion of the Acquisition in April 2007 up to the Latest Practicable Date. In addition, our independent water production and power generation businesses in the MENA region have a total effective water production capacity of 358,850 m^3 per day.

The charts below show the changes in the portfolio as well as the breakdown of our total effective power generation capacity and water production capacity by geography and fuel mix, where applicable, since the completion of the Acquisition in April 2007 up to the Latest Practicable Date.

Effective power generation capacity (MW)



Effective water production capacity (m³/day)



The growth in our operations through our expanded portfolio of local and international assets since the completion of the Acquisition has also contributed to the growth in our revenue and earnings. Based on the latest available audited financial statements of the MB group at the time of the Acquisition, the revenue and PAT of the MB group were RM1,923.2 million and RM442.4 million, respectively, for the FYE 31 August 2006. Our revenue and PAT for the FYE 31 December 2012, 2013 and 2014 are as follows:

	FYE 31 December		
	2012	2013	2014
	(RM'000)	(RM'000)	(RM'000)
Revenue	5,587,608	4,717,419	5,594,484
PAT	547,815	234,658	412,844

Our revenue for the FYE 31 December 2012, 2013 and 2014 are significantly higher than the revenue of the MB group for the FYE 31 August 2006, increasing by more than two-fold. Our PAT for the FYE 31 December 2012 was also higher than the PAT of the MB group for the FYE 31 August 2006. The revenue and PAT of the MB group for the FYE 31 August 2006 have not been adjusted to take into account the effects of IC Interpretation 4, Determining whether an Arrangement contains a Lease, which was adopted by our Group for the FYE 31 December 2011, or other changes in accounting policies adopted since then. For further information on adoption of the IC Interpretation 4, see to Section 12.2.3(i) of this Prospectus. However, our PAT for the FYE 31 December 2013 was affected by the unscheduled outages at the Tanjung Bin Power Plant which materially and adversely affected our financial performance beginning in the first quarter of 2013, resulting in lower revenue contribution from TBP during the year in the form of available capacity payments and energy payments. The recovery programme of remedial and improvement works and other steps implemented at the beginning of July 2013 led to improvements of the operations in the Tanjung Bin Power Plant since March 2014.

For further information on the unscheduled outages at the Tanjung Bin Power Plant and the remedial and improvement works and other steps undertaken to address these issues, see Section 7.15 of this Prospectus.

Our investment objectives remain focused on assets that are fully contracted through long-term off-take contracts, have long-term non-recourse project debt facilities in place and are expected to have a significant operating useful life following completion of the initial off-take agreement. Internationally, we are also focusing on expanding into certain stable, developed and mature energy markets such as Australia and the United Kingdom, which are characterised by established merchant power markets. We believe our experience as a developer, operator and owner of generation assets has also provided us with a strong foundation to explore investments in regions outside Malaysia that are expected to have high electricity and water demand. Our investments in a foreign subsidiary, associates and a joint venture have secured us access to the IWP and IWPP sectors in the fast growing MENA region as well as the wind power sector in Australia.

In fact, profit contributions from our foreign associates which have interests in the Shuaibah Phase 3 Expansion IWP, Shuaibah Phase 3 IWPP and Hidd IWPP, and our foreign joint venture which has interests in the Souk Tleta IWP, for the FYE 31 December 2012, 2013 and 2014 have also provided us with additional sources of income coupled with a more diversified earnings base, in line with our objective to optimise overall return on assets.

	FYE 31 December		
	2012	**2013**	**2014**
		(RM in millions)	
Share of profit of selected equity-accounted foreign associates, net of tax:			
- SEPCO	0.1	2.9	1.0
- SWEC	29.9	28.5	32.3
- Hidd Power	20.4	27.9	41.6
Share of profit of equity-accounted foreign joint venture, net of tax:			
- AAS	1.9	3.8	6.6
Total	**52.3**	**63.1**	**81.5**

Following the Acquisition, the operation and maintenance services of our own power plants continue to be undertaken by TJSB and its subsidiaries, whilst the project management services continue to be undertaken by MESB. However in December 2012, we undertook a reorganisation exercise that resulted in our operation and maintenance business being streamlined into M Power, which services our own power plants in Malaysia, and TJSB and its group of companies offer operation and maintenance services to certain of our associates, joint venture and third-party clients.

On 17 December 2012, we acquired the contractual rights to provide operation and maintenance services to the Tanjung Bin Power Plant from HICOM Power and presently, these operation and maintenance services are carried out by TBOMB and M Power. In April 2014, we also acquired 100% equity interest in PDP O&M, which provides operation and maintenance services to the Port Dickson Power Plant.

7.4.3 The listing of our Company

Since the completion of the Acquisition in April 2007, we have successfully maintained our position as Malaysia's largest IPP based on total generation capacity and we have also increased our total effective power generation capacity by approximately 92.9%. During the same period, we have also diversified our geographical presence, from having only operations in Malaysia to expanding our presence into markets in the MENA region and Australia, where rising demand for electricity and water is driven by what we consider to be growth levers for us, namely increasing population, increasing consumption per capita and economic growth, coupled with various supporting government initiatives to facilitate growth in those markets.

In light of the changing industry landscape in Malaysia as set out in Sections 7.14 and 8 of this Prospectus, our Board made a strategic decision to further expand and diversify our sources of revenue and earnings through investments in various greenfield and brownfield projects and acquisition opportunities internationally, in targeted countries in the MENA, Australia and SEA regions. This strategy will also allow us to further strengthen our footing as a leading Malaysian multinational water and power company.

We aim to increase our total effective power generation capacity to 10,000 MW by 2020 and build our renewable power generation portfolio, both domestically and internationally. We also aim to further diversify our geographical presence by expanding our international effective power generation capacity and our international effective water production capacity. Driven by this vision and our key strategies as set out in Section 7.3 of this Prospectus, our Board believes that this is an opportune time to introduce Malakoff to the Malaysian equity market via our IPO.

Our IPO will also enable us to have greater financial flexibility to optimise our capital structure and cost of capital in pursuit of growth opportunities. Our Listing will further support our expansion as it will provide us with enhanced visibility, increased brand awareness and a platform for us to further develop our brand equity.

Our Listing is also in line with MMC's long-term objective to position us as a leading Malaysian multinational water and power company given our wider geographical footprint and portfolio of assets and our long-term off-take agreements with creditworthy counterparties. Through an investment in our Company, investors will have direct exposure to the growth of the Malaysian electricity industry as well as a portfolio of investments spanning across power generation, water production and renewable energy projects, providing us the capacity to take advantage of future power and water demand in strategic markets.

7.4.4 Our key milestones

The following table highlights our key milestones.

1995 .... The Port Dickson Power Plant commenced operations in January 1995.

1996/1997 ... The SEV Power Plant commenced operations in July 1996 for one block and in January 1997 for a second block.

1998 .... MB acquired a 100.0% interest in TJSB, owner of an operation and maintenance business.

2000 .... Wirazone Sdn Bhd (later renamed and rebranded as M Utilities), then a wholly-owned subsidiary of MB, commenced an electricity and chilled water distribution business.

2001/2002 ... The GB3 Power Plant commenced operations in December 2001 as an OCGT power plant, and was converted to a CCGT power plant in November 2002.

2003 .... The Prai Power Plant commenced operations in June 2003.

2004 .... MB acquired a 40.0% interest in the Kapar Power Plant.

2006 .... Malakoff IL acquired a 20.0% interest in Dhofar Power Company, owner of an OCGT power plant in the Sultanate of Oman.

2006/2007 ... The Tanjung Bin Power Plant commenced operations in September 2006 for one unit and in February and August 2007 for two units.

2007 .... Following NAB's acquisition of all of MB's assets (other than cash) and liabilities, NAB was renamed as Malakoff Corporation Berhad.

We acquired a 12.75% interest in CEGCO, owner of multi-fuel power plants in Jordan.

2009 .... We disposed of our 20.0% interest in Dhofar Power Company, owner of an OCGT power plant in the Sultanate of Oman, following the decision of the government of Oman to restructure Oman's electricity industry.

2009/2010 ... The Shuaibah Phase 3 Expansion IWP commenced operations in November 2009, and the Shuaibah Phase 3 IWPP commenced operations in January 2010.

2011 .... The Souk Tleta IWP commenced operations in April 2011.

The Energy Commission awarded us a concession for the construction, development, financing, ownership, operation and maintenance for the Tanjung Bin Energy Power Plant for 25 years. Subsequently, we signed the TBE PPA.

2012 .... We disposed our 12.75% interest in CEGCO in connection with a transaction where the project's controlling shareholder had also disposed of its interest.

We acquired a 40.0% equity interest in our associate, Hidd Power, owner of the Hidd IWPP.

We acquired the contractual rights to provide operation and maintenance services to the Tanjung Bin Power Plant from HICOM Power.

2013 .... We, together with our partners, formed MCDC, in which our wholly-owned subsidiary, Malakoff IL has an indirect 45.0% equity interest, to undertake the design, construction, ownership, financing, and operation and maintenance of the Al Ghubrah IWP.

We executed agreements for the extension of the term for the SEV Power Plant to sell power to TNB until 2027.

We acquired a 50.0% participating interest in the unincorporated joint venture that owns the Macarthur Wind Farm.

2014 .... We acquired the remaining 75.0% equity interest in PD Power, making the Port Dickson Power Plant our wholly-owned plant. We also acquired 100.0% equity interest in PDP O&M, which provides operation and maintenance services to the Port Dickson Power Plant.

7.5 CORPORATE STRUCTURE

We are a holding company and conduct our business mainly through our operating subsidiaries, associates and joint venture. We, our subsidiaries, our associates and our joint venture are engaged in the following six primary areas of business:

- independent power generation business in Malaysia;
- independent water production and power generation business outside Malaysia;
- development of renewable energy projects;
- operation and maintenance business for power plants and water plants;
- electricity and chilled water distribution business; and
- project management business, primarily plant design review and construction monitoring for our own power plant projects.

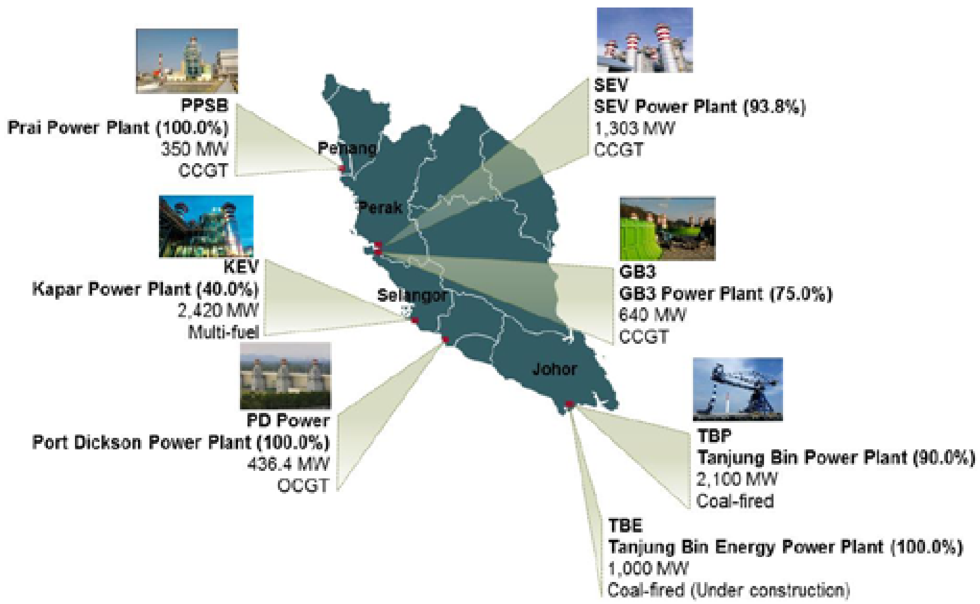
For further information on our corporate structure, see Section 6.2 of this Prospectus.

7.6 MALAYSIAN INDEPENDENT POWER GENERATION BUSINESS

Our Malaysian independent power generation business consists of five power plants owned by our subsidiaries and one power plant owned by our associate. Through our subsidiaries and our associate, we are the largest IPP in Malaysia and SEA in terms of total generation capacity as at the Latest Practicable Date, according to Frost & Sullivan.

Our conventional power plants and that of our associate are all located in Peninsular Malaysia. Through our subsidiaries, we own three CCGT power plants, one OCGT power plant and one coal-fired thermal power plant, and we are currently constructing a new coal-fired thermal power plant, the Tanjung Bin Energy Power Plant, which is expected to have 1,000 MW of generation capacity and is scheduled to commence commercial operation in 2016. All our power plants in Malaysia have been developed under a build-own-operate basis, and the Tanjung Bin Energy Power Plant is being developed under the same model. In addition, through our associate, we own an interest in a power plant that has multi-fuel power generation facilities.

The following map shows the locations of the power plants owned by our subsidiaries and associate in Malaysia.



7.6.1 CCGT Power Plants — the SEV Power Plant, the GB3 Power Plant and the Prai Power Plant

7.6.1.1 Background, generation capacity and power transmission

The SEV Power Plant is a 1,303 MW power plant located in Lumut, Perak, Malaysia, and as at the Latest Practicable Date, it is the largest CCGT power plant owned by an IPP in Malaysia, based on generation capacity. Our subsidiary, SEV, which is 93.75% owned by us and 6.25% owned by EPF, owns the power plant. The SEV Power Plant comprises two blocks, each using three Alstom Power gas turbines and one steam turbine, with a total generation capacity of 651.5 MW. The SEV Power Plant's two blocks commenced operations in July 1996 and January 1997.

The GB3 Power Plant is a 640 MW power plant located in Lumut, Perak, Malaysia. Our subsidiary, GB3, which is 75.0% owned by us, 20.0% owned by TNB and 5.0% owned by EPF, owns the GB3 Power Plant. The GB3 Power Plant, which has one block and uses three Alstom Power gas turbines and one steam turbine, commenced operations in December 2001 as an OCGT power plant, and was converted to a CCGT power plant in November 2002.

The SEV Power Plant and the GB3 Power Plant are co-located in a single complex known as the Lumut Power Plant. These power plants share power transmission infrastructure that delivers power to TNB's 275 kV substation located at the Lumut Power Plant. Power generated from the Lumut Power Plant is transmitted through three 66 km 275 kV transmission lines connecting the Lumut Power Plant to the Ayer Tawar and the Batu Gajah substations located in Perak, Malaysia. These transmission lines and related facilities are owned, operated and maintained by TNB.

Our wholly-owned subsidiary, PPSB owns the Prai Power Plant, which is a 350 MW power plant located in Prai, Pulau Pinang, Malaysia, and is one of the most efficient natural gas-fuelled power plants in Malaysia, based on thermal efficiency, as at the Latest Practicable Date. The Prai Power Plant, which uses one GE gas turbine and one steam turbine, commenced operations in June 2003.

Power generated from the Prai Power Plant is transmitted through a 0.65 km 132 kV transmission line from the TNB main intake 132kV gas-insulated switchgear substation. This transmission line and related facilities are owned, operated and maintained by TNB.

7.6.1.2 Power offtake

All our CCGT power plants sell the power that they generate to TNB pursuant to separate PPAs, with a term of 21 years for the GB3 Power Plant and the Prai Power Plant, and a term of 21 years, plus a ten-year extension, for the SEV Power Plant. The despatch of power generated from all these power plants is determined by TNB from time to time.

The GB3 PPA and the PPSB PPA expire in December 2022 and June 2024, respectively, and each are renewable for an additional three terms of five years each, upon mutual consent of the parties.

The term for the SEV Power Plant to sell power to TNB was until 2017, but we have secured an extension of the term for the SEV Power Plant to sell power to TNB at the existing capacity of 1,303 MW until 2027. In February 2013, SEV signed a supplemental agreement to the Existing SEV PPA term, which applies from March 2013 through June 2017, and the New SEV PPA term, which applies from July 2017 to June 2027.

Pursuant to the PPAs for our CCGT power plants, we charge a tariff rate to TNB that includes:

- an available capacity payment, which covers the power plant's fixed costs and capital costs. TNB is required to pay the available capacity payment to us regardless of whether it despatches the power generated from the power plant, provided that the power plant makes available a daily available capacity to TNB and meets certain performance targets specified in the relevant PPA; and

- an energy payment, which covers the power plant's fuel costs and variable operation and maintenance costs that are incurred when TNB despatches the power generated from the power plant.

The daily available capacity is the committed availability declared by us to TNB on a daily basis.

Under the PPAs for our CCGT power plants, TNB is also required to pay:

- a test energy payment, which covers the power plant's fuel costs in relation to energy generated during start-ups and commissions, revalidation testings, re-commissionings after outages and any tests requested by us; and

- a start-up payment, which compensates the power plant for any start-up requested by TNB in excess of a pre-determined number of start-ups set forth in the PPA.

We derive the majority of our gross profits for our CCGT power plants from their available capacity payments.

Under the PPAs for our CCGT power plants, we must maintain reserves to be used exclusively to pay for maintenance expenses.

For a summary of the terms of the Existing SEV PPA, the New SEV PPA, the GB3 PPA and the PPSB PPA, see Section 7.24 of this Prospectus.

7.6.1.3 Fuel supply

All our CCGT power plants purchase natural gas from PETRONAS pursuant to their respective GSAs, each of which runs concurrently with its respective PPA. The Existing SEV GSA, the New SEV GSA, the GB3 GSA and the PPSB GSA expire in June 2017, June 2027, December 2022 and June 2024, respectively.

Subject to the Government's discretion to prescribe natural gas prices for industrial users, the price that we pay for our natural gas is determined by our CCGT power plants' respective GSAs. Under the Existing SEV GSA, the GB3 GSA and the PPSB GSA, we purchase our natural gas at a price that is based on the prices of high sulphur fuel oil and medium fuel oil. Since 1997, PETRONAS' gas sales to the Malaysian power sector have been made using a pricing regime established by the Government. The market price of natural gas is generally volatile as it is based on local and international market prices. However, under the PPAs for our CCGT power plants, our cost of natural gas is passed onto TNB pursuant to formulas set forth in their respective PPAs, which has historically fully covered our cost of natural gas. For further information on the energy payments under the PPAs for our CCGT power plants, see Section 7.6.1.2 of this Prospectus.

Under the PPAs for our CCGT power plants, we are required to maintain at all times in on-site storage a back-up fuel supply of distillate oil sufficient for a minimum of two days of full-load operation for the SEV Power Plant and the GB3 Power Plant and a back-up fuel supply of distillate oil sufficient for a minimum of three and a half days of full-load operation for the Prai Power Plant. Our CCGT power plants purchase their distillate oil through short-term supply contracts with various oil producers and traders, such as Chevron and PETRONAS. These short-term contracts are generally renewable on a minimum one-year basis. The price of distillate oil is generally volatile, as it is based on local and international market prices. Under the PPAs for our CCGT power plants, our cost of distillate oil is passed onto TNB when we run on distillate oil upon direction from TNB.

For a summary of the terms of the Existing SEV GSA, the New SEV GSA, the GB3 GSA and the PPSB GSA, see Section 7.24 of this Prospectus.

