



Analyst Briefing

Q1 FY2023 Results Announcement

29 May 2023

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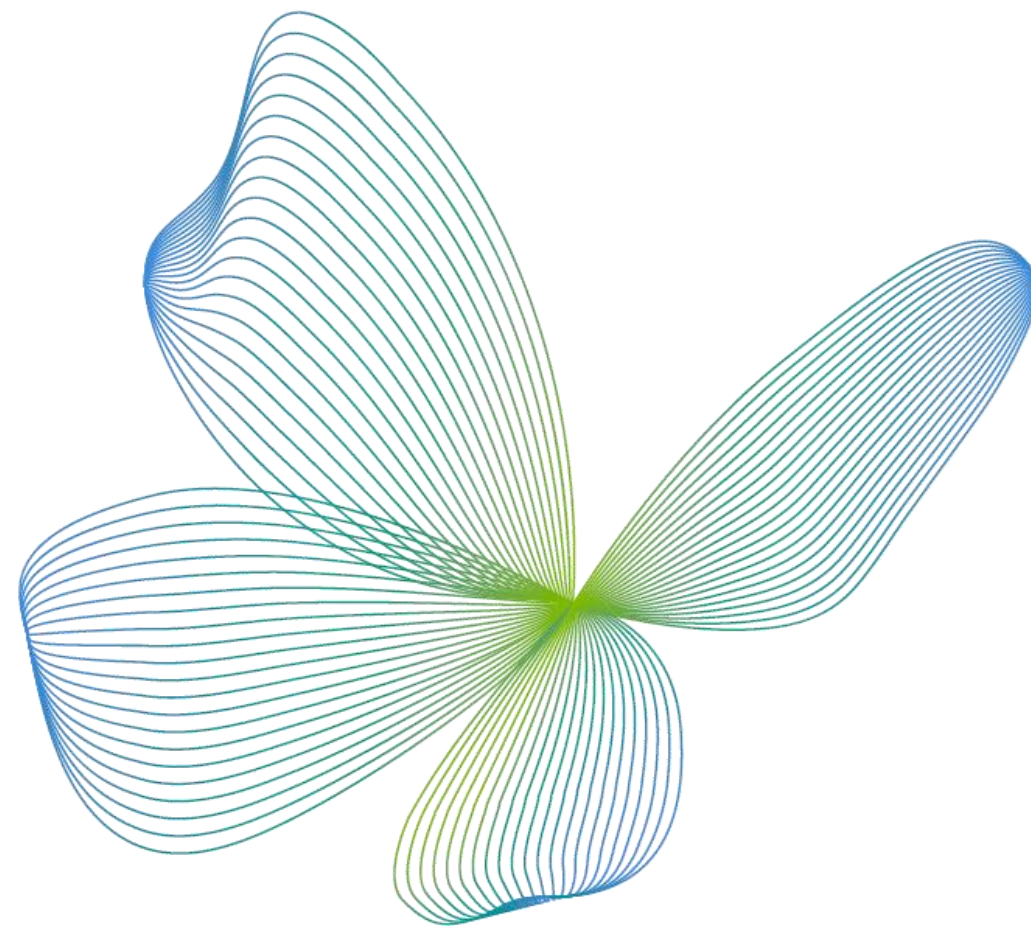