7.6.1.4 Production process

As CCGT power plants, the generation of electricity by the SEV Power Plant, the GB3 Power Plant and the Prai Power Plant involves the following process:

- The total electrical output of a CCGT power plant is controlled by the gas turbine through varying the quantity of fuel (natural gas or distillate oil) supplied to the gas turbine. Ambient air is passed through the gas turbine compressor into the combustion chamber, where it is mixed with fuel and burned, resulting in the fuel's combustion. This combustion produces hot exhaust gas, which is expanded in the gas turbine section, providing mechanical power that drives both the compressor section and the gas turbine electrical generator, which produces electricity.

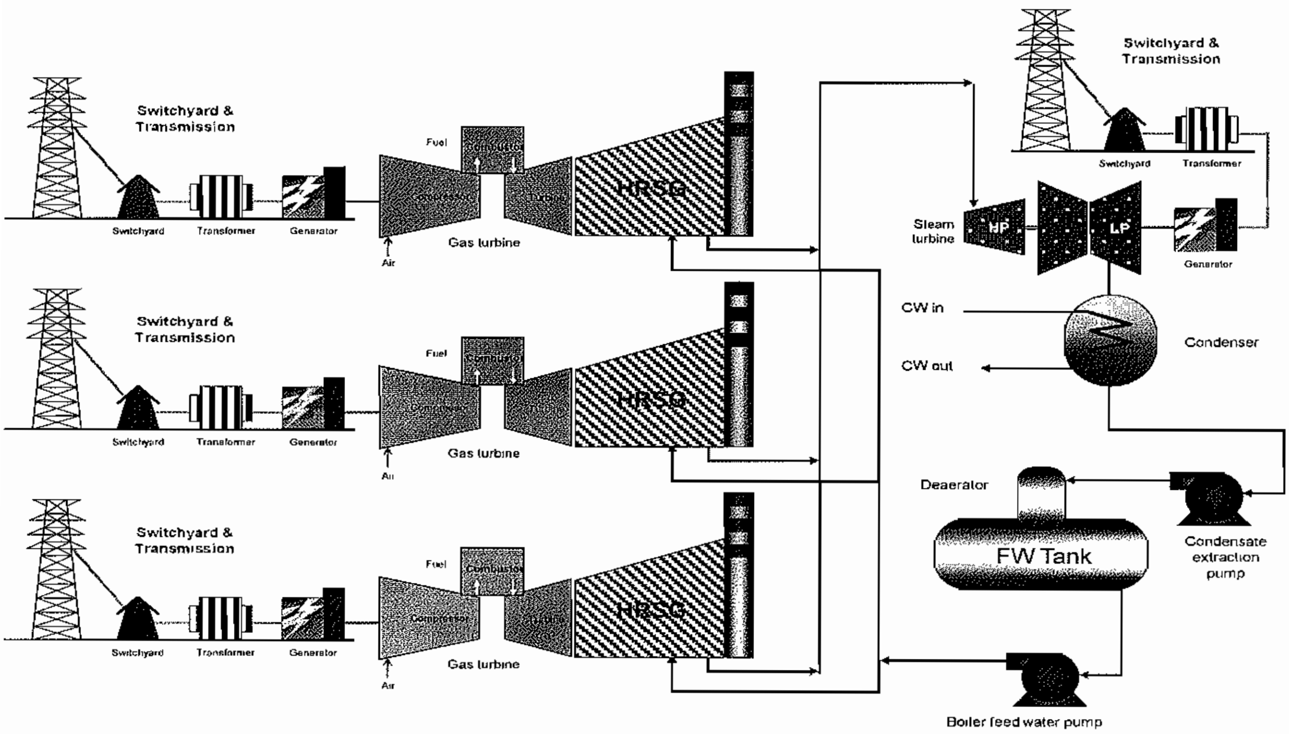
- The hot exhaust gas is led from the combustion chamber through the gas exhaust duct to the HRSG, where the hot exhaust gas heats feedwater in the HRSG's tubes, producing hot steam at two pressure levels, with the hot exhaust gas later vented into the atmosphere.

- The hot steam is fed into a dual pressure steam turbine for the SEV Power Plant and the GB3 Power Plant and into a triple pressure steam turbine for the Prai Power Plant, in each case providing the mechanical power to drive the steam turbine electrical generator, which produces electricity.

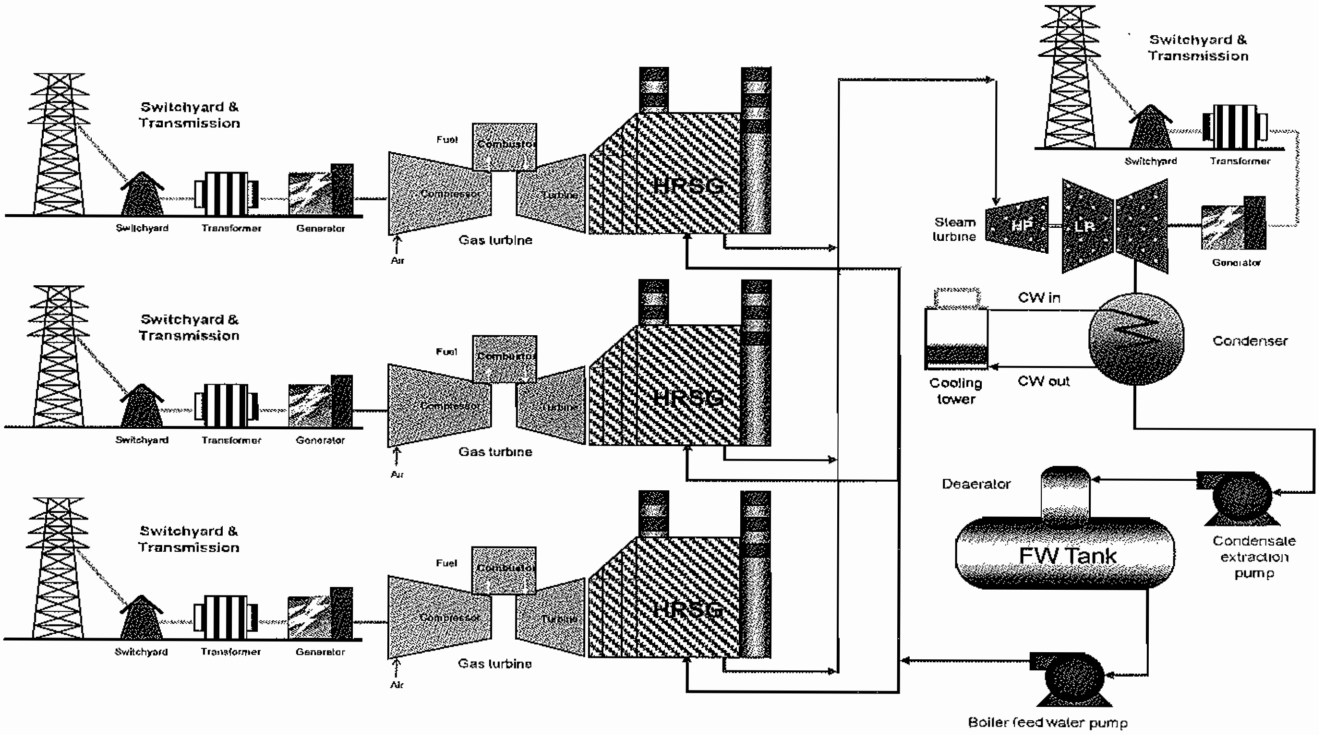
- The resulting electricity from both the gas turbine electrical generator and the steam turbine electrical generator is stepped up to the required grid voltage before being delivered to the transmission system.

- For the SEV Power Plant and the Prai Power Plant, cooling water is pumped from the sea to the steam turbine's condenser as a coolant, condensing the turbine's steam into water that will be used in the boiler system. Cooling water is returned to the sea through a seawater outfall basin, which serves as the heat sink of the facility. For the GB3 Power Plant, cooling water is supplied from a closed circuit cooling tower, which pumps cooling water into the steam turbine's condenser as a coolant, condensing the turbine's steam into water that will be used in the boiler system. Cooling water from the steam turbine's condenser is then pumped back into the cooling tower, which serves as the heat sink of the facility. Water loss in this closed system is compensated by seawater from existing intake channels.

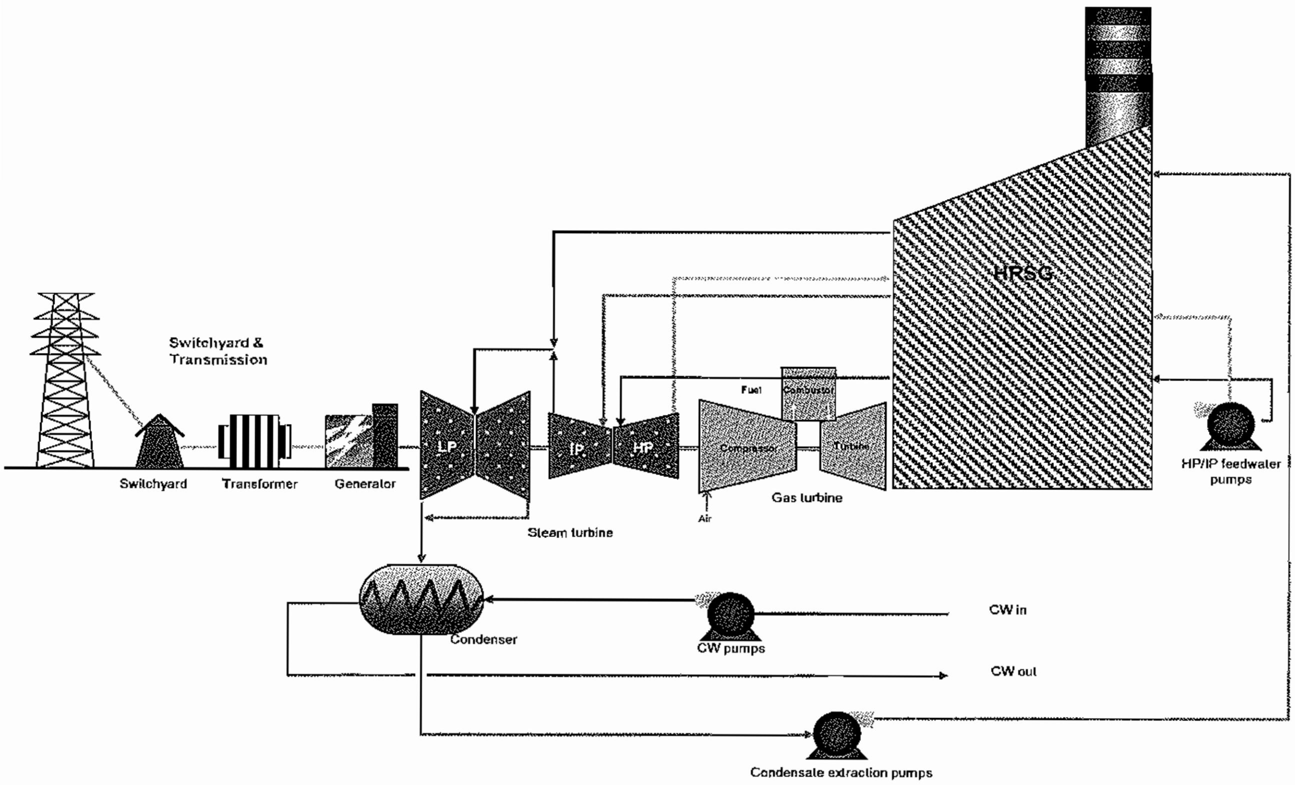
The following diagram illustrates the process of generating electricity at the SEV Power Plant:



The following diagram illustrates the process of generating electricity at the GB3 Power Plant:



The following diagram illustrates the process of generating electricity at the Prai Power Plant:



7.6.1.5 Operation and management

The SEV Power Plant, the GB3 Power Plant and the Prai Power Plant are operated and managed pursuant to OMAs between our subsidiary that owns the relevant plant and our wholly-owned subsidiary, M Power. The SEV OMA was originally for a 15-year term commencing from the COD of each of the plant's blocks, which was July 1996 for one block and January 1997 for the second block, and this term has been extended for six years through a supplemental OMA entered into in October 2010, and further extended for another ten years until June 2027 through another supplemental OMA entered into in February 2013. The GB3 OMA has a term of 21 years commencing from the plant's COD, which was December 2001. The PPSB OMA has a term of 21 years commencing from the plant's COD, which was June 2003. Under the SEV OMA, the GB3 OMA and the PPSB OMA, M Power is entitled to a monthly payment comprising the aggregate of fixed operating cost and variable operating cost. In addition, under the PPSB OMA, these rates are subject to escalation every four years.

7.6.1.6 Operations review

The following table summarises the SEV Power Plant's, the GB3 Power Plant's and the Prai Power Plant's operating statistics for the years indicated.

	FYE 31 December		
	2012	**2013**	**2014**
SEV Power Plant			
Total sold (GWh)[(1)]	3,077	[(4)]8,040	7,965
Equivalent availability factor (%)[(2)]	92.0	91.6	89.1
Efficiency (%)[(3)]	47.7	48.7	47.9
GB3 Power Plant			
Total sold (GWh)[(1)]	3,300	[(5)]1,964	1,890
Equivalent availability factor (%)[(2)]	91.9	91.0	91.2
Efficiency (%)[(3)]	48.4	47.5	47.1
Prai Power Plant			
Total sold (GWh)[(1)]	2,333	1,990	2,104
Equivalent availability factor (%)[(2)]	92.7	82.2	92.1
Efficiency (%)[(3)]	52.8	52.5	52.2

Notes:

(1) *Calculated based on the energy billing metre.*

(2) *Calculated based on the actual plant availability, taking into consideration unscheduled outages and scheduled outages.*

(3) *Calculated by dividing the total generated electricity output by the heat energy consumed in generating that output.*

(4) *The increase in the total sale of energy from the SEV Power Plant was due to higher despatch as a result of lower variable operating rate.*

(5) *The decrease in the total sale of energy from the GB3 Power Plant was due to lower despatch as a result of higher despatch in the SEV Power Plant.*

7.6.1.7 GB3 shareholders' agreement

On 2 July 2007, our Company entered into a deed of adherence with MB, TNB, EPF and GB3, whereby our Company agreed to be bound by a shareholders' agreement dated 26 August 2003 entered into among TNB, EPF and GB3, to regulate the parties' relationship as shareholders of GB3 in undertaking the design, finance, construction, operation and maintenance of the GB3 Power Plant.

The shareholders of GB3 agreed to equity participation in GB3 according to the agreed proportions of 75% held by our Company, 20% held by TNB and 5% held by EPF. The GB3 shareholders' agreement also provided for an equity restriction of Bumiputera interest of 30% in GB3.

Below are the salient terms of the shareholders' agreement:

- The composition of the board of directors of GB3 shall consist of seven directors, five of which are appointed by our Company and two of which are appointed by TNB. The chairman of the board of directors of GB3 shall be a nominee of our Company.

- Affirmative votes from directors nominated by our Company and TNB are required for certain reserved matters, which include, among others, matters relating to shares and securities of GB3 and capital requirements of GB3.

- If a shareholder of GB3 wishes to sell either the ordinary shares or RULS in GB3, the shareholder of GB3 is required to first make an offer to the existing shareholder(s) of GB3 at the lower of either the price stated in the written notice to the board of GB3 or the fair market value in proportion to the shareholder's respective holding of the ordinary shares in GB3 (the "**Offer Price**"). Such offer shall be open for acceptance within 14 days from written notice to the board, and if there is no acceptance from any shareholder after the lapse of this period, then the ordinary shares or RULS can be offered to a third-party, provided that such sale will not be at a price less than the Offer Price. In addition, the third-party must have agreed to the terms of the GB3 shareholders' agreement.

- Distributions of dividends or profits to the shareholders of GB3 are made in accordance with the shareholders' agreed equity proportions in GB3.

- The shareholders' agreement shall remain effective until the dissolution of GB3, the listing or quotation of the shares of GB3 on any stock exchange or the termination of the shareholders' agreement.

- Prior written approval of the other shareholders of GB3 is required for any pledge, lien, charge or grant of rights (or disposal of interest) in all or any of GB3's shares in favour of any third-party and is subject to such third-party's agreeing to be bound by the provisions of the shareholders' agreement.

- Other than the existing financing facility of GB3, the capital expenditures and working capital requirements of GB3 may be financed by unsecured borrowings. If such financing is not in the form of unsecured borrowings, GB3 will obtain such borrowings on terms that the board of directors of GB3 considers to be reasonable, or, upon mutual agreement of the shareholders, such borrowings will be funded through unsecured loans and advances or through equity contributions that are made in proportion to the respective shareholdings of the shareholders at such time.

7.6.2 OCGT Power Plant – the Port Dickson Power Plant

7.6.2.1 Background, generation capacity and power transmission

Our wholly-owned subsidiary, PD Power, owns the Port Dickson Power Plant, which is a 436.4 MW OCGT power plant located in Port Dickson, Negeri Sembilan, Malaysia. The plant commenced operations in January 1995. It has four 109.1 MW units and uses four GE gas turbines.

Power generated from the Port Dickson Power Plant is transmitted through a 43 km 275 kV transmission line from the power plant to the TNB substation in Salak Tinggi, Selangor and a 23 km 275 kV transmission line from the power plant to the TNB substation in Rantau, Negeri Sembilan. The transmission lines and related facilities are owned, operated and maintained by TNB.

7.6.2.2 Power offtake

The Port Dickson Power Plant sells the power that it generates to TNB pursuant to the PD Power PPA, which has a term of 21 years expiring in January 2016 and is renewable for an additional three terms of five years each, upon mutual consent of the parties. The despatch of the power generated from the Port Dickson Power Plant is determined by TNB from time to time.

Under the PD Power PPA, we charge a tariff rate to TNB that includes:

- an available capacity payment, which covers the power plant's fixed costs and capital costs. TNB is required to pay the available capacity payment to us regardless of whether it despatches the power generated from the power plant, provided that the power plant makes available a daily capacity to TNB and meets performance targets specified in the PD Power PPA; and

- an energy payment, which covers the power plant's fuel costs and variable operation and maintenance costs that are incurred when TNB despatches the power generated from the power plant.

We derive the majority of our gross profits for the Port Dickson Power Plant from the available capacity payment.

Under the PD Power PPA, we must maintain a reserve to be used exclusively to pay for maintenance expenses.

For a summary of the terms of the PD Power PPA, see Section 7.24 of this Prospectus.

7.6.2.3 Fuel supply

The Port Dickson Power Plant runs primarily on natural gas, which is purchased pursuant to the PD Power GSA that runs concurrently with the plant's PPA. The PD Power GSA expires in May 2016 and is thereafter renewable. Subject to the Government's discretion to prescribe natural gas prices for industrial users, the price we pay for our natural gas is determined by the PD Power GSA. Under the PD Power GSA, we purchase our natural gas at a price that is based on the prices of high sulphur fuel oil and medium fuel oil. The market price of natural gas is generally volatile as it is based on local and international market prices. However, under the PD Power PPA, our cost of natural gas is passed onto TNB pursuant to the formulas set forth in the PD Power PPA, which has historically fully covered the plant's cost of natural gas. For further information on the energy payment under the PD Power PPA, see Section 7.6.2.2 of this Prospectus.

Under the PD Power PPA, we are required to maintain at all times an alternative fuel stock sufficient for 96 hours of full-load operation of the Port Dickson Power Plant. The Port Dickson Power Plant purchases its distillate oil through short-term supply contracts, on a year to year basis, with Shell Malaysia Trading Sdn. Bhd. The price of distillate oil is generally volatile as it is based on local and international market prices. Under the PD Power PPA, our cost of distillate oil is passed onto TNB when we run on distillate oil upon direction from TNB.

For a summary of the terms of the PD Power GSA, see Section 7.24 of this Prospectus.

7.6.2.4 Production process

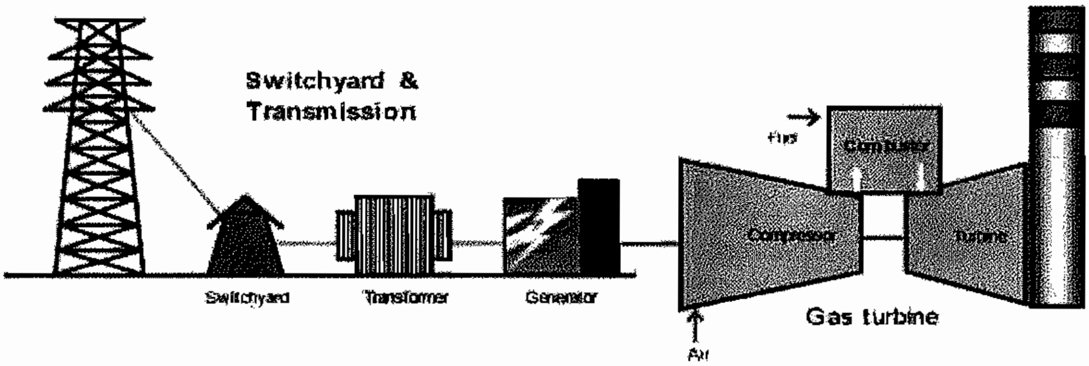
As an OCGT power plant, the generation of electricity by the Port Dickson Power Plant involves the following process:

- The total electrical output of the gas turbine is controlled by varying the quantity of fuel (natural gas or distillate oil) supplied to the gas turbine. Ambient air is passed through the gas turbine compressor into the combustion chamber, where it is mixed with fuel and burned, resulting in the fuel's combustion. This combustion produces hot exhaust gas, which is expanded in the gas turbine section, providing mechanical power that drives both the compressor section and the gas turbine electrical generator, which produces electricity.

- The hot exhaust gas is released into the atmosphere through the gas turbine stack.

- The electricity from the gas turbine electrical generator is stepped up to the required grid voltage before being delivered to the transmission system.

The following diagram illustrates the process of generating electricity at the Port Dickson Power Plant:



7.6.2.5 Operation and management

The Port Dickson Power Plant is operated and managed by PDP O&M, a wholly-owned subsidiary of M Power, pursuant to the PD Power OMA entered into between PD Power and PDP O&M. The PD Power OMA has a term of 21 years commencing from the plant's COD, which was January 1995.

Under the PD Power OMA, PDP O&M is entitled to a monthly reimbursement of fuel costs and payment of annual management and performance fees.

7.6.2.6 Operations review

The following table summarises the Port Dickson Power Plant's operating statistics for the years indicated. The Port Dickson Power Plant is a peaking power plant, meaning that it is intended to run during times of peak demand to supply the National Grid with power and, accordingly, does not maintain records of its efficiency.

	FYE 31 December		
	2012	**2013**	**2014**
Total sold (GWh)[(1)]	85.7	626.3	649.0
Equivalent availability factor (%)[(2)]	99.3	98.9	98.3

Notes:

(1) Calculated based on the energy billing metre.

(2) Calculated based on the actual plant availability, taking into consideration unscheduled outages and scheduled outages.

7.6.3 Coal-Fired Thermal Power Plant — the Tanjung Bin Power Plant

7.6.3.1 Background, generation capacity and power transmission

The Tanjung Bin Power Plant is a 2,100 MW coal-fired thermal power plant located in Pontian, Johor, Malaysia. According to Frost & Sullivan, it is the first privately owned coal-fired power plant in Malaysia, and it is one of the largest privately owned coal-fired power plants in SEA, based on generation capacity, as at the Latest Practicable Date. Our subsidiary, TBP, which is 90.0% owned by us and 10.0% owned by EPF, owns the power plant. The Tanjung Bin Power Plant comprises three 700 MW units using Toshiba turbines, the first of which commenced operations in September 2006, and the second and third of which commenced operations in February and August 2007, respectively.

Power generated from the Tanjung Bin Power Plant is transmitted through a 53 km 500 kV double circuit transmission line from the Tanjung Bin substation to the Bukit Batu substation and a 54 km 275 kV double circuit transmission line from the Tanjung Bin substation to the Gelang Patah substation, both of which are located in Johor, Malaysia. These transmission lines and related facilities are owned, operated and maintained by TNB.

The Tanjung Bin Power Plant experienced a number of unscheduled outages that affected the financial performance of our Company beginning in the first quarter of 2013. In response to these issues, beginning in July 2013, we implemented a recovery programme of remedial and improvement works and other steps to address these issues, including rectifications and improvements to components of the boiler, equipment replacement and combustion improvements. As part of this programme, we also benchmarked the Tanjung Bin Power Plant against comparable plants world-wide, with the objective of identifying opportunities for further plant improvements. Since the completion of this programme in March 2014, all three units of the plant have been able to operate at full capacity again. For a discussion of the financial effects of these issues and the implementation of the recovery programme, see Section 12.2.2(ii)(a) of this Prospectus.

7.6.3.2 Power offtake

The Tanjung Bin Power Plant sells the power that it generates to TNB pursuant to the TBP PPA, which has a term of 25 years expiring in September 2031, and is renewable for an additional three terms of five years each, upon mutual consent of the parties. The despatch of power generated from the Tanjung Bin Power Plant is determined by TNB from time to time.

Under the TBP PPA, we charge a tariff rate to TNB that includes:

- an available capacity payment, which covers the power plant's fixed costs and capital costs. TNB is required to pay the available capacity payment to us regardless of whether it despatches the power generated from the power plant, provided that the power plant makes available a daily available capacity to TNB and meets certain performance targets specified in the TBP PPA. The daily available capacity is the committed availability declared by us to TNB on a daily basis;

- a daily utilisation payment, which is based on a daily maximum despatch capacity of each unit per day. Based on the formula specified in the TBP PPA, the power plant can recover a daily utilisation payment equivalent to 15% of the capacity rate financial if it meets a daily maximum despatch in the range of 45% to 90% of planned daily available capacity. If the daily maximum despatch is below 45% of planned daily available capacity, we will be paid a daily utilisation payment calculated pursuant to a formula set forth in the TBP PPA and such daily utilisation payment will be less than 15% of the capacity rate financial. If the despatch is in excess of a range of 65% to 90% of planned daily available capacity, we will be paid a bonus above the 15% of the capacity rate financial. The daily utilisation payment and bonus vary according to whether the despatch is on a weekday, weekend or public holiday; and

- an energy payment, which covers the power plant's fuel costs and variable operation and maintenance costs that are incurred when TNB despatches the power generated from the power plant.

Under the TBP PPA, TNB is also required to pay:

- a test energy payment, which covers the power plant's fuel costs in relation to energy generated during start-ups and commissions, revalidation testings, re-commissionings after outages and any tests requested by us; and

- a start-up payment, which compensates the power plant for any start-up requested by TNB in excess of a pre-determined number of start-ups set forth in the TBP PPA.

We derive the majority of our gross profits for the Tanjung Bin Power Plant from the available capacity payment.

Under the TBP PPA, we must maintain a reserve to be used exclusively to pay for maintenance expenses.

For a summary of the terms of the TBP PPA, see Section 7.24 of this Prospectus.

7.6.3.3 Fuel supply

The Tanjung Bin Power Plant purchases coal from TFS pursuant to a long-term CSTA that runs concurrently with its PPA. The TBP CSTA expires in September 2031, and it may be extended upon mutual consent of the parties.

Under the TBP CSTA, TFS is required to meet its coal supply obligations by entering into coal purchase contracts that are sufficient to cover at least 80% of our average annual coal requirement, with the remainder coming from spot purchases. We expect the coal to be sourced from Indonesia, Australia and South Africa. We purchase the coal at a base price based on an applicable coal price set by TNB in consultation with TFS on a quarterly basis. The applicable coal price is capped at a maximum price that is indexed to a specified global coal index and the Japanese Price Settlement for steaming coal. The base price payable to TFS includes any taxes levied on TFS and transportation charges incurred by TFS in connection with its sale and delivery of coal.

The price of coal is generally volatile as it is based on local and international market prices. However, under the TBP PPA, our cost of coal is passed onto TNB pursuant to a formula set forth in the TBP PPA, which has historically fully covered the plant's cost of coal. For further information on the energy payment under the TBP PPA, see Section 7.6.3.2 of this Prospectus.

Under the TBP PPA, we are required to maintain at all times in on-site storage a coal supply sufficient for a minimum of 30 days of full-load operation for the Tanjung Bin Power Plant. TFS is required to compensate us for any reasonable additional costs that we incur in procuring coal if these costs are caused by TFS' default under the CSTA. Under the TBP CSTA, we purchase coal exclusively from TFS unless TFS is prevented from supplying coal due to certain events, including force majeure events.

For a summary of the terms of the TBP CSTA, see Section 7.24 of this Prospectus.

7.6.3.4 Production process

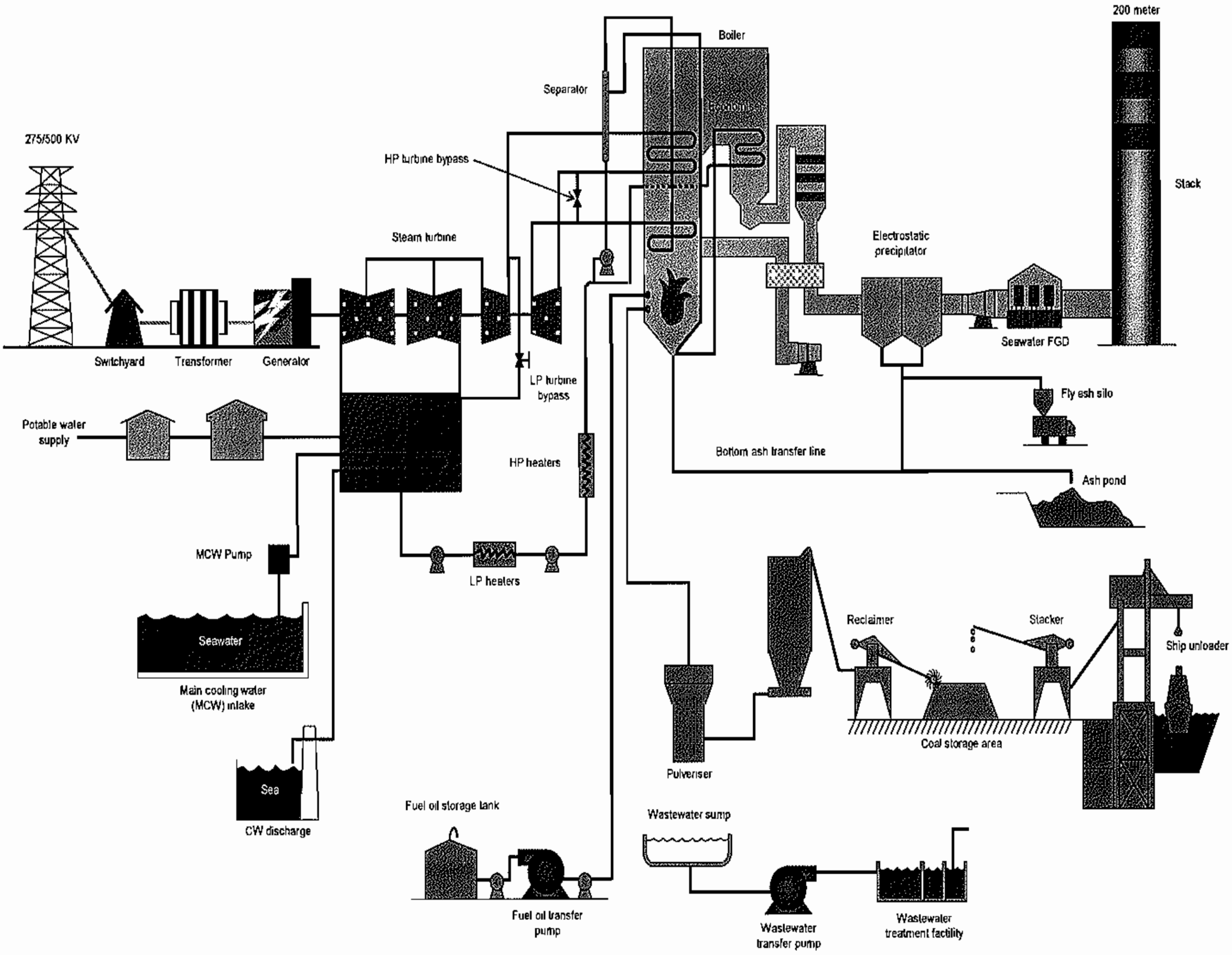
As a coal-fired thermal power plant, the generation of electricity by the Tanjung Bin Power Plant involves the following process:

- Coal is received from ships at the coal unloading jetty and placed in storage at the stockyard before it is reclaimed and fed into coal bunkers.
- Coal is transported by coal feeders to the mills, where it is pulverised by rollers.
- Light fuel oil delivered to the plant is placed into the fuel storage tank, where the fuel transfer pump can send the light fuel oil to the plant's furnace when it burns such fuel during start-ups and support firings.
- The pulverised coal is transported into the boiler furnace, where combustion of the pulverised coal heats feed water in the boiler's tubes to produce hot steam for the steam turbine, providing the mechanical power to drive the steam turbine electrical generator, which produces electricity.
- The resulting electricity from the steam turbine electrical generator is stepped up to the required grid voltage before being delivered to the transmission line.
- The flue gas, which results from the coal combustion, flows through a superheater, a reheater and an economiser before going through an electrostatic precipitator. The flue gas then undergoes a sulphur reduction process before it is released into the atmosphere.
- In a dust collection system, the electrostatic precipitator removes fly ash, which is transferred to the fly ash silo, while a submerged chain conveyor transports bottom ash and coarse ash to the ash pond.

- Wastewater produced from the power plant is collected in the wastewater sump, where it is transferred by the wastewater transfer pump to the wastewater treatment facility. The wastewater treatment facility treats the various forms of wastewater, including effluents produced by the treatment facility, plant start-ups and turbine house equipment, for compliance with DOE effluent standards.

- Cooling water is pumped from the sea to the main cooling water intake, where it is thereafter pumped into the steam turbine's condenser as a coolant, condensing the turbine's steam into water that will be used in the boiler system. Cooling water from the steam turbine's condenser is then pumped back into the sea through the cooling water outfall basin.

The following diagram illustrates the process of generating electricity at the Tanjung Bin Power Plant:



7.6.3.5 Operation and management

The Tanjung Bin Power Plant is operated and managed pursuant to the OMA entered into between TBP and HICOM Power dated 25 July 2003, which was subsequently novated to TBOMB on 14 December 2012. TBOMB in turn entered into a sub-OMA with TJSB on 12 October 2004 for the operation and maintenance of the Tanjung Bin Power Plant, which the sub-OMA was subsequently novated to M Power on 18 January 2013. The TBP OMA has a term of 25 years commencing from the COD of each of the plant's units, which was September 2006 for its first unit and February and August 2007 for its second and third units, respectively. Under the TBP OMA and sub-OMA, M Power is entitled to a monthly payment comprising the aggregate of fixed operating cost and variable operating cost.

7.6.3.6 Operations review

The following table summarises the Tanjung Bin Power Plant's operating statistics for the years indicated.

	FYE 31 December		
	2012	**2013**	**2014**
Total sold (GWh)(1)	14,572	11,772	15,308
Equivalent availability factor (%)(2)	83.0	68.3	84.0
Efficiency (%)(3)	36.2	36.0	36.3

Notes:

(1) Calculated based on the energy billing metre.

(2) Calculated based on the actual plant availability, taking into consideration unscheduled outages and scheduled outages.

(3) Calculated by dividing the total generated electricity output by the heat energy consumed in generating that output.

The unscheduled outages at the Tanjung Bin Power Plant affected its operations in 2013. For further information on the unscheduled outages at the Tanjung Bin Power Plant and their impact on our financial performance, see Sections 7.15 and 12.2.2(ii)(a) of this Prospectus, respectively.

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7.6.4 New Coal-Fired Thermal Plant Under Construction — the Tanjung Bin Energy Power Plant

Our wholly-owned subsidiary, TBE will own the Tanjung Bin Energy Power Plant, which is currently under construction at the same complex as the Tanjung Bin Power Plant.

7.6.4.1 Background, generation capacity and power transmission

We are currently constructing a new coal-fired thermal power plant, the Tanjung Bin Energy Power Plant, which is expected to have 1,000 MW of generation capacity and is scheduled to commence commercial operation in 2016. The plant will use Alstom turbines.

Power generated from the Tanjung Bin Energy Power Plant will share power transmission infrastructure with the Tanjung Bin Power Plant, with some expansions of that infrastructure, including the addition of one 500 kV transmission line from the Tanjung Bin substation to the Bukit Batu substation, one transmission line between the 500 kV and 275 kV sections of the Tanjung Bin substation, two 500 kV substation bays and the implementation of an additional support system, to accommodate the combined complex's increased power generation capacity. These transmission lines and related facilities are owned, operated and maintained by TNB.

7.6.4.2 Power offtake

The Tanjung Bin Energy Power Plant is expected to sell the power that it generates to TNB pursuant to its PPA, which has a term of 25 years. The despatch of power generated from the Tanjung Bin Energy Power Plant will be determined by TNB from time to time. The TBE PPA will expire in February 2041, and will be renewable upon mutual consent of the parties.

Under the TBE PPA, we will charge a tariff rate to TNB that will include:

- an available capacity payment, which is intended to cover the power plant's fixed costs and capital costs and is based on the plant's tested annual available capacity. TNB is required to pay the available capacity payment to us regardless of whether it despatches the power generated from the power plant, provided that the power plant makes available a daily available capacity to TNB and meets performance targets specified in the TBE PPA;

- an energy payment, which is intended to cover the power plant's fuel costs and variable operation and maintenance costs that are incurred when TNB despatches the power generated from the power plant; and

- a daily available capacity, which is the committed availability declared by us to TNB on a daily basis.

Under the TBE PPA, TNB is also required to pay:

- a test energy payment, which is intended to cover the power plant's fuel costs in relation to energy generated during start-ups and commissions, revalidation testings, re-commissionings after outages and any tests requested by us; and

- a start-up payment, which is intended to cover the power plant's fuel and utilities costs in connection with any start-ups requested by TNB.

We expect to derive the majority of our gross profits for the Tanjung Bin Energy Power Plant from the available capacity payment.

Under the TBE PPA, we must maintain a reserve to be used exclusively to pay for maintenance expenses.

For a summary of the terms of the TBE PPA, see Section 7.24 of this Prospectus.

7.6.4.3 Fuel supply

The Tanjung Bin Energy Power Plant is expected to purchase its coal from TFS pursuant to a long-term CSTA that runs concurrently with its PPA. The TBE CSTA expires in February 2041, and it may be extended upon mutual consent of the parties.