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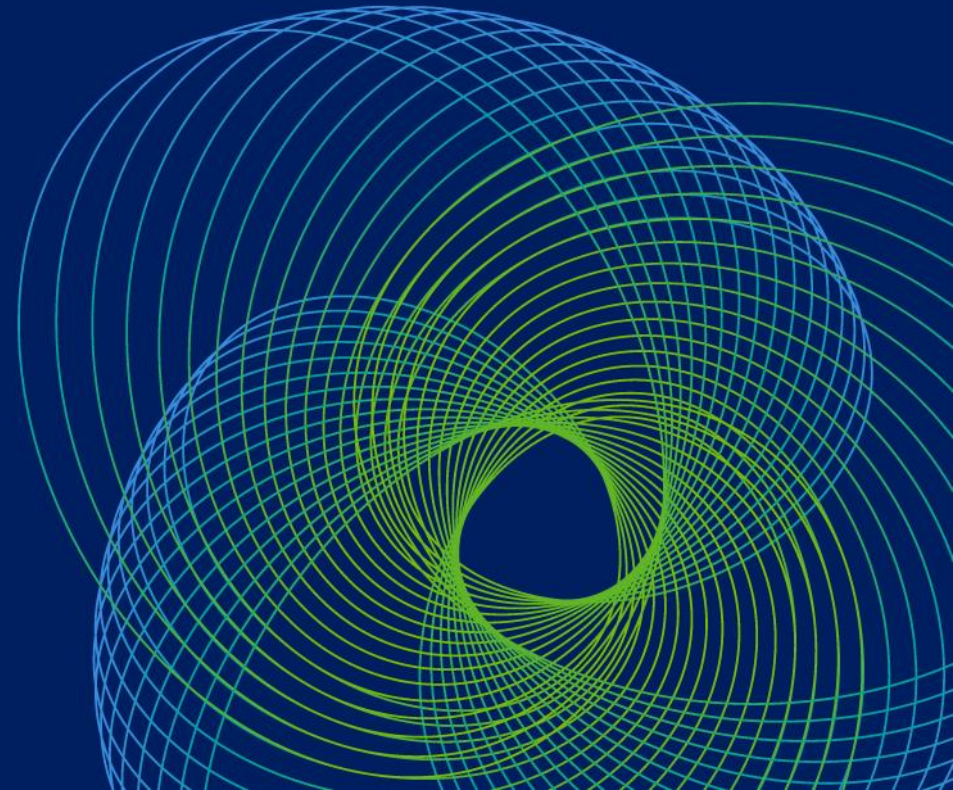
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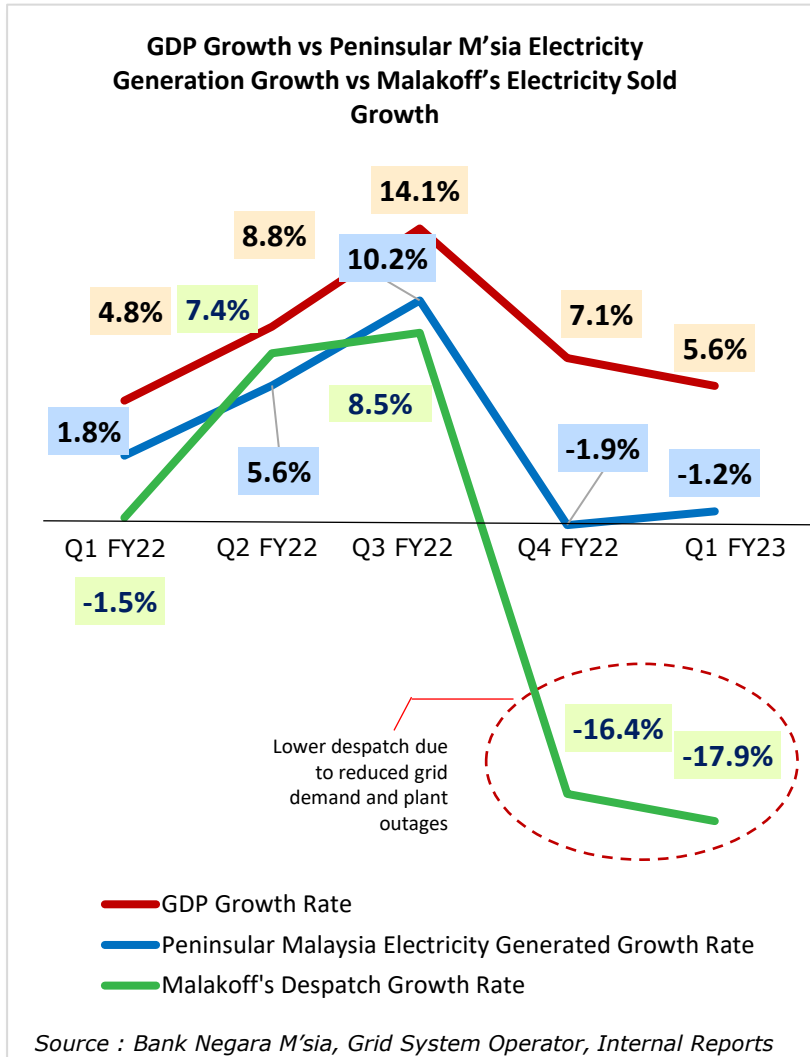