Under the TBE CSTA, TFS will be required to meet its coal supply obligations by entering into coal purchase contracts in accordance with an agreed coal supply plan. We expect the coal to be sourced from Indonesia, Australia and South Africa. We will purchase the coal at a base price based on an applicable coal price set quarterly by TNB and TFS, plus any taxes levied by governmental authorities on TFS and transportation costs incurred by TFS in connection with its sale and delivery of coal.

The price of coal is generally volatile as it is based on local and international market prices. However, under the TBE PPA, our cost of coal will be passed onto TNB pursuant to a formula set forth in the TBE PPA. For further information on the energy payment under the TBE PPA, see Section 7.6.4.2 of this Prospectus.

Under the TBE PPA, we will be required to maintain at all times in on-site storage a coal supply sufficient for a minimum of 30 days of full-load operation for the Tanjung Bin Energy Power Plant. TFS is required to compensate us for any reasonable additional costs that we incur in procuring coal if these costs are caused by TFS' default under the CSTA. Under the TBE CSTA, we purchase coal exclusively from TFS unless TFS is prevented from supplying coal due to certain events, including force majeure events.

For a summary of the terms of the TBE CSTA, see Section 7.24 of this Prospectus.

7.6.4.4 Production process

As a coal-fired thermal power plant, the Tanjung Bin Energy Power Plant will share the same basic production process as the Tanjung Bin Power Plant, as described in Section 7.6.3.4 of this Prospectus. The production process of the Tanjung Bin Energy Power Plant operates at supercritical steam parameters, allowing for higher efficiency in electricity generation, and its dust collection system utilises a fabric filter plant, differing from the Tanjung Bin Power Plant's use of an electrostatic precipitator.

7.6.4.5 Operation and management

The Tanjung Bin Energy Power Plant will be operated and managed pursuant to the TBE OMA between TBE and M Power. The TBE OMA will run for 25 years following the plant's COD, which we expect to be in 2016. Under the TBE OMA, M Power will be entitled to monthly payments comprising the aggregate of fixed operating cost, which are determined pursuant to an annual operating budget, and variable operating cost. M Power will also be entitled to receive incentive fees if its performance in respect of certain operational standards set out in the TBE OMA are met.

7.6.4.6 Construction

The Tanjung Bin Energy Power Plant is being constructed by the EPC contractors comprising Alstom Power, Alstom Services, Shin Eversendai and Mudajaya pursuant to the TBEI EPC Contract. Under this contract, the EPC contractors have been appointed for the design, engineering, procurement, construction, installation, testing, commissioning and completion of the Tanjung Bin Energy Power Plant. The payments to the EPC contractors under the TBEI EPC Contract are based on certain milestones specified under the contract being achieved. Under the TBEI EPC Contract, the EPC contractors are required to achieve the plant's COD by 1 March 2016.

We have secured project financing for the Tanjung Bin Energy Power Plant of approximately RM5.2 billion, and we estimate that the total cost of this project will be approximately RM6.7 billion, of which approximately RM4.8 billion will be engineering, procurement and construction costs. We made capital expenditures of approximately RM1.8 billion for this project in 2012, RM2.0 billion in 2013, and RM1.4 billion in 2014. We expect to make capital expenditures for this project of approximately RM0.8 billion in 2015.

In February 2013, the EPC contractors for the construction of the Tanjung Bin Energy Power Plant discovered significant movement in the foundation structures at the site of the Tanjung Bin Energy Power Plant which they reported was due to subsoil conditions. In view of this, the EPC contractors reconstructed the foundation structure of the Tanjung Bin Energy Power Plant with additional reinforcements. This in turn affected the progress of the civil engineering works in the adjoining turbine hall.

The EPC contractors have reported to us that as at 25 February 2015, due to such civil engineering works at the plant site, the actual physical completion of the construction of the Tanjung Bin Energy Power Plant stood at approximately 88.7% against the scheduled completion of approximately 95.4%, representing a variance of approximately 6.7% in the construction progress. Plans are currently being developed by the EPC contractors to reduce the variance. The civil engineering works have now been substantially completed and we believe that the variance will be further reduced.

Pursuant to the TBE PPA, if the COD of the Tanjung Bin Energy Power Plant does not occur on or before the scheduled COD of 1 March 2016, TBE will be required to pay TNB liquidated damages of RM600,000 for each day of delay from the scheduled COD until the earlier of either the COD of the Tanjung Bin Energy Power Plant or 180 days after the scheduled COD. The maximum aggregate of liquidated damages payable by TBE for the delay in achieving the COD is RM108.0 million. At the time of the execution of the TBE PPA, TBE provided a RM108.0 million performance bond in favour of TNB for any delay in achieving the scheduled COD of 1 March 2016 for the Tanjung Bin Energy Power Plant. This exposure is mitigated by the agreed liquidated damages from the EPC contractors. At the time of the execution of the TBEI EPC Contract, the EPC contractors also provided a performance guarantee of approximately RM500.0 million, representing 10% of the EPC Contract Price (as defined in Section 7.24.7 of this Prospectus), in favour of TBEI which is payable on demand.

We will also incur a loss of revenue from available capacity payments of approximately RM1.9 million per day if the COD does not occur on or before the scheduled COD on 1 March 2016. However, we believe any loss of revenue would be mitigated by insurance proceeds payable for any delay in start-up amounting to approximately RM1.9 million per day to cover the loss of revenue for up to 20 months from the scheduled COD. Payments arising from our insurance would, however, be subject to a deduction for the two months of delay from the scheduled COD, which would be equivalent to the first two months of loss of revenue from available capacity payments.

Pursuant to the TBE PPA, an event of default would only occur if the delay in achieving the COD exceeds six months from the scheduled COD.

Although we believe that any liquidated damages payable to TNB and any revenue forgone as a result of the delay in the COD of the Tanjung Bin Energy Power Plant would be mitigated by the agreed liquidated damages from the EPC contractors as well as insurance proceeds, there can be no assurance that we would be successful in receiving compensation in the amounts that we expect, or at all.

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7.6.5 Summary of the rates under our subsidiaries' PPAs

The following table summarises the capacity rate financial ("**CRF**"), FOR, VOR, capacity rate and heat rate as stated in our subsidiaries' PPAs.

	SEV		GB3	PPSB	PD Power	TBP	TBE
	Existing SEV PPA	New SEV PPA					
CRF							
• Tier 1 (RM/kW/month)	25.4607 – 47.4016	5.85	30.19	35.00	27.66	50.00	52.02
• Tier 2 (RM/kW/month)			16.98	25.00		22.10	27.00
FOR (RM/kW/month)	4.9837 – 10.4998[1]	5.0000 – 5.4080[2]	4.50000 – 5.26436[3]	4.50000 – 5.26436[4]	4.69 – 7.05[5]	7.50000 – 9.48989[6]	8.61000 – 10.89439[7]
VOR (RM/kWh)	0.0071 – 0.0262[8]	0.0200 – 0.0216[9]	0.01500 – 0.01754[10]	0.01830 – 0.02140[11]	0.0125 – 0.0157[12]	0.01300 – 0.01644[13]	0.00060 – 0.00076[14]
Capacity rate[15] (RM/kW/month)	35.9605 – 52.3853	n/a	n/a	n/a	n/a	n/a	n/a
Heat rate (based on fuel type)							
• Coal[16] (kJ/kWh)	n/a	n/a	n/a	n/a	n/a	9,991.0 – 12,000.0	9,149.0 – 11,732.4[17]
• Natural gas[18] (kJ/kWh)	8,014.13 – 9,350.99	8,014.13 – 9,350.99	Combined cycle: 8,083.84 – 12,681.77 Open cycle: 11,990.71 – 17,535.14	7,722.38 – 8,610.45	12,774.62 – 21,993.69	n/a	n/a
• Distillate[19] (kJ/kWh)	8,350.70 – 9,804.09	8,350.70 – 9,804.09	Combined cycle: 8,245.52 – 12,935.41 Open cycle: 12,230.53 – 17,885.84	8,520.36 – 9,037.91	12,159.52 – 21,058.91	n/a	n/a

Notes:

n/a *Not applicable.*

(1) *The FOR for each of the contract years are set out in the Existing SEV PPA.*

(2) *The FOR has the value of RM5.00 per kW per month from the COD of the first generating block until the last day of the 48th month after the month in which the COD of the first generating block occurs. Effective on the first day of each of the 49th and 97thmonth after the month in which the COD of the first generating block occurs, the FOR shall be adjusted by multiplying the prevailing FOR by 1.04.*

(3) *The FOR has the value of RM4.50 per kW per month for the first contract year through the fourth contract year. Effective on the first day of each of the 49th, 97th, 145th and 193rd month following the month in which the COD of the first unit occurs, the FOR shall be adjusted by multiplying the prevailing FOR by 1.04.*

(4) *The FOR has the value of RM4.50 per kW per month for the first contract year through the fourth contract year. Effective on the first day of each of the 49th, 97th, 145th and193rd month following the month in which the COD occurs, the FOR shall be adjusted upwards by a percentage of 4% on the prevailing FOR.*

(5) *The FOR has the value of RM4.69 per kW per month for the first contract year through the fourth contract year. Effective on the first day of each of the 49th, 97th, 145th, 193rd and 241st month following the month in which the COD for first generating block occurs, the FOR shall be adjusted by multiplying such variable by such adjustment factor (based on the Consumer Price Index for Peninsular Malaysia, Index Numbers for Main Groups under the "Total" column, over the years preceding the year on which the adjustment is to be made, as published by Department of Statistics, Kuala Lumpur, Malaysia) as may be advised by the Economic Planning Unit ("**EPU**").*

(6) *The FOR has the value of RM7.50 per kW per month for the first contract year through the fifth contract year. Effective on the first day of each of the 49th, 97th, 145th, 193rd, 241st and 289th month following the month in which the COD of the first unit occurs, the FOR shall be adjusted by multiplying the prevailing FOR by 1.04.*

(7) *The FOR has the value of RM8.61 per kW per month from the COD until the last day of the 48th month following the month in which the COD occurs. Effective on the first day of each of the 49th, 97th, 145th, 193rd, 241st and 289th month following the month in which the COD occurs, the FOR shall be adjusted by multiplying the prevailing FOR by 1.04 in accordance with the TBE PPA.*

(8) *The VOR for each of the contract years are set out in the Existing SEV PPA.*

(9) *The VOR has the value of RM0.02 per kWh from the COD of the first generating block until the last day of the 48th month after the month in which the COD of the first generating block occurs. Effective on the first day of each of the 49th and 97th month after the month in which the COD of the first generating block occurs, the VOR shall be adjusted by multiplying the prevailing VOR by 1.04.*

(10) *The VOR has the value of RM0.015 per kWh for the first contract year through the fourth contract year. Effective on the first day of each of the 49th, 97th, 145th and 193rd month following the month in which the COD of the first unit occurs, the VOR shall be adjusted by multiplying the prevailing VOR by 1.04.*

(11) *The VOR has the value of RM0.0183 per kWh for the first contract year through the fourth contract year. Effective on the first day of each of the 49th, 97th, 145th and 193rd month following the month in which the COD occurs, the VOR shall be adjusted upwards by a percentage of 4% on the prevailing VOR.*

(12) *The VOR has the value of RM0.0125 per kWh for the first contract year through the fourth contract year. Effective on the first day of each of the 49th, 97th, 145th, 193rd and 241st month following the month in which the COD for first generating block occurs, the VOR shall be adjusted by such adjustment factor (based on Producer Price Index for Peninsular Malaysia, Index Numbers for Main Groups as approved by EPU, over the years preceding the year on which the adjustment is to be made, as published by Department of Statistics, Kuala Lumpur) as may be advised by the EPU.*

(13) *The VOR has the value of RM0.013 per kWh for the first contract year through to the fifth contract year. Effective on the first day of each of the 49th, 97th, 145th, 193rd, 241st and 289th month following the month in which the COD occurs, the VOR shall be adjusted by multiplying the prevailing VOR by 1.04.*

7. BUSINESS OF OUR GROUP *(Cont'd)*

(14) *The VOR has the value of RM0.0006 per kWh from the COD until the last day of the 48th month following the month in which the COD occurs. Effective on the first day of each of the 49th, 97th, 145th, 193rd, 241st and 289th month following the month in which the COD occurs, the VOR shall be adjusted by multiplying the prevailing VOR by 1.04 in accordance with the TBE PPA.*

(15) *The capacity rate is only used in the Existing SEV PPA and the supplement to the Existing SEV PPA and refers to the summation of the CRF and FOR. There is no reference being made to capacity rate in the New SEV PPA, the GB3 PPA, the PPSB PPA, the PD Power PPA, the TBP PPA or the TBE PPA.*

(16) *Not applicable to the SEV Power Plant, the GB3 Power Plant, the Prai Power Plant or the Port Dickson Power Plant as these are gas-fired power plants and do not run on coal.*

(17) *The highest rate for the heat rate based on coal for the TBE PPA has been determined after taking into account the coal loss factor and degradation factor for the respective contract year pursuant to the TBE PPA.*

(18) *Not applicable to the Tanjung Bin Power Plant or the Tanjung Bin Energy Power Plant as these are coal-fired thermal power plants and do not run on natural gas.*

(19) *Not applicable to the Tanjung Bin Power Plant or the Tanjung Bin Energy Power Plant as these are coal-fired thermal power plants and do not run on distillate oil as back-up fuel.*

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7.6.6 Associate Power Plant – Kapar Power Plant

7.6.6.1 Background, generation capacity and fuel supply

The Kapar Power Plant is a 2,420 MW power plant that has multi-fuel power generation facilities. It is located in Kapar, Selangor, Malaysia, and it is the largest power plant in Malaysia, based on generation capacity, as at the Latest Practicable Date. Our associate, KEV, which is 40.0% owned by us and 60.0% owned by TNB, owns, operates and manages the power plant. The Kapar Power Plant comprises four phases which use GE, GE Nuovo Pignone and Mitsubishi Heavy Industries turbines. The 600 MW first phase commenced operations in October 1985 and August 1986, the 600 MW second phase commenced operations in December 1988 and July 1989, the 1,000 MW third phase commenced operations in April 2001 and June 2001 and the 220 MW fourth phase commenced operations in December 1995 and January 1996.

The Kapar Power Plant's first phase runs primarily on natural gas, with medium fuel oil as a back-up fuel. The second phase runs primarily on coal, with natural gas and medium fuel oil as back-up fuels. Similarly, the third phase runs primarily on coal, but uses only natural gas as its back-up fuel. The fourth phase runs primarily on natural gas, with distillate oil as a back-up fuel. Details of the Kapar Power Plant's sources of fuel are set out below.

- Natural gas for all four phases is purchased pursuant to a supply arrangement with TNB set forth in the KEV PPA. TNB is required to use its reasonable endeavours to allocate or apportion natural gas to the Kapar Power Plant to the extent that natural gas is available under an umbrella supply agreement between TNB and PETRONAS. This supply arrangement will remain in place until the earlier of the expiration of the umbrella supply agreement (unless the agreement is renewed) and the entry into a gas supply agreement between KEV and PETRONAS. The umbrella supply agreement expired in 2014 and, as the Latest Practicable Date, its renewal is still being negotiated between TNB and PETRONAS.

- Coal for the second and third phases is purchased pursuant to a 25-year supply agreement with TFS that runs concurrently with the PPA and expires in July 2029.

- Medium fuel oil for the first and second phases is purchased pursuant to a 25-year supply agreement with TFS that runs concurrently with the PPA and expires in July 2029.

- Distillate oil used as back-up fuel for the fourth phase is purchased pursuant to spot market purchases.

The prices of coal and distillate oil are generally volatile, as they are based on local and international market prices. However, under the KEV PPA, the Kapar Power Plant is generally able to pass its costs of coal, natural gas and distillate oil onto TNB. For further information on the energy payment under the KEV PPA, see Section 7.6.6.2 of this Prospectus.

7.6.6.2 Power offtake

Pursuant to the KEV PPA, the Kapar Power Plant's first three phases sell the power that they generate to TNB for a term of 25 years expiring in July 2029, and its fourth phase sells the power that it generates to TNB for a term of 15 years expiring in July 2019. The terms for all four phases are renewable for an additional three terms of five years each, upon the mutual consent of the parties. The despatch of power generated from the Kapar Power Plant is determined by TNB from time to time.

Under the KEV PPA, the Kapar Power Plant charges a tariff rate to TNB that includes:

- an available capacity payment, which covers the power plant's fixed costs and capital costs. TNB is required to pay the available capacity payment to KEV regardless of whether it despatches the power generated from the power plant, provided that the power plant makes available a minimum capacity to TNB and meets performance targets specified in the KEV PPA; and

- an energy payment, which covers the power plant's fuel costs and variable operation and maintenance costs that are incurred when TNB despatches the power generated from the power plant.

Under the KEV PPA, TNB is also required to pay:

- a test energy payment, which covers the power plant's fuel costs in relation to energy generated during revalidation testings, re-commissionings after outages, testings required by Malaysian law or government authorities or KEV; and

- a start-up payment, which compensates the power plant for any start-up requested by TNB in excess of a pre-determined number of start-ups set forth in the KEV PPA.

KEV derives the majority of its gross profits from the available capacity payment.

Under the KEV PPA, KEV must maintain a reserve to be used exclusively to pay for maintenance expenses.

7.6.6.3 Operations review

The following table summarises the Kapar Power Plant's operating statistics for each of its four phases for the years indicated.

	FYE 31 December		
	2012	**2013**	**2014**
Phase 1			
Total sold (GWh)(1)	2,071	2,488	1,933
Equivalent availability factor (%)(2)	85.5	82.3	75.3
Efficiency (%)(3)	33.1	32.9	32.8
Phase 2			
Total sold (GWh)(1)	3,215	4,157	4,267
Equivalent availability factor (%)(2)	79.3	88.5	88.5
Efficiency (%)(3)	33.3	33.4	33.4

	FYE 31 December		
	2012	**2013**	**2014**
Phase 3			
Total sold (GWh)[(1)]	6,450	5,942	4,394
Equivalent availability factor (%)[(2)]	86.7	74.2	52.2
Efficiency (%)[(3)]	34.1	34.4	34.5
Phase 4			
Total sold (GWh)[(1)]	33.4	216.8[(4)]	121.8
Equivalent availability factor (%)[(2)]	86.5	70.7	55.7
Efficiency (%)[(3)]	26.7	27.1	26.8

Notes:

(1) Calculated based on the energy billing metre.

(2) Calculated based on the actual plant availability, taking into consideration unscheduled outages and scheduled outages.

(3) Calculated by dividing the total generated electricity output by the heat energy consumed in generating that output.

(4) The increase in the total sale of energy at Phase 4 of the Kapar Power Plant was due to higher despatch of peaking plant to meet the increasing demand.

In recent years, operational issues at the Kapar Power Plant have affected its operations. In particular, Phase 3 of the Kapar Power Plant experienced unscheduled outages caused by operational issues, including cooling water pump problems, turbine vibration and hydrogen embrittlement from 2008 to 2011. The Kapar Power Plant again experienced unscheduled outages in the fourth quarter of 2013 and in 2014, primarily as a result of problems with turbine vibration. For further information on the financial impact of these operational issues, see Section 12.2.2(ii)(b) of this Prospectus.

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7.7 INTERNATIONAL INDEPENDENT WATER PRODUCTION AND POWER GENERATION BUSINESS

Through our equity interests in our subsidiary, associates and our joint venture, we own an effective water production capacity of approximately 358,850 m^3 per day and power generation capacity of approximately 690 MW outside Malaysia as at the Latest Practicable Date. Our two IWPPs are located in the Kingdom of Saudi Arabia and Bahrain and our three IWPs are located in the Kingdom of Saudi Arabia, Algeria and the Sultanate of Oman. At these IWPPs and IWPs, water is, or will be, produced through the desalination of seawater. We have also acquired a 50.0% participating interest in the unincorporated joint venture that owns the Macarthur Wind Farm.

7.7.1 Shuaibah Phase 3 Expansion IWP and the Shuaibah Phase 3 IWPP

Our associate, SEPCO owns the Shuaibah Phase 3 Expansion IWP. SEPCO is 11.9% owned by us, 5.95% owned by TNB, 11.9% owned by Khazanah, 29.75% owned by Acwa Power, 31.2% owned by PIF, 8.3% owned by SEC and 1.0% owned by various individuals.

In addition, our associate, SWEC owns the Shuaibah Phase 3 IWPP. SWEC is 12.0% owned by us, 6.0% owned by TNB, 12.0% owned by Khazanah, 30.0% owned by Acwa Power, 32.0% owned by PIF and 8.0% owned by SEC.

The Shuaibah Phase 3 Expansion IWP and the Shuaibah Phase 3 IWPP are co-located in Jeddah, the Kingdom of Saudi Arabia. The Shuaibah Phase 3 Expansion IWP commenced operations in November 2009 and the Shuaibah Phase 3 IWPP commenced operations in January 2010. The Shuaibah Phase 3 Expansion IWP and the Shuaibah Phase 3 IWPP are managed by our associates, Al-Imtiaz and SAMAOMCO, respectively.

The Shuaibah Phase 3 Expansion IWP has a water production capacity of 150,000 m^3 per day. In addition, the Shuaibah Phase 3 IWPP has:

- a power generation capacity of 900 MW using three units of light crude oil-fired boilers and three back-pressure turbines; and

- a water production capacity of 880,000 m^3 per day using 12 multistage flash distillers.

The Shuaibah Phase 3 Expansion IWP and the Shuaibah Phase 3 IWPP, which, according to Frost & Sullivan, collectively form the largest independent water project in the MENA region as at 31 December 2013, based on collective plant design capacity of 1,030,000 m^3 per day, supply electricity and water to Saudi Arabia's Water and Electricity Company pursuant to separate 20-year PWPAs that expire in November 2029 and January 2030, respectively. According to Frost & Sullivan, the Shuaibah Phase 3 Expansion IWP and the Shuaibah Phase 3 IWPP accounted for 10.1% market share of the gross water production capacity in the Kingdom of Saudi Arabia as at 31 December 2013.

7.7.2 Souk Tleta IWP

Our joint venture, AAS, owns the Souk Tleta IWP, which is located in Wilaya of Tlemcen, Algeria. AAS is 35.7% owned by us, 15.3% owned by MenaSpring Utility (Tlemcen) Pte Ltd and 49.0% owned by Algerian Energy Company. The Souk Tleta IWP commenced operations in April 2011 and is operated and managed by our associate, Hyflux-TJSB Algeria.

The Souk Tleta IWP has a water production capacity of 200,000 m^3 per day.

The Souk Tleta IWP supplies water to Algeria's national water company L'Algerienne Des Eaux and Algeria's national oil and gas company, Sonatrach, for a term of 25 years expiring in 2036 pursuant to a WPA, which is renewable upon mutual agreement of the parties.

7.7.3 Hidd IWPP

In May 2012, we acquired an interest in our associate Hidd Power, which is 40.0% owned by us, 30.0% owned by GDF Suez S.A. and 30.0% owned by Sumitomo. Hidd Power owns the Hidd IWPP, which comprises three phases and is located in Hidd, Bahrain. The Hidd IWPP's three phases commenced operations in 2000, 2004 and 2008, respectively. The Hidd IWPP is operated, managed and maintained by Hidd Power.

The Hidd IWPP has:

- a power generation capacity of 929 MW using natural gas and distillate oil purchased from the Bahrain Petroleum Company; and

- a water production capacity of 410,000 m^3 per day.

The Hidd IWPP supplies electricity and water to Bahrain's Ministry of Electricity and Water for a term of 20 years expiring in November 2027 pursuant to a PWPA. According to Frost & Sullivan, the Hidd IWPP accounted for approximately 34.0% of Bahrain's gross installed power generation capacity and approximately 58.6% of Bahrain's gross water production capacity in 2013.

7.7.4 Al Ghubrah IWP

In January 2013, we, together with our partners, formed MCDC to undertake the design, construction, ownership, financing, and operation and maintenance of the Al Ghubrah IWP, which is located in Al Ghubrah in the city of Muscat, the Sultanate of Oman. MCDC is 45.0% owned by us, 45.0% owned by Sumitomo and 10.0% owned by Cadagua. The Al Ghubrah IWP is expected to commence commercial operation in the third quarter of 2015.

The Al Ghubrah IWP will have an expected water production capacity of 191,000 m^3 per day.

The Al Ghubrah IWP is expected to supply water to OPWP for a term of 20 years pursuant to a WPA, commencing from 2015.

7.7.5 Macarthur Wind Farm

7.7.5.1 Background, generation capacity and fuel supply

In June 2013, we acquired a 50.0% participating interest in the unincorporated joint venture that owns the Macarthur Wind Farm. The remaining participating interest in the unincorporated joint venture is owned by Macarthur WFPL. The Macarthur Wind Farm is the largest wind farm in the southern hemisphere as at the Latest Practicable Date.

The Macarthur Wind Farm is located in the State of Victoria, Australia and has a power generation capacity of 420 MW, which is sufficient to generate enough clean energy to power approximately 220,000 average-sized homes in the State of Victoria, Australia, reducing by 1.5 million tonnes the greenhouse gases being emitted into the atmosphere each year. As a wind farm, the Macarthur Wind Farm has no fuel costs as it produces electrical energy from wind turbines using wind power.

7.7.5.2 Power offtake

The total offtake price received by MWMPL for the electricity generated by the Macarthur Wind Farm is determined pursuant to the MWMPL Electricity Contract. The MWMPL Electricity Contract is documented as a confirmation under a 2002 International Swaps and Derivatives Association ("**ISDA**") Master Agreement. The MWMPL Electricity Contract has a term of 25 years and terminates on 31 January 2038.

Under the MWMPL Electricity Contract, AGL Hydro agrees to pay MWMPL a fixed price for a fixed volume of electricity (irrespective of the amount of electricity actually generated by the Macarthur Wind Farm) and MWMPL agrees to pay to AGL Hydro the market proceeds from the sale of electricity. Payments under the MWMPL Electricity Contract can be adjusted in limited circumstances that are set out in the MWMPL Agency Deed. Pursuant to the terms of the Macarthur Wind Farm Contracts, payments that we receive from AGL Hydro are net of costs and expenses.

7.7.5.3 Production process

The electric power generation by the Macarthur Wind Farm involves the following process:

- Wind power is extracted from air flow using wind turbines to produce electrical power.

- The individual wind turbines are interconnected by a medium voltage power collection system and communications network. At a substation, this medium-voltage electric current is increased in voltage using a transformer for connection to the high voltage electric power transmission system.

7.7.5.4 Operation and management

The Macarthur Wind Farm is operated and managed by AGL Hydro pursuant to the MWMPL Asset Management Deed, entered into between AGL Hydro, Macarthur WFPL and MWMPL. The MWMPL Asset Management Deed has a term of 25 years commencing from 1 February 2013, unless earlier terminated pursuant to its terms.

Under the MWMPL Asset Management Deed, AGL Hydro is entitled to payment of quarterly maintenance fees.

For a summary of the terms of the Macarthur Wind Farm Contracts, see Section 7.24 of this Prospectus.

7.8 OPERATION AND MAINTENANCE BUSINESS

We provide operation and maintenance services to our own power plants as well as to power plants and water plants owned by certain of our associates, our joint venture and third-party clients. In 2012, we undertook a reorganisation that resulted in our operation and maintenance business being streamlined into M Power, which services our own power plants in Malaysia, and TJSB through, TJSB International group of companies, which offer these services to certain of our associates, our joint venture and third-party clients. MB via TJSB provided operation and maintenance services to PETRONAS' cogeneration power plants, the Kerteh Centralised Utilities Facilities and the Gebeng Centralised Utilities Facilities, under five-year operation and maintenance contracts that expired in 2004. After the Acquisition, we expanded our operation and maintenance business internationally. Through our now wholly-owned subsidiary, TJSB, we continue to maintain the ability to offer these services to third-party clients in Malaysia as well as overseas. On 17 December 2012, we acquired the contractual rights to provide operation and maintenance services to the Tanjung Bin Power Plant from HICOM Power. These operation and maintenance services are now being carried out by TBOMB and M Power. In addition, in April 2014, we acquired 100% equity interest in PDP O&M, which provides operation and maintenance services to the Port Dickson Power Plant.

We participate in power projects and water projects as sole or co-developers. Where possible, we conduct our operation and maintenance business through partnership or subcontracting agreements which permit us to safeguard our investments in these projects by ensuring that high quality standards are employed across a number of key activities. Our expertise in the operation and maintenance business also permits us to offer our services to third-party clients seeking similar objectives.

Our power plants and water plants each have long-term operation and maintenance plans that require scheduled inspections and overhauls, including scheduled periods of outage, that are established with consideration to the relevant project's despatch requirements, recommendations of the original equipment manufacturers, good utility practices and statutory guidelines. For instance, each Alstom gas turbine in our gas-fired power plants has scheduled outages upon the completion of a set interval of equivalent operating hours to conduct inspections, which are generally five days for short outages to 30 days for long outages, and these plants require a lesser period of time compared to outages for coal-fired power plants. The Tanjung Bin Power Plant has a scheduled major outage once every seven years to conduct maintenance on turbine, generator and boiler components as well as all auxiliaries; a scheduled minor outage once every two years for boiler cleaning, turbine inspection and auxiliary maintenance and a scheduled maintenance outage every year for boiler cleaning and fitness certificate renewal. We also offer services including fuel management, inventory management, emissions monitoring and personnel training.

We provide our services pursuant to contractual arrangements. These contractual arrangements provide for the owner(s) of the project to make (i) payment of a lump sum, regardless of the actual operation and maintenance costs that we incur; (ii) payment of the actual operation and maintenance costs that we incur plus an additional management fee; or (iii) payment of customised fees related to our services, which is a hybrid of the preceding two types of contractual arrangements.

The table below summarises our operation and maintenance services to our and our associates' and joint venture's plants on a project-basis as at the Latest Practicable Date.

Project[(1)]	**Description**	**Plant configuration**	**Generating capacity**[(2)]	**Effective date of operation and maintenance**	**Operation and maintenance term (years)**
Malaysia:					
SEV Power Plant	CCGT power plant located in Peninsular Malaysia	2 x 651.5 MW	1,303 MW	1993	31[(3)(4)]
GB3 Power Plant	CCGT power plant located in Peninsular Malaysia	1 x 640 MW	640 MW	2000	21[(4)]
Prai Power Plant	CCGT power plant located in Peninsular Malaysia	1 x 350 MW	350 MW	2000	21[(5)]
Tanjung Bin Power Plant	Coal-fired thermal power plant located in Peninsular Malaysia	3 x 700 MW	2,100 MW	2003	25[(5)]
Tanjung Bin Energy Power Plant	Coal-fired thermal power plant located in Peninsular Malaysia	1 x 1,000 MW	1,000 MW	2012	25[(5)]
Port Dickson Power Plant	OCGT power plant located in Peninsular Malaysia	4 x 109.1 MW	436.4 MW	2003[(6)]	14[(6)]
International:					
Shuaibah Phase 3 IWPP	Power and water production plant located in the Kingdom of Saudi Arabia	12 Multistage Flash Distillation x 74,000 m³/day, 3 x 300 MW (thermal)	880,000 m³/day 900 MW	2006	20[(7)]
Shuaibah Phase 3 Expansion IWP	Water production plant located in the Kingdom of Saudi Arabia	10 Reverse Osmosis Train	150,000 m³/day	2007	20[(7)]

7. BUSINESS OF OUR GROUP *(Cont'd)*

Project[1]	Description	Plant configuration	Generating capacity[2]	Effective date of operation and maintenance	Operation and maintenance term (years)
Souk Tleta IWP	Water production plant located in Algeria	13 x Reverse Osmosis Train x 16,667 m^3/day	200,000 m^3/day	2007	25[5]
Al Ghubrah IWP	Water production plant located in the Sultanate of Oman	11 Reverse Osmosis Train	191,000 m^3/day	2013	20[7]

Notes:

(1) The SEV Power Plant, the GB3 Power Plant, the Prai Power Plant and the Tanjung Bin Energy Power Plant are operated and managed by M Power. The Tanjung Bin Power Plant is operated and managed by TBOMB and M Power. The Port Dickson Power Plant is operated and managed by PDP O&M.

The Shuaibah Phase 3 IWPP and the Shuaibah Phase 3 Expansion IWP are managad by SAMAOMCO and Al-Imtiaz, respectively. The Souk Tleta IWP is operated and managed by Hyflux-TJSB Algeria and the Al Ghubrah IWP will be operated and managed by MCDC.

(2) MW indicates capacity for electric power generation, m^3/day indicates capacity for water production and tonnes/hour indicates capacity for steam production.

(3) Includes the ten-year extension under the New SEV PPA.

(4) The terms of the OMA for each of the SEV Power Plant and the GB3 Power Plant may be extended for a period of one year upon mutual agreement between the applicable parties.

(5) The terms of the OMA for each of the Prai Power Plant, the Tanjung Bin Power Plant, the Tanjung Bin Energy Power Plant and the Souk Tleta IWP may be extended, not later than 12 months prior to the expiry of their respective terms, upon agreement of the applicable parties.

(6) The previous operators of Port Dickson Power Plant were Janaurus PDP Sdn Bhd and Sime Darby Energy. The PD Power OMA was novated to PDP O&M in April 2014.

(7) The terms of the OMA for each of the Shuaibah Phase 3 IWPP, the Shuaibah Phase 3 Expansion IWP and the Al Ghubrah IWP may be extended if the applicable PWPA and WPA are extended pursuant to their respective terms.

The table below summarises our operation and maintenance services to third-parties on a project-basis as at the Latest Practicable Date.

Project[1]	Description	Plant configuration	Generating capacity[2]	Effective date of operation and maintenance	Operation and maintenance term (years)
Merak Coal-Fired Power Plant	Coal-fired steam power plant located in Indonesia	2 x 60 MW Steam Turbines 55 tonnes/hour Boiler	120 MW 55 tonnes/hour	2013	5
Az Zour South Combined Cycle Power Plant	CCGT power plant located in the State of Kuwait	5 x GT 13E2 (Alstom) + 2 Steam Turbines	1,200 MW	2013	4

Notes:

(1) The Merak Coal-Fired Power Plant and the Az Zour South Combined Cycle Power Plant are operated and managed by PT Teknik Janakuasa and TJSB Middle East, respectively.

(2) MW indicates capacity for electric power generation and tonnes/hour indicates capacity for steam production.

7. BUSINESS OF OUR GROUP *(Cont'd)*

The table below summarises projects completed by our operation and maintenance business that were provided to third-party clients.

Type of projects	Client	Country	Completion year
Operation and maintenance services for centralised utility facilities	PETRONAS Gas	Malaysia	2004*
Operation and maintenance management services	Alghanim International General Trading and Contracting Co. W.L.L	Kuwait	2013

Note:

* *Provided by TJSB.*

The table below summarises the significant consultancy, training and maintenance and repair services completed by our operation and maintenance business that were provided to third-parties.

Type of services	Client	Country	Completion year
CCGT technical training	GE	Libya	2005*
Technical due diligence for Salalah Power Plant	Dhofar Power Company	Sultanate of Oman	2006*
Technical due diligence for acquisition of CEGCO in Jordan	MB / JDC / CC	Jordan	2006*
CCGT advanced troubleshooting simulator training	Unimar Marmara Electric Santrali	Turkey	2006*
Technical audit services for Salalah Power Plant	Dhofar Power Company	Sultanate of Oman	2007*
Overhaul services for Alstom 13E2 & 13DM gas turbines	Aluminium Bahrain	Bahrain	2008
Technical training for advance operation principles and electrical maintenance for power plants	Aluminium Bahrain	Bahrain	2008
Technical and simulator training for a coal-fired power plant	Jimah Energy Ventures Sdn Bhd	Malaysia	2009
Operation and maintenance services for a OCGT plant	Az Zour Emergency Power Plant	Kuwait	2013

Note:

* *Provided by TJSB.*

7.9 ELECTRICITY AND CHILLED WATER DISTRIBUTION BUSINESS

Through our wholly-owned subsidiary, M Utilities, we operate an electricity and chilled water distribution business in the Kuala Lumpur Sentral Development, which is a combined office, hotel, residential, retail and transit hub located approximately 1.5 km from Kuala Lumpur's central business district and covers an area of approximately 72 acres. Since 2000, M Utilities has been supplying electricity to all the buildings in the Kuala Lumpur Sentral Development on an exclusive basis. Our licence, which was issued by the Energy Commission, will expire on 14 October 2017, and is renewable for an additional ten years. We adhere to electricity tariff rates approved by the Energy Commission. We purchase electricity in bulk from TNB and distribute it at 11kV and 415/240V to buildings and individual offtakers located within the development. Pursuant to chilled water supply agreements that will expire between 2027 and 2032, and are renewable upon mutual agreement of the parties, we supply chilled water for air conditioning to the Plaza Sentral office suites and other buildings located within the development from our district cooling plant, which is also located in the development. The capacity of the district cooling plant was increased from 7,000 RT in 2011 to 17,000 RT as at the Latest Practicable Date to meet the growing needs of the Kuala Lumpur Sentral Development.

7.10 PROJECT MANAGEMENT BUSINESS

Through our wholly-owned subsidiary, MESB, we provide project management services related primarily to plant design review and construction monitoring for our own power plant projects. We offer large-scale project management expertise related to the execution of EPC contracts for plants, as well as managing relationships with engineers and the relevant authorities to ensure that a project is completed on time and within budgeted costs.

We have acted in project management roles for the SEV Power Plant, the GB3 Power Plant and the Tanjung Bin Power Plant, and we are currently acting in this role for the Tanjung Bin Energy Power Plant.

7.11 RENEWABLE ENERGY BUSINESS

We are working to develop renewable energy projects, in line with the Government's drive to develop the renewable power generation sector. In 2013, we made our first investment in this sector, acquiring a 50.0% participating interest in the unincorporated joint venture that owns the Macarthur Wind Farm.

Macarthur Wind Farm has a power generation capacity of 420 MW which is sufficient to generate enough clean energy to power approximately 220,000 average-sized homes in the State of Victoria, Australia, reducing by 1.5 million tonnes the greenhouse gases being emitted into the atmosphere each year. The Macarthur Wind Farm is presently contributing towards the Australian Federal Government's expanded Renewable Energy Target, which aims to have 20% of the country's electricity generated from renewable sources by 2020. According to Frost & Sullivan, wind power generation in Australia is also expected to experience the highest growth between 2013 and 2018.