Macroeconomic Review



Electricity Generation & Waste Volume Growth

Rising Demand in Tandem with Recovery of the Country's Economy

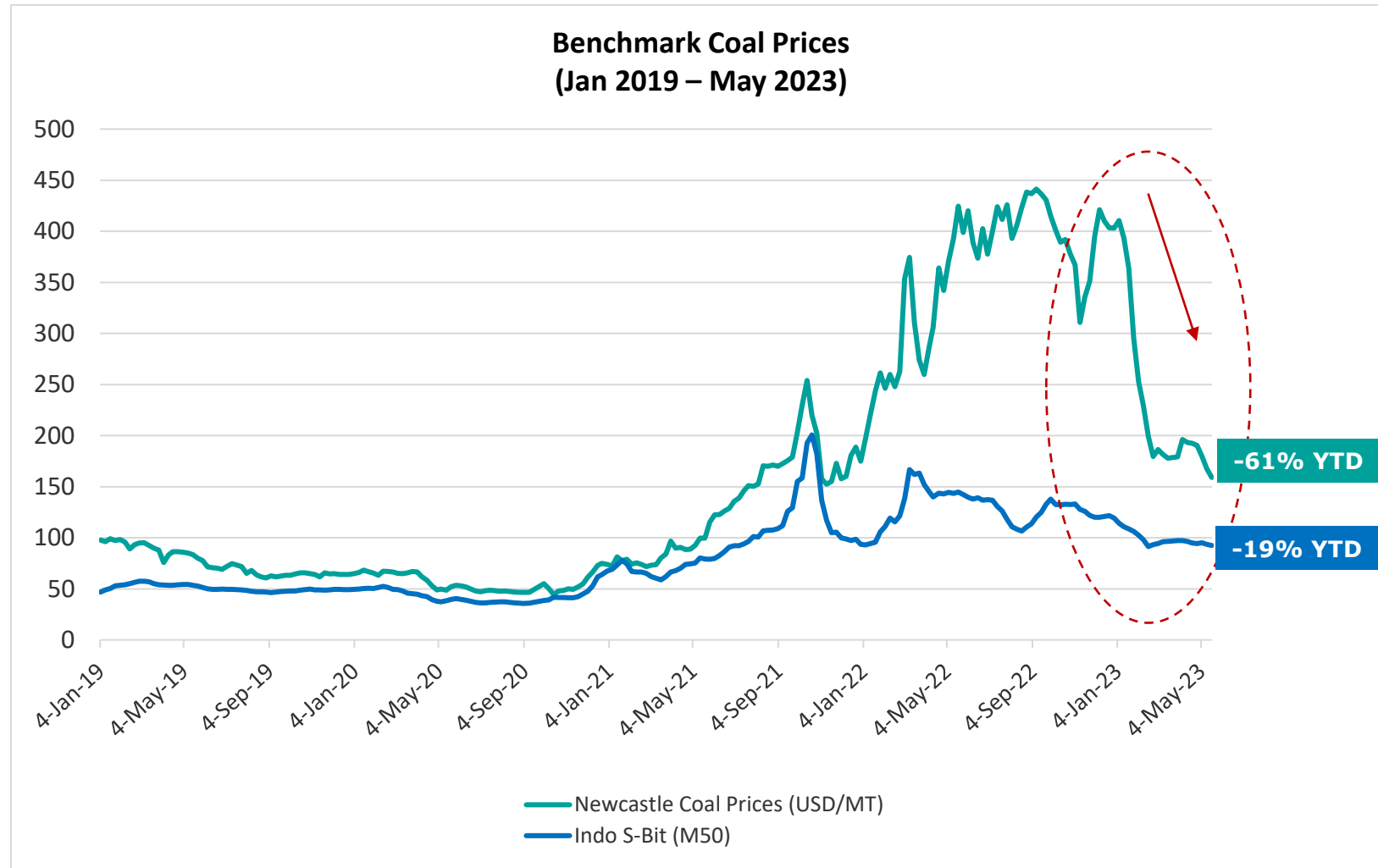


Malaysia's power sector has been closely tracking the country's post-pandemic economic recovery as demand for electricity is sustained. Malakoff's electricity supply to the Grid grew in tandem with the national indicators.

Total waste collected and handled by Alam Flora continued to be sustained above 500k MT, on the back of growing population and urbanisation.

Downtrend in Benchmark Coal Prices