The Macarthur Wind Farm was purchased with a long-term off-take agreement in place with AGL Hydro for a term of 25 years from 1 February 2013. Macarthur WFPL owns the remaining participating interest in the unincorporated joint venture that owns the Macarthur Wind Farm.

The Government introduced a new feed-in tariff in 2011 to promote the development of renewable power generation in Malaysia, and we have embarked on identifying renewable power generation projects in Malaysia and overseas. In Malaysia, our renewable power generation efforts include exploring the potential and conducting a feasibility study of small run-of-river hydro projects and waste-to-energy projects in Malaysia. Overseas, our renewable power generation efforts include exploring the development of various renewable energy technologies, including wind and solar energy.

7.12 SALES

7.12.1 Malaysian independent power generation business

We sell the power that we generate to TNB pursuant to long-term PPAs. All our sales from our Malaysian independent power generation business are derived from Malaysia.

7.12.2 Operation and maintenance business

We provide our operation and maintenance services to our own power plants in Malaysia, as well as to power plants and water plants owned by certain of our associates, our joint venture and third-party clients in Malaysia and overseas.

7.12.3 Electricity and chilled water distribution business

We sell all our electricity and chilled water distribution services to third-party clients in the Kuala Lumpur Sentral Development. All our sales from our electricity and chilled water distribution business are derived from Malaysia.

7.12.4 Project management business

Under our project management business, we primarily offer our services to our own power plant projects. We currently do not have any external sales from our project management business.

7.13 SUPPLIERS AND CUSTOMERS

For the FYE 31 December 2012, 2013 and 2014, fuel purchases accounted for 66.9%, 61.6% and 63.1%, respectively, of our cost of sales. The following table sets out the third-party suppliers who accounted for 10% or more of our total purchases of fuel for the years indicated.

	FYE 31 December					
	2012		2013		2014	
Supplier	**RM (in millions)**	**% of total purchases of fuel**	**RM (in millions)**	**% of total purchases of fuel**	**RM (in millions)**	**% of total purchases of fuel**
PETRONAS	398.3	14.7	567.0	26.3	597.0	23.9
TFS	2,009.7	74.4	1,352.7	62.7	1,639.0	65.6

We are dependent on PETRONAS and TFS to supply natural gas and coal, respectively, used by our power plants in Malaysia. We purchase distillate oil used by our CCGT power plants and OCGT power plant as back-up fuel from various oil producers and traders.

The following table sets out the customer who accounted for 10% or more of our total revenues for the years indicated.

	FYE 31 December					
	2012		2013		2014	
Customer	**RM (in millions)**	**% of total revenues**	**RM (in millions)**	**% of total revenues**	**RM (in millions)**	**% of total revenues**
TNB	5,375.5	96.2	4,525.2	95.9	5,278.1	94.3

We are dependent on TNB to purchase the power generated by our Malaysian independent power generation business.

7.14 COMPETITION AND IMPACT OF POSSIBLE MARKET LIBERALISATION

According to Frost & Sullivan, through our subsidiaries and associate (based on our equity ownership), we are the largest IPP in Malaysia, based on an effective power generation capacity of 5,346 MW, representing 24.9% of Peninsular Malaysia's total installed capacity as at the Latest Practicable Date, and among the IPPs, we also have the largest effective generation capacity installed in SEA, as at the Latest Practicable Date. Our main competitors in Malaysia are other IPPs and companies engaged in the power business, such as Edra Global Energy Berhad *(formerly known as 1MDB Energy Group Berhad)* and YTL Power International Berhad. Edra Global Energy Berhad acquired Powertek Energy Sdn Bhd and Genting Sanyen (Malaysia) Sdn Bhd in 2012 and Jimah Energy Ventures Sdn Bhd in 2014. As at the Latest Practicable Date, Edra Global Energy Berhad had 14.4% and YTL Power International Berhad had 5.4%, respectively, of Peninsular Malaysia's total installed capacity. In addition to the IPPs, TNB also produces and sells electricity, and as at the Latest Practicable Date, inclusive of its effective interest in IPPs, had 50.2% of Peninsular Malaysia's installed capacity. We expect that Malaysia's electric power industry will continue to rely on a mix of TNB and the IPPs for the generation of electric power.

The Government's New Energy Policy, which was announced in 2011, includes efforts to increase and diversify power generation capacity, strengthen transmission and distribution networks and restructure the power supply industry in order to preserve Malaysia's currently strong and stable power supply system amid volatile global energy prices and declining natural gas production, particularly in Peninsular Malaysia. Accordingly, Malaysian IPPs are seeking to increase their participation in the power industry and could potentially compete against us. We will face competition in both the development of new power generation facilities and the acquisition of existing power capacity, including with respect to the renewal of our PPAs, as well as competition in financing these activities. In addition, while Malaysian IPPs currently are limited by their PPAs in the tariff rates they charge, there may be possibilities of power generation industry liberalisation, including the introduction of a market system where power producers make competitive offers to supply electricity in a wholesale market and derive revenue primarily based on the quantities and prices at which their electricity is sold, as determined by supply and demand in the market. If reforms of these types are implemented, we and other IPPs may be required to adopt competitive tariff rates that may result in margin compressions for ourselves and other producers.

The performance of the Malaysian economy and the potential for growth in Malaysia's power sector have attracted many potential competitors, including multinational groups involved in the power and operation and maintenance businesses, to explore opportunities in the development of power generation projects and the operation and maintenance of these projects. Accordingly, competition for and from new power projects, including the operation and maintenance of these projects, may increase in line with the long-term economic growth in Malaysia.

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7.15 BUSINESS INTERRUPTIONS

Due to a shortage in the supply of natural gas in Malaysia, a natural gas curtailment was imposed on the Malaysian power sector in 2011, which resulted in all coal-fired plants in Peninsular Malaysia, including the Tanjung Bin Power Plant, being operated for prolonged periods at full capacity. This continuous operation, which affected our ability to conduct the necessary scheduled maintenance works during the natural gas curtailment period, coupled with the quality of coal supplied, affected the Tanjung Bin Power Plant. In 2013, the Tanjung Bin Power Plant experienced a number of unscheduled outages which materially and adversely affected our financial performance beginning in the first quarter of 2013. We are currently investigating further on what led to these outages and in particular, the plant's boilers' design, manufacture and installation. The table below sets out the number of days of unscheduled outages at the Tanjung Bin Power Plant for the years indicated.

	FYE 31 December 2013	FYE 31 December 2014
Unit 1	42.9 days	18.3 days
Unit 2	20.6 days	19.9 days
Unit 3	61.6 days	5.7 days

We were part of the special task force established by the Energy Commission to identify the causes of the unscheduled outages experienced by coal-fired power plants in Peninsular Malaysia. The task force conducted reviews of the quality of supplied coal, boiler design, manufacture and installation, as well as plant operation, and it came up with recommendations to minimise future incidents of unscheduled power plant outages. The task force's recommendation that higher quality coal should be supplied to the power plants has been instrumental in enabling us to source higher quality coal. In July 2013, we commenced implementation of a recovery programme of remedial and improvement works and other steps to address the issues at the Tanjung Bin Power Plant, including rectifications and improvements to components of the boiler, equipment replacement and combustion improvements. As part of this programme, we also benchmarked the Tanjung Bin Power Plant against comparable plants world-wide, with the objective of identifying opportunities for further plant improvements. Since the completion of this programme in March 2014, all three units of the plant were able to operate at full capacity again. For further information on the financial impact of these issues and the implementation of the recovery programme, see Section 12.2.2(ii)(a) of this Prospectus.

Due to the unscheduled outages at the Tanjung Bin Power Plant, capacity payments from the Tanjung Bin Power Plant decreased from RM943.8 million in the FYE 31 December 2012 to RM775.6 million in the FYE 31 December 2013. However, with the implementation and completion of the recovery programme, capacity payments from the plant have since increased from RM775.6 million in the FYE 31 December 2013 to RM944.0 million in the FYE 31 December 2014. The recovery programme implemented at the Tanjung Bin Power Plant also resulted in write-offs in the FYE 31 December 2013 relating to replaced power plant equipment, including write-offs of RM109.4 million that were charged to cost of sales. The write-offs of RM109.4 million represent the carrying cost of the replaced equipment less accumulated depreciation.

Save for the above, there has not been any material interruption to our business activities during the past 12 months preceding the Latest Practicable Date.

7.16 RESEARCH AND DEVELOPMENT

We conduct centralised research and development opportunities for our businesses. In addition to exploring methods to improve process efficiencies at our existing power plants and water plants, we are focusing on developing renewable energy projects in line with the Government's drive to develop the green and renewable power generation sector. For further information on our renewable energy business, see Section 7.11 of this Prospectus. Our research and development activities do not account for substantial portions of our expenditures.

7.17 QUALITY CONTROL AND CERTIFICATIONS AND RECOGNITIONS

We are committed to ensuring quality control in maintaining our high level of performance with respect to our power plants and the provision of our services related to operation and maintenance and project management. We have invested considerably to implement relevant tools and methodologies to further optimise our asset values, minimise asset downtime and meet customers' schedules and other demands. Our quality control policies have received a variety of certifications in relation to our operations.

Our operation and maintenance business has received various certifications with respect to our power plants, including the following:

- The SEV Power Plant, the GB3 Power Plant and the Prai Power Plant were certified with Health & Safety OSHAS 18001:2007 in 2009, Health and Safety MS 1722: Part 1 2005 in 2009, Quality MS ISO 9001:2008 in 2009 and Environmental Management MS ISO 14001:2004 in 2011.

- The Port Dickson Power Plant was certified with Quality MS ISO 9001:2008 in 2002, Health & Safety OSHAS 18001:2007 in 2003, Environmental Management MS ISO 14001:2008 in 2003 and Information Security Management System ISO 27001:2005 in 2013.

- The Tanjung Bin Power Plant was certified with Port Security ISPS in 2007, Health and Safety OSHAS 18001:2007 in 2009, Health and Safety MS 1722: Part 1 2005 in 2009, Quality MS ISO 9001:2008 in 2009 and Environmental Management MS ISO 14001:2004 in 2011.

Our electricity and chilled water distribution business has received various certifications, including M Utilities' certification with MS ISO 9001:2000 in 2004, MS ISO 9001:2008 in 2010 and recertification of MS ISO 9001:2008 in 2013.

7.18 HEALTH, SAFETY AND ENVIRONMENTAL MATTERS

Power operations are subject to extensive, evolving and increasingly stringent health, safety and environmental laws and regulations. These laws and regulations address, among others, occupational safety and health of employees; air and water discharges; the storage, treatment, discharge and disposal of waste; the location of facilities; site clean-ups; and plant and wildlife protection. These laws and regulations also control workplace conditions within power plants as well as employees' exposure to hazardous substances and other aspects of a worker's social and economic well-being and their physical health and safety.

We conduct quarterly environmental audits at our power plants, tracking ambient air quality, gaseous stack emissions levels, wastewater quality, marine water quality and noise levels. We submit environmental monitoring reports to the DOE pursuant to the requirements of the environmental impact assessment, and our monitoring is conducted by an independent contractor registered with the DOE. We also continue to monitor our plants' surrounding marine ecosystems through an annual marine ecology study. We have installed continuous emissions monitoring systems in all our HRSG exhaust stacks, which provides us with ongoing emission values for monitoring and operational purposes.

As an ongoing exercise to ensure compliance with health, safety and environmental laws and regulations, our employees undergo annual evaluations of their knowledge of health, safety and environmental matters, and our employees and contractors participate in health, safety and environmental trainings, including permit-to-work modules and the Government's trainings relating to the Occupational Health and Safety Act and the Environmental Quality Act. We pursue progressive reduction of emissions, effluents and discharges of waste materials known to have adverse impacts on the environment in order to minimise the risk of health, safety and environmental-related incidents and liabilities. For instance, clean coal technology equipment, such as electrostatic precipitators, have been installed at the Tanjung Bin Power Plant and at our associate's Kapar Power Plant, enabling us and our associate to maintain emission levels within limits set by the DOE. The Tanjung Bin Energy Power Plant is also expected to use similar equipment. In addition, we regularly monitor the ecosystem within the vicinity of our facilities, conduct extensive research on the environmental impact of our processes and investigate the soil and groundwater conditions at our facilities' sites.

Some of our key environmental initiatives include:

- *Mangrove Initiative*: A mangrove replanting and rehabilitation programme in areas surrounding the Tanjung Bin Power Plant and at Sungai Acheh, near the Prai Power Plant;

- *Ikan Siakap Initiative*: A rehabilitation programme of the Sungai Pulai river near the Tanjung Bin Power Plant to support the livelihood of the local fishermen around the area;

- *Malakoff-Universiti Sains Malaysia Collaboration*: "The NEMGRADS USM-Malakoff Environmental Awareness Project 2010", an environmental awareness project for the youth focusing on the importance of conserving the environment;

- *Energy Expert Series*: Initiation of an industry-level lecture series focusing on renewable power generation to support the Government's vision of promoting renewable power generation as an alternative source of energy;

- *Project Sunshine*: A programme to install photovoltaic systems in local schools to convert solar power to electricity;

- *Turtle Awareness and Education Programme:* A programme to raise awareness of the importance of turtles to the ecosystem;

- *Malakoff Coral Rehabilitation Programme:* A programme to promote the conservation of the marine ecosystem;

- *Malakoff Giant Clam Restoration Project:* A project to highlight the importance of the giant clam in the marine ecosystem; and

- *Publication of Endau Rompin Revisited:* A Malaysian coffee table book on Endau Rompin National Park, produced in collaboration with the Malaysian Nature Society.

We are in compliance in all material respects with all applicable health, safety and environmental laws and regulations regarding our power operations. However, the adoption of new health, safety and environmental laws and regulations, new interpretations of existing laws and regulations, increased governmental enforcement of laws and regulations or other developments in the future may require that we make additional capital expenditures or incur additional operating expenses or that we curtail our power operations.

7.19 CORPORATE SOCIAL RESPONSIBILITY

We are committed to fulfilling our corporate social responsibility. We have received recognition for our corporate social responsibility efforts, including the following:

- 2014 Top 30 Green Catalysts Award organised by Malaysian Green Technology Corporation;
- 2014 award from Anugerah Langkawi (Organisation) organised by the DOE and presented by the King of Malaysia;
- 2013 CSR of the Year Award presented by the Malaysian Institute of Management (MIM);
- 2013 Asia Responsible Entrepreneurship Awards on Green Leadership presented by Enterprise Asia;
- 2011 Asia Responsible Entrepreneurship Awards on Social Empowerment presented by Enterprise Asia; and
- 2010 Prime Minister's CSR Award (Environment Category) organised by the Ministry of Women, Family and Community Development and presented by the Prime Minister of Malaysia.

We have a long history of raising awareness and participation in our local communities in conserving the environment by collaborating with stakeholders dedicated to specific causes. These initiatives include ecosystem rehabilitation programmes on mangroves, coral reefs and giant clams. In addition, we are also supporting educational events to increase awareness on biodiversity, protection of endangered species and energy conservation.

We also invest in our local communities through philanthropy and education. Our current programmes include funding our sponsored schools near our power plants and making direct contributions to our local communities, certain non-profit organisations and charitable foundations.

7.20 INSURANCE

We maintain insurance at levels that we believe are customary in the industries in which we operate to protect against various losses and liabilities that may arise from the risks and hazards of our businesses, including breakdown or failure of equipment, improper operation of equipment, natural disasters, environmental hazards and industrial accidents. We maintain insurance for all the facilities, equipment and infrastructure of our power plants. We generally maintain worker's compensation insurance in respect of death or injury to our employees in accordance with the Malaysian worker's compensation ordinance. In addition, we generally obtain insurance for our projects that covers such areas as construction/erection all risks, industrial all risks, business interruption, machinery breakdown, public liability, marine open cargo and delayed start-up. To determine appropriate insurance policies and levels of insurance coverage, we regularly employ risk management for purposes of analysing the risks faced by our businesses.

For the FYE 31 December 2012, 2013 and 2014, we incurred an aggregate of RM60.7 million, RM61.4 million and RM63.2 million in insurance policy premiums for our Malaysian independent power generation business, respectively.

7.21 EMPLOYEES

Our employees are not members of any unions. We believe that our wages and benefits are generally in accordance with market practices and our relationships with our employees are generally good.

The following table sets forth our number of employees for the dates indicated.

	As at 31 December		
Division/Department	**2012**	**2013**	**2014**
Chief Executive Officer's office	39	33	27
Asset management	69	79	75
Legal services	6	7	5
Group finance and accounts	25	33	29
Corporate services	98	109	61
Ventures	23	28	40
Operation and maintenance	519	575	676
Project management	25	35	47
Total	**804**	**899**	**960**

As at 31 December 2014, we did not employ a significant number of contract staff. Our employees were employed in the following locations as at 31 December 2014.

	As at 31 December 2014					
	Kuala Lumpur	**Perak**	**Pulau Pinang**	**Johor**	**Others**	**Total**
Number of employees	307	137	62	383	71	960

Malaysian employment regulations require employers and employees to contribute to the Employees Provident Fund to provide for the retirement and other needs of employees. Under employment contracts and collective agreements entered into by us, we contribute 15% to 17% of the employees' salaries to the Employees Provident Fund. We also maintain a retirement benefit scheme for our employees who joined us as of 30 June 2012. Employees who joined us on or after 1 July 2012 are not entitled to participate in this retirement benefit scheme. Apart from our contributions to the Employees Provident Fund and maintenance of a retirement benefit scheme, we do not maintain any other retirement, pension or severance plans or have any unfunded pension liabilities, nor do we owe any amounts to any present or former employees not in the ordinary course of business operations.

We recognise the need to retain our senior and middle management in order to ensure continuity in the achievement of our corporate objectives and the seamless implementation of our programmes and initiatives. We believe our employees are the cornerstone of our success. We provide extensive training and development opportunities through a variety of training programmes. For our employees, we provide relevant functional skills training, covering such topics as financial reporting, SAP reporting and PPAs, and relevant technical skills training, covering such topics as introductions to our power plants, simulator training and generator training. To enhance our human capital, we also offer programmes focused on developing leadership and senior leadership skills. In addition, we provide our employees opportunities to participate in externally conducted training programmes, such as those relating to various aspects of our business operations, work safety and industry best practices.

7.22 TECHNOLOGY AND INTELLECTUAL PROPERTY

Save as disclosed below, as at the Latest Practicable Date, we do not have any brand names, patents, trademarks, technical assistance agreements, franchises and other intellectual property rights.

7.22.1 Trademarks

We use a number of trademarks, in connection with our business. We and several of our subsidiaries have also registered the following trade names which are used in our operation and businesses:

Registered trademarks

No.	Trademark	Owner	Registration no.	Place of registration	Validity period	Description of trademark	Class of trademark
1.	MALAKOFF MALAKOFF	Malakoff	06022749	Malaysia	Expiring on 12 December 2016	*MALAKOFF, "In series of 2 marks – in colour, black & white."*	Class 16
2.	MALAKOFF MALAKOFF	Malakoff	06022750	Malaysia	Expiring on 12 December 2016	*MALAKOFF, "In series of 2 marks – in colour, black & white."*	Class 37
3.	MALAKOFF MALAKOFF	Malakoff	06022751	Malaysia	Expiring on 12 December 2016	*MALAKOFF, "In series of 2 marks – in colour, black & white."*	Class 39
4.	MALAKOFF MALAKOFF	Malakoff	06022752	Malaysia	Expiring on 12 December 2016	*MALAKOFF, "In series of 2 marks – in colour, black & white."*	Class 40

7. BUSINESS OF OUR GROUP *(Cont'd)*

No.	Trademark	Owner	Registration no.	Place of registration	Validity period	Description of trademark	Class of trademark
5.	MALAKOFF MALAKOFF	Malakoff	06022753	Malaysia	Expiring on 12 December 2016	*MALAKOFF, "In series of 2 marks – in colour, black & white."*	Class 42
6.	TEKNIK JANAKUASA TEKNIK JANAKUASA	TJSB	06022761	Malaysia	Expiring on 12 December 2016	*TEKNIK JANAKUASA, "In series of 2 marks – in colour, black & white."*	Class 40
7.	TEKNIK JANAKUASA TEKNIK JANAKUASA	TJSB	06022759	Malaysia	Expiring on 12 December 2016	*TEKNIK JANAKUASA, "In series of 2 marks – in colour, black & white."*	Class 35
8.	TEKNIK JANAKUASA TEKNIK JANAKUASA	TJSB	06022762	Malaysia	Expiring on 12 December 2016	*TEKNIK JANAKUASA, "In series of 2 marks – in colour, black & white."*	Class 42
9.	WIRAZONE WIRAZONE	M Utilities	06022756	Malaysia	Expiring on 12 December 2016	*WIRAZONE, "In series of 2 marks – in colour, black & white."*	Class 39
10.	MALAKOFF UTILITIES MALAKOFF UTILITIES	M Utilities	2013050121	Malaysia	Expiring on 8 January 2023	*MALAKOFF UTILITIES, "In series of 2 marks – in colour, black & white."*	Class 35

7. BUSINESS OF OUR GROUP *(Cont'd)*

Application for registration of trademarks

On 8 January 2013, we have filed the following applications for trademark registration with the Intellectual Property Corporation of Malaysia under the Trade Marks Regulations 1997 and Trade Marks Act 1976:

No.	Trademark	Owner	Application no.	Place of registration	Description of trademark	Class of trademark
1.	MALAKOFF UTILITIES MALAKOFF UTILITIES	M Utilities	201305120(1)	Malaysia	*MALAKOFF UTILITIES, "In series of 2 marks – in colour, black & white."*	Class 16
2.	MALAKOFF UTILITIES MALAKOFF UTILITIES	M Utilities	201305122(1)	Malaysia	*MALAKOFF UTILITIES, "In series of 2 marks – in colour, black & white."*	Class 39
3.	MALAKOFF UTILITIES MALAKOFF UTILITIES	M Utilities	201305123(2)	Malaysia	*MALAKOFF UTILITIES, "In series of 2 marks – in colour, black & white."*	Class 42

Notes:

(1) The application was gazetted on 8 January 2015.

(2) The application was gazetted on 22 January 2015.

7.22.2 Patents and other intellectual property

We are not dependent on any patents or other intellectual property for the operation of our business.

7.22.3 Major licences, trademarks, patents and other intellectual property

Save as disclosed in Annexure A of this Prospectus, our Group is not dependent on any other major licences, permits, registrations, trademarks, patents and other intellectual property rights for our business operations.

7.23 GOVERNING LAWS AND REGULATIONS

Our business is regulated by, and in some instances required to be licenced under specific laws of Malaysia and Australia. The relevant laws and regulations governing our Group and which are material to our operations are summarised below. The following does not purport to be an exhaustive description of all relevant laws and regulations of which our business is subject to.

7.23.1 Relevant laws and regulations in Malaysia

7.23.1.1 Governing laws and regulations relating to the industry

(i) Electricity Supply Act

Under the Electricity Supply Act, a licence is required for the operation of any generation installation and its associated facilities, any transmission and/or interconnection facilities and the supply and sale of electrical energy to TNB and/or to any other person permitted by the Energy Commission.

The operation and maintenance of our power plants, the delivery and sale of electrical energy and generation capacity by our IPP subsidiaries to TNB are dependent on the licence granted by the Energy Commission. In addition, one of our subsidiaries, M Utilities, is also granted the licence by the Energy Commission to supply electricity to or for the use of any person, within the Kuala Lumpur Sentral Development.

Failure to comply with any terms and conditions of the licence granted by the Energy Commission or provision of the Electricity Supply Act may result in the licence being revoked, suspended or terminated and/or liable to a fine not exceeding RM100,000 and a further fine not exceeding RM1,000 for every day or part of a day during which the offence continues after conviction.

7.23.1.2 Other relevant Malaysian legislation

(i) Occupational Health and Safety Act

We are required to comply with all requirements of legislations related to health and safety as provided under the OHSA, as well as regulations and codes of practice which have been approved. The promulgation of OHSA is based on self regulation concept with the primary responsibility of ensuring health and safety at the workplace lie with those who create the risks and work with the risks.

In line with the requirements of the OHSA, we have employed a competent person to act as the health and safety officer for the purposes of ensuring the due observance and the promotion of a safe conduct of work at the workplace.

There is also the requirement to establish a health and safety committee under the OHSA as we employ approximately 960 employees as at 31 December 2014.

The general penalty under the OHSA provides that a person who by any act or omission contravenes any provision under the OHSA or any regulation made thereunder shall be guilty of an offence and where no penalty is expressly provided shall, on conviction, be liable to a fine not exceeding RM10,000 and/or to imprisonment for a term not exceeding one year and in the case of a continuing offence, to a fine not exceeding RM1,000 for every day or part of a day during which the offence continues after conviction.

(ii) Factories and Machineries Act, 1967 ("**FMA**")

Other written law relating to occupational health and safety which is also applicable to us is contained in the FMA. Under the FMA, we have a duty to ensure that the health, safety and welfare in relation to our employees and workplace are maintained, including ensuring that the operation of any machinery possesses the relevant certificate of fitness, the necessary inspection of the machineries are carried out upon their installation and registered accordingly.

The FMA provides for different penalties for the various offences and breaches committed under the FMA. Depending on the severity and type of offences and breaches committed, the penalties imposed under the FMA varies in the imposition of a fine of up to RM100,000 and/or imprisonment for a term not exceeding two years.

(iii) EQA

Under the EQA, the IPPs are required to carry out an EIA and obtain approval for the EIA from the DOE as governed under Section 34A of the EQA. All the power plants owned by us, directly or indirectly via our subsidiaries or associate are subject to environmental legislations, policies and regulations. These include ensuring compliance to air, water and noise emission standards. Any non-compliance could result in the suspension or revocation of the IPP Licence and/or the imposition of fines. The agency responsible for implementing and monitoring Malaysia's environmental regulations and policies is the DOE and the local environmental authority.

The EQA provides for difference penalties for the various offences and breaches committed under the act. The EQA provides, among others, that any person who contravenes Section 34A of the EQA shall be liable to a fine not exceeding RM500,000 and/or imprisonment for a period not exceeding five years and to a further fine of RM1,000 for every day that the offence is continuing.

The EQA also provides for a fine of up to RM10,000 and/or to imprisonment for a period not exceeding two years for every omission or failure to comply with, or any act done contrary to the provisions of the EQA, for offences not expressly provided under the EQA.

7.23.2 Relevant laws and regulations in Australia

7.23.2.1 Governing laws and regulations relating to the industry

(i) National Electricity Law and National Electricity Rules

The wholesale market for the supply of electricity across Australia (excluding Western Australia and Northern Territory) is governed by the NEM Rules issued under the National Electricity Law.

Under the National Electricity Law, a person must not engage in the activity of owning, controlling or operating a generating system connected to the interconnected transmission or distribution system unless the person is a registered participant with AEMO or is otherwise exempted by AEMO from the requirement to be registered.

A registered generator and market participant must comply with the NEM Rules and must continue to satisfy certain requirements, which includes having a permanent establishment in Australia, not to be under external administration and to meet the acceptable credit criteria (or provide AEMO with credit support in a form acceptable to AEMO).

Failure to comply with the provisions of the NEM Rules can result in civil penalties being imposed by Australian Energy Regulator. Subject to one exemption, the maximum civil penalty in respect of a body corporate is AUD100,000 and AUD10,000 for each day during which the breach continues. The exception concerns the generator rebidding provisions which specifies the maximum penalty in respect of any person is AUD1,000,000 and AUD50,000 for each day in which the breach continues. The National Electricity Law also contains a very limited number of provisions which impose a criminal penalty for offences such as providing information to AEMO that a person knows to be false or misleading.

(ii) Electricity Industry Act (2000) (Victoria, Australia) ("**Electricity Industry Act**")

Under the Electricity Industry Act, persons who generate, transmit, distribute, supply or sell electricity in the State of Victoria, Australia is required to obtain a licence from the Essential Services Commission of the State of Victoria, Australia ("**ESC**"), or a licence exemption.

The ability of the Macarthur Wind Farm to generate electricity and export it to the grid is dependent on an electricity generation licence issued by the ESC. In addition, the electricity generation licence is a perquisite to obtaining registration from AEMO.

The ESC may revoke the license in a number of circumstances including:

- at any time at the request of, or with the consent of, the licensee;
- the licensee breaches any condition of the licence;
- any information provided by the licensee is found to be false or misleading;
- the licensee fails to maintain satisfactory financial viability or technical capacity; or

- the licensee fails to comply with a direction or determination made by the ESC, AEMO, Energy Safe Victoria or the Minister for Energy and Resources in the State of Victoria, Australia.

The penalty for generating electricity without a valid licence is AUD147,610 and AUD14,761 for each day after the day on which a notice of contravention of this subsection is served on the person by the ESC.

(iii) Renewable Energy (Electricity) 2000 (Cth) ("**RE Act**")

A power station may only generate renewable energy credits (referred to as large-scale generation certificates or "**LGCs**") if some or all of the power generated by the powers station is generated from a renewable energy source and the power station is accredited under the RE Act by the Clean Energy Regulator, Australia.

Failure to comply with the RE Act and the associated regulations can result in the Clean Energy Regulator, Australia imposing civil penalties up to a maximum of AUD8.5 million in addition to make-good obligations for any improperly created LGCs.

7.23.2.2 Other relevant Australian legislation

Planning and Environment Act 1987 (Vic) ("**PEA**")

Under the PEA, as applicable at the relevant time, a planning permit from the Minister for Planning in the State of Victoria, Australia (as the Responsible Authority) is required for the development and use of land for a wind energy facility of 30 MW or more.

Failure to comply with the PEA or the conditions in the planning permit can result in penalties and enforcement orders being imposed. The penalties vary depending on the nature of the offence but the maximum penalty under the PEA is currently AUD177,132 and AUD8,857 for each day the offence continues.

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7.24 DEPENDENCY ON COMMERCIAL CONTRACTS

7.24.1 SEV

(i) The Existing SEV PPA was entered into between SEV and TNB for the sale of generating capacity and electrical energy from the SEV Power Plant. The Existing SEV PPA provides that SEV is to design, construct, own, operate and maintain an electricity generating facility with a nominal capacity of 1,303 MW and to generate and deliver electrical energy and make generating capacity available to TNB.

The Existing SEV PPA provides for an initial term period of 21 years beginning from the COD of the first unit, which commenced operation on 1 July 1996 and shall expire on 30 June 2017 (being the 21st anniversary of the COD for the first unit). The said term was extended for an additional term of ten years from 1 July 2017 until 30 June 2027 pursuant to the New SEV PPA, as detailed below.

The principal sale and purchase obligations of both SEV and TNB are as follows:

(a) SEV shall deliver and TNB shall purchase the net electrical output generated by the SEV Power Plant upon a despatch instruction, payment of which is in accordance with the Existing SEV PPA;

(b) SEV shall sell and TNB shall purchase a level of dependable capacity up to but not exceeding 651.5 MW with respect to each block; and

(c) SEV shall, during an emergency condition, use its best efforts to provide electrical energy or generating capacity above the dependable capacity of the SEV Power Plant and TNB shall reimburse SEV for any reasonable additional costs incurred by SEV.

TNB however, shall not be obliged to purchase the electrical energy generated from the SEV Power Plant under the following events:

(a) an emergency condition occurs within the grid system which resulted in TNB being unable to accept electrical energy from the SEV Power Plant;

(b) the net electrical energy does not conform to the electrical characteristics described in the Existing SEV PPA; and

(c) TNB intentionally interrupts the acceptance of electrical energy from the SEV Power Plant to conduct necessary maintenance of the interconnection facilities, metering or adjacent transmission and distribution facilities.

Notwithstanding the events stipulated under items (a) and (c) above, TNB shall continue to make available capacity payments to SEV in accordance with the terms of the Existing SEV PPA unless the occurrence of any of the events above is due to a breach or default by SEV of its obligations under the Existing SEV PPA.

The Existing SEV PPA provides for TNB to pay SEV the following:

(a) capacity payments for the weighted average of the dependable capacity;

(b) energy payments; and

(c) start-up payments,

all of which, the payment amounts are determined in accordance with the Existing SEV PPA.

For details on SEV's and TNB's rights and obligations under the Existing SEV PPA, the provisions relating to the force majeure events and events of default as well as the computations of the capacity payments and energy payments, see Annexure C.1 of this Prospectus.

(ii) The New SEV PPA provides for an additional term of ten years from 1 July 2017 and shall continue in effect until its expiration on 30 June 2027 ("**New SEV PPA Term**"), in accordance with the terms and conditions under the New SEV PPA.

If an industry restructuring (in the event the electricity industry in Malaysia is revamped with a view to set up a power pool or other market system) is implemented and the parties have not reached an agreement on amendments to the New SEV PPA within a period of six months from the commencement of such negotiations, TNB may terminate the New SEV PPA immediately by giving written notice to SEV and TNB shall purchase the project from SEV in the manner and for the purchase price determined under the New SEV PPA. SEV shall render its assistance to TNB by participating in any intermediate market set up prior to such restructuring and providing relevant data to its operations which is not commercially confidential as TNB may request, in the event of an industry restructuring.

The principal sale and purchase obligations of both SEV and TNB are as follows:

(a) TNB shall purchase all test energy generated by a unit in accordance with the New SEV PPA throughout the New SEV PPA Term;

(b) SEV shall deliver and TNB shall purchase the net electrical output generated by each generating block upon a despatch instruction or monitoring test, payment of which is in accordance with the New SEV PPA;

(c) SEV shall sell and TNB shall purchase the daily available capacity of each generating block, payment of which is in accordance with the New SEV PPA; and

(d) SEV shall, during an emergency condition, use its best efforts to provide electrical energy or generating capacity above the declared daily available capacity of the SEV Power Plant and TNB shall reimburse SEV for any reasonable additional costs incurred by SEV.

TNB however, shall not be obliged to purchase the electrical energy generated from the SEV Power Plant under the following events:

(a) an emergency condition occurs within the grid system which resulted in TNB being unable to accept electrical energy from the SEV Power Plant;

(b) the electrical energy from the generating block does not conform to the electrical characteristics described in the New SEV PPA; and

(c) TNB intentionally interrupts the acceptance of electrical energy from the SEV Power Plant to conduct necessary maintenance of TNB's metering equipment, interconnection facilities or the grid system.

Notwithstanding the events stipulated under items (a) and (c) above, TNB shall continue to make available capacity payments to SEV in accordance with the terms of the New SEV PPA unless the occurrence of any of the events above is due to a breach or default by SEV of its obligations under the New SEV PPA.

The New SEV PPA provides for TNB to pay SEV the following:

(a) available capacity payments;

(b) energy payments;

(c) start-up payments; and

(d) test energy payments, for the electrical energy despatched from the SEV Power Plant during the test period,

all of which, the payment amounts are determined in accordance with the New SEV PPA.

For details on SEV's and TNB's rights and obligations under the New SEV PPA, the provisions relating to the force majeure events and events of default as well as the computations of the available capacity payments and energy payments, see Annexure C.2 of this Prospectus.

If there is a change-in-law which requires SEV to make any material capital improvement or other material modification to the SEV Power Plant in order to comply with any such law, where such improvement or modification is in excess of RM10.0 million for any contract year, SEV shall be entitled to an extension of the New SEV PPA Term, which shall be mutually agreed between SEV and TNB, and where such an extension is not commercially feasible, a revision to the capacity rate financial, as the case may be. A change in the grid code shall be treated as a change-in-law.

SEV shall not sell, convey, transfer or otherwise dispose of the SEV Power Plant to any party without the consent of TNB and the Energy Commission. Any transfer of the controlling interest in SEV to any party who is not a shareholder of SEV shall also require the consent of TNB and the Energy Commission.

Further details on the equity restriction applicable to SEV are set out in Annexure A of this Prospectus.

(iii) The Existing SEV GSA is for the supply and delivery of dry gas by PETRONAS to SEV to be used as fuel for the SEV Power Plant. The Existing SEV GSA provides for an initial term of 21 years which shall expire on 30 June 2017 (being the 21st anniversary of the first contractual delivery date of the dry gas). The price of dry gas is pegged to medium fuel oil and high sulphur fuel oil on a RM per GJ basis.

For provisions relating to the events of default under the Existing SEV GSA, see Annexure C.3 of this Prospectus.

(iv) The New SEV GSA is for the supply and delivery of dry gas by PETRONAS to SEV to be used as fuel for the SEV Power Plant. The New SEV GSA provides for a term of ten years which shall expire on 30 June 2027. The price of dry gas is pegged to medium fuel oil and high sulphur fuel oil on a RM per GJ basis.

For provisions relating to the events of default under the New SEV GSA, see Annexure C.4 of this Prospectus.

7.24.2 GB3

(i) The GB3 PPA was entered into between GB3 and TNB for the sale of generating capacity and electrical energy from the GB3 Power Plant. The GB3 PPA provides that GB3 is to design, construct, own, operate and maintain an electricity generating plant and operating initially in an open cycle mode with three gas turbines each with a nominal capacity of 143 MW and subsequently converted into a combined cycle plant with an aggregate nominal capacity of 640 MW and to generate and deliver electrical energy and make generating capacity available to TNB.

The GB3 PPA provides for an initial term period of 21 years beginning from the COD of the first unit, which commenced operation on 31 December 2001 and shall expire on 30 December 2022 (being the 21st anniversary of the COD of the first unit (the "**GB3 PPA Term**")). The GB3 PPA Term may be extended for up to three additional periods of five years each, provided all Government authorisations, licences and other applicable conditions are met.

If an industry restructuring (in the event the electricity industry in Malaysia is revamped with a view to set up a power pool or other market system) is implemented and the parties have not reached an agreement on amendments to the GB3 PPA within a period of six months from the commencement of such negotiations, TNB may terminate the GB3 PPA immediately by giving written notice to GB3 and TNB shall purchase the project from GB3 in the manner and for the purchase price determined under the GB3 PPA. GB3 shall render its assistance to TNB by participating in any intermediate market set up prior to such restructuring and providing relevant data to its operations which is not commercially confidential as TNB may request, in the event of an industry restructuring and ensure that the financing parties for GB3 in relation to the GB3 Power Plant acknowledge and are bound by TNB's rights.

The principal sale and purchase obligations of both GB3 and TNB are as follows:

(a) TNB shall purchase all test energy generated by a unit in accordance with the GB3 PPA throughout the GB3 PPA Term;

(b) GB3 shall deliver and TNB shall purchase the net electrical output generated by the GB3 Power Plant upon a despatch instruction, payment of which is in accordance with the GB3 PPA;

(c) GB3 shall declare and sell, and TNB shall purchase the daily available capacity of the GB3 Power Plant, payment of which is in accordance with the GB3 PPA; and

(d) GB3 shall, during an emergency condition, use all reasonable efforts to provide electrical energy or generating capacity above the declared daily available capacity of the GB3 Power Plant and TNB shall reimburse GB3 for any reasonable additional costs incurred by GB3.

TNB however, shall not be obliged to purchase the net electrical output generated from the GB3 Power Plant under the following events:

(a) an emergency condition occurs within the grid system which resulted in TNB being unable to accept net electrical output from the GB3 Power Plant;

(b) the net electrical output does not conform to the electrical characteristics described in the GB3 PPA; and

(c) TNB intentionally interrupts the acceptance of electrical energy from the GB3 Power Plant to conduct necessary maintenance of the interconnection facilities, metering equipment or grid system, provided that advance notice of not less than 72 hours of any such planned maintenance has been given.

Notwithstanding the events stipulated under items (a) and (c) above, TNB shall continue to make available capacity payments to GB3 in accordance with the terms of the GB3 PPA unless the occurrence of any of the events set out above is due to a breach or default by GB3 of its obligations under the GB3 PPA. TNB shall also reimburse GB3 for any reasonable additional costs incurred by GB3 as a result of a shutdown of the GB3 Power Plant (if applicable), arising from the events stipulated under items (a) and (c) above which are caused by TNB. Additionally, GB3 shall not be obliged to deliver and sell the net electrical output from the GB3 Power Plant as a result of an emergency condition.

The GB3 PPA provides for TNB to pay GB3 the following:

(a) test energy payments, for the electrical energy despatched by a unit during the test period;

(b) energy payments;

(c) available capacity payments; and

(d) start-up payments,

all of which, the payment amounts are determined in accordance with the GB3 PPA.

For details on GB3's and TNB's rights and obligations under the GB3 PPA, the provisions relating to the force majeure events and events of default as well as the computations of the available capacity payments and energy payments, see Annexure C.5 of this Prospectus.

If there is a change-in-law which requires GB3 to make any material capital improvement or other material modification to the GB3 Power Plant in order to comply with any such law, where such improvement or modification is in excess of the applicable capital improvement threshold as set forth in the GB3 PPA, GB3 shall be entitled to an extension of the GB3 PPA Term, which shall be mutually agreed between GB3 and TNB, and where such an extension is not commercially feasible, a revision to the available capacity payments, as the case may be. A change in the grid code shall be treated as a change-in-law.

GB3 shall not sell, convey, transfer or otherwise dispose of the GB3 Power Plant to any party without the consent of TNB. Any transfer of the controlling interest in GB3 to any party who is not a shareholder of GB3 shall also require the consent of TNB. TNB however, shall, among others, provide its consent to assignment and acknowledgment of the financing parties' rights and afford the financing parties an opportunity to remedy any event of default where circumstances under such financing documents so require.

Further details on the equity restriction applicable to GB3 are set out in Annexure A of this Prospectus.

(ii) The GB3 GSA is for the supply and delivery of dry gas by PETRONAS to GB3 to be used as fuel for the GB3 Power Plant. The GB3 GSA provides for a term of 21 years which shall expire on 30 December 2022 (being the 21^{st} anniversary of the first contractual delivery date of the dry gas). The price of dry gas is pegged to medium fuel oil and high sulphur fuel oil on a RM per GJ basis.

For provisions relating to the events of default under the GB3 GSA, see Annexure C.6 of this Prospectus.

7.24.3 PPSB

(i) The PPSB PPA was entered into between PPSB and TNB for the sale of generating capacity and electrical energy from the Prai Power Plant. The PPSB PPA provides that PPSB is to design, construct, own, operate and maintain an electricity generating plant with a nominal capacity of 350 MW and to generate and deliver electrical energy and make generating capacity available to TNB.

The PPSB PPA provides for an initial term period of 21 years beginning from the COD of the Prai Power Plant, which commenced operation on 20 June 2003 and shall expire on 19 June 2024 (being the 21^{st} anniversary of the COD of the Prai Power Plant (the "**PPSB PPA Term**")). The PPSB PPA Term may be extended for up to three additional periods of five years each, provided all Government authorisations, licences and other conditions are met.

If an industry restructuring (in the event the electricity industry in Malaysia is revamped with a view to set up a power pool or other market system) is implemented and the parties are unable to reach an agreement on amendments to the PPSB PPA within a period of six months from the commencement of such negotiations, TNB may terminate the PPSB PPA immediately by giving written notice to PPSB. If PPSB is prevented by any change-in-law as a result of an industry restructuring from discharging its material obligations under the PPSB PPA, TNB shall together with the notice of termination give notice in writing to PPSB for the purchase of the project in the manner and for the purchase price determined under the PPSB PPA. PPSB shall render its assistance to TNB in the event of an industry restructuring and ensure that the financing parties for PPSB in relation to the Prai Power Plant acknowledge and are bound by TNB's rights.

The principal sale and purchase obligations of both PPSB and TNB are as follows:

(a) TNB shall purchase all test energy generated by a unit in accordance with the PPSB PPA throughout the PPSB PPA Term;

(b) PPSB shall deliver and TNB shall purchase the net electrical output generated by the Prai Power Plant upon a despatch instruction, payment of which is in accordance with the PPSB PPA;

(c) PPSB shall declare and sell, and TNB shall purchase the daily available capacity of the Prai Power Plant, payment of which is in accordance with the PPSB PPA; and

(d) PPSB shall, during an emergency condition, use all reasonable efforts to provide electrical energy or generating capacity above the declared daily available capacity of the Prai Power Plant and TNB shall reimburse PPSB for any reasonable additional costs incurred by PPSB.

TNB however, shall not be obliged to purchase the net electrical output generated from the Prai Power Plant under the following events:

(a) an emergency condition occurs within the grid system which resulted in TNB being unable to accept the net electrical output from the Prai Power Plant;

(b) the net electrical output does not conform to the electrical characteristics described in the PPSB PPA; and

(c) TNB intentionally interrupts the acceptance of electrical energy from the Prai Power Plant to conduct necessary maintenance of the interconnection facilities, metering equipment or grid system, provided that advance notice of not less than 72 hours of any such planned maintenance has been given.

Notwithstanding the events stipulated under items (a) and (c) above, TNB shall continue to make available capacity payments to PPSB in accordance with the terms of the PPSB PPA unless the occurrence of any of the events set out above is due to a breach or default by PPSB of its obligations under the PPSB PPA. TNB shall also reimburse PPSB for any reasonable additional costs incurred by PPSB as a result of a shutdown of the Prai Power Plant (if applicable), arising from the events stipulated under items (a) and (c) above which are caused by TNB. Additionally, PPSB shall not be obliged to deliver and sell the net electrical output from the Prai Power Plant as a result of an emergency condition.

The PPSB PPA provides for TNB to pay PPSB the following:

(a) test energy payments, for the electrical energy despatched from the Prai Power Plant during the test period;

(b) energy payments;

(c) available capacity payments; and

(d) start-up payments,

all of which, the payment amounts are determined in accordance with the PPSB PPA.

For details on PPSB's and TNB's rights and obligations under the PPSB PPA, the provisions relating to the force majeure events and events of default as well as the computations of the available capacity payments and energy payments, see Annexure C.7 of this Prospectus.

If there is a change-in-law which requires PPSB to make any material capital improvement or other material modification to the Prai Power Plant in order to comply with any such law, where such improvement or modification is in excess of RM5.0 million for any contract year, PPSB shall be entitled to an extension of the PPSB PPA Term, which shall be mutually agreed between PPSB and TNB, and where such an extension is not commercially feasible, a revision to the available capacity payments, as the case may be. A change in the grid code shall be treated as a change-in-law.

PPSB shall not sell, convey, transfer or otherwise dispose of the Prai Power Plant to any party without the consent of TNB. Any transfer of the controlling interest in PPSB to any party who is not a shareholder of PPSB shall also require the consent of TNB. TNB however, shall, among others, provide its consent to assignment and acknowledgment of the financing parties' rights and afford the financing parties an opportunity to remedy any event of default where circumstances under such financing documents so require.

Further details on the equity restriction applicable to PPSB are set out in Annexure A of this Prospectus.

(ii) The PPSB GSA is for the supply and delivery of dry gas by PETRONAS to PPSB to be used as fuel for the Prai Power Plant. The PPSB GSA provides for a term of 21 years which shall expire on 19 June 2024 (being the 21st anniversary of the first contractual delivery date of the dry gas). The price of dry gas is pegged to medium fuel oil and high sulphur fuel oil on a RM per GJ basis.

For provisions relating to the events of default under the PPSB GSA, see Annexure C.8 of this Prospectus.

7.24.4 PD Power

(i) The PD Power PPA was entered into between PD Power and TNB for the sale of generating capacity and electrical energy from Port Dickson Power Plant. The PD Power PPA provides that PD Power is to design, construct, own, operate and maintain an electricity generating facility with a nominal capacity of 436.4 MW and to generate and deliver electrical energy and make generating capacity available to TNB.

The PD Power PPA provides for an initial term period of 21 years beginning from the COD of the Port Dickson Power Plant, which commenced operation in January 1995 and shall expire in January 2016 (being the 21st anniversary of the COD of the first unit (the "**PD Power PPA Term**")). The PD Power PPA Term may be extended for up to three additional periods of five years each, provided all Government authorisations, licences and other applicable conditions are met.

The principal sale and purchase obligations of both PD Power and TNB are as follows:

(a) PD Power shall deliver and TNB shall purchase the net electrical output generated by the Port Dickson Power Plant upon a despatch instruction, payment of which is in accordance with the PD Power PPA;

(b) PD Power shall sell and TNB shall purchase a level of dependable capacity up to but not exceeding 109.1 MW with respect to each unit; and

(c) PD Power shall, during an emergency condition, use all reasonable efforts to provide electrical energy or generating capacity above the dependable capacity of each block of the Port Dickson Power Plant and TNB shall reimburse PD Power for any reasonable additional costs incurred by PD Power.

The PD Power PPA provides for TNB to pay PD Power the following:

(a) energy payments, which include start up payments; and

(b) capacity payments,

all of which, the payment amounts are determined in accordance with the PD Power PPA.

For details on PD Power's and TNB's rights and obligations under the PD Power PPA, the provisions relating to the force majeure events and events of default as well as the computations of the capacity payments and energy payments, see Annexure C.9 of this Prospectus.

If there is a change-in-law which requires PD Power to make any material capital improvement or other material modification to the Port Dickson Power Plant in order to comply with any such law, there will be an adjustment to the capacity rate financial for capital expenditures incurred as a result of such change-in-law.

PD Power shall not sell, convey, transfer or otherwise dispose of the Port Dickson Power Plant to any party without the consent of TNB. Any transfer of the controlling interest in PD Power to any party who is not a shareholder of PD Power shall also require the consent of TNB. TNB however, shall, among others, provide its consent to assignment and acknowledgment of the financing parties' rights and afford the financing parties an opportunity to remedy any event of default where circumstances under such financing documents so require.

Further details on the equity restriction applicable to PD Power are set out in Annexure A of this Prospectus.

(ii) The PD Power GSA is for the supply and delivery of dry gas by PETRONAS to PD Power to be used as fuel for the Port Dickson Power Plant. The PD Power GSA provides for a term of 22 years which shall expire on 31 May 2016 (being the 22nd anniversary of the first contractual delivery date of the dry gas). The price of dry gas is pegged to medium fuel oil and high sulphur fuel oil on RM per GJ basis.

For provisions relating to the events of default under the PD Power GSA, see Annexure C.10 of this Prospectus.

7.24.5 TBP

(i) The TBP PPA was entered into between TBP and TNB for the sale of generating capacity and electrical energy from the Tanjung Bin Power Plant. The TBP PPA provides that TBP is to design, construct, own, operate and maintain an electricity generating facility with a nominal capacity of 2,100 MW and to generate and deliver electrical energy and make generating capacity available to TNB.

The TBP PPA provides for an initial term period of 25 years beginning from the COD of the Tanjung Bin Power Plant, which commenced operation on 28 September 2006 and shall expire on 27 September 2031 (being the 25th anniversary of the COD of the first unit (the "**TBP PPA Term**")). The TBP PPA Term may be extended for up to three additional periods of five years each, provided all Government authorisations, licences and other applicable conditions are met.

If an industry restructuring (in the event the electricity industry in Malaysia is revamped with a view to set up a power pool or other market system) is implemented and the parties have not reached an agreement on amendments to the TBP PPA within a period of six months from the commencement of such negotiations, TNB may terminate the TBP PPA immediately by giving written notice to TBP and TNB shall purchase the Tanjung Bin Power Plant from TBP in the manner and for the purchase price determined under the TBP PPA. TBP shall render its assistance to TNB by participating in any intermediate market set up prior to such restructuring and providing relevant data to its operations which is not commercially confidential as TNB may request, in the event of an industry restructuring and ensure that the financing parties for TBP in relation to the Tanjung Bin Power Plant acknowledge and are bound by TNB's rights.

The principal sale and purchase obligations of both TBP and TNB are as follows:

(a) TNB shall purchase all test energy generated by a unit in accordance with the TBP PPA throughout the TBP PPA Term;

(b) TBP shall deliver and TNB shall purchase the net electrical output generated by the Tanjung Bin Power Plant upon a despatch instruction, payment of which is in accordance with the TBP PPA;

(c) TBP shall declare and sell, and TNB shall purchase the daily available capacity of the Tanjung Bin Power Plant, payment of which is in accordance with the TBP PPA; and

(d) TBP shall, during an emergency condition, use all reasonable efforts to provide electrical energy or generating capacity above the declared daily available capacity of the Tanjung Bin Power Plant and TNB shall reimburse TBP for any reasonable additional costs incurred by TBP.

TNB however, shall not be obliged to purchase the net electrical output generated from the Tanjung Bin Power Plant under the following events:

(a) an emergency condition occurs within the grid system which resulted in TNB being unable to accept net electrical output from the Tanjung Bin Power Plant;

(b) the net electrical output does not conform to the electrical characteristics described in the TBP PPA; and

(c) TNB intentionally interrupts the acceptance of electrical energy from the Tanjung Bin Power Plant to conduct necessary maintenance of the interconnection facilities, metering equipment or grid system, provided that advance notice of not less than 72 hours of any such planned maintenance has been given.

Notwithstanding the events stipulated under items (a) and (c) above, TNB shall continue to make available capacity payments to TBP in accordance with the terms of the TBP PPA unless the occurrence of any of the events set out above is due to a breach or default by TBP of its obligations under the TBP PPA. TNB shall also reimburse TBP for any reasonable additional costs incurred by TBP as a result of a shutdown of the Tanjung Bin Power Plant (if applicable), arising from the events stipulated under items (a) and (c) above which are caused by TNB. Additionally, TBP shall not be obliged to deliver and sell the net electrical output from the Tanjung Bin Power Plant as a result of an emergency condition.

The TBP PPA provides for TNB to pay TBP the following:

(a) test energy payments, for the electrical energy despatched from the Tanjung Bin Power Plant during the test period;

(b) energy payments;

(c) available capacity payments and daily utilisation payments; and

(d) start-up payments,

all of which, the payment amounts are determined in accordance with the TBP PPA.

For details on TBP's and TNB's rights and obligations under the TBP PPA, the provisions relating to the force majeure events and events of default as well as the computations of the available capacity, energy and utilisation payments, see Annexure C.11 of this Prospectus.

If there is a change-in-law which requires TBP to make any material capital improvement or other material modification to the Tanjung Bin Power Plant in order to comply with any such law, where such improvement or modification is in excess of RM10.0 million for any contract year, TBP shall be entitled to an extension of the TBP PPA Term, which shall be mutually agreed between TBP and TNB, and where such an extension is not commercially feasible, a revision to the available capacity payments, as the case may be. A change in the grid code shall be treated as a change-in-law.

TBP shall not sell, convey, transfer or otherwise dispose of the Tanjung Bin Power Plant to any party without the consent of TNB. Any transfer of the controlling interest in TBP to any party who is not a shareholder of TBP shall also require the consent of TNB. TNB however, shall, among others, provide its consent to assignment and acknowledgment of the financing parties' rights and afford the financing parties an opportunity to remedy any event of default where circumstances under such financing documents so require.

Further details on the equity restriction applicable to TBP are set out in Annexure A of this Prospectus.

(ii) The TBP CSTA was entered into between TBP and TFS for the supply and delivery of coal by TFS to TBP. The TBP CSTA requires TFS to provide coal for the Tanjung Bin Power Plant to meet TBP's obligations to generate and deliver electrical energy under the TBP PPA. The TBP CSTA provides for a term period which mirrors the TBP PPA Term under the TBP PPA and shall, where the term under the TBP CSTA is not extended by mutual agreement of the parties, continue in effect until the earlier of its expiry on 27 September 2031 or termination of the TBP PPA.

In the event TBP is entitled to procure coal from other party other than TFS, TBP shall obtain the prior approval of the fuel committee. The TBP CSTA provides that TFS will reimburse TBP for any higher cost of coal purchased from third-parties in an event due to TFS's default under the TBP CSTA. If the price of coal supplied by third-parties are different from the applicable coal price set by TNB (in consultation with both TFS and TBP), TNB shall pay to TBP the differential amount of the price of coal paid by TBP to third-parties where a higher applicable coal price is incurred for a shipment of coal.

The base price for coal delivered in any delivery month shall be derived by multiplying the prevailing applicable coal price by 23.0274, being the factor to convert RM per GJ to RM per tonne of coal, using an assumed GCV equal to the reference GCV of 5,500 kcal/kg. The base price shall vary from time to time in accordance with variation in the applicable coal price.

For details on TBP's and TFS' rights and obligations in respect of the supply, delivery and purchase of coal under the TBP CSTA and the provisions relating to the force majeure events and termination, see Annexure C.12 of this Prospectus.

7.24.6 TBE

(i) The TBE PPA was entered into between TBE and TNB for the sale of generating capacity and electrical energy from the Tanjung Bin Energy Power Plant. The TBE PPA provides that TBE is to design, construct, own, operate and maintain an electricity generating plant with a nominal capacity of 1,000 MW and to generate and deliver electrical energy and make generating capacity available to TNB.

The TBE PPA provides for an initial term period of 25 years beginning from the COD of the Tanjung Bin Energy Power Plant, and shall expire in 2041 (being the 25th anniversary of the COD of the Tanjung Bin Energy Power Plant (the "**TBE PPA Term**")). The TBE PPA Term may be extended subject to the agreement of the parties. The nominal capacity to be purchased from TBE is 1,000 MW. In consideration thereof, TNB shall pay for all test energy from the initial operation date and continuing throughout the TBE PPA Term. TBE shall deliver the net electrical output generated and daily available capacity as declared starting from the COD and continuing throughout the TBE PPA Term.