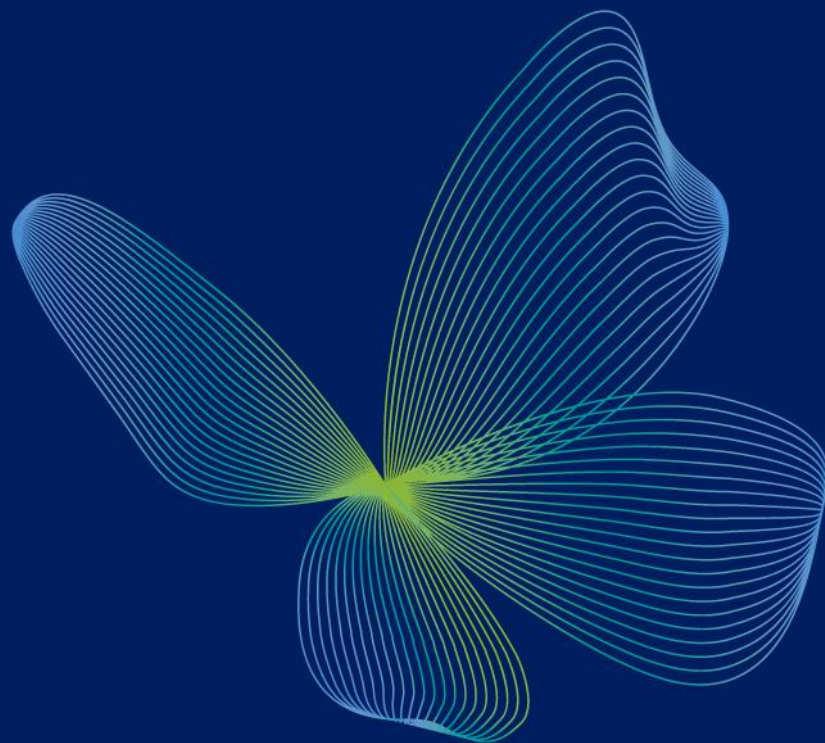
Due to Slowing Regional Demand and Developments in the RE Transition



Coal prices have been retreating from their highs in 2022, in line with the reducing demand for coal as the EU started to source energy supply from alternative countries and developments in renewable energy transition amid global energy crisis.

This has been reflected in the Applicable Coal Price ("ACP") for the current quarter under review and is expected to further decline in the medium term of 2023.

Key Highlights



Key Highlights of Q1 FY2023 Financial Results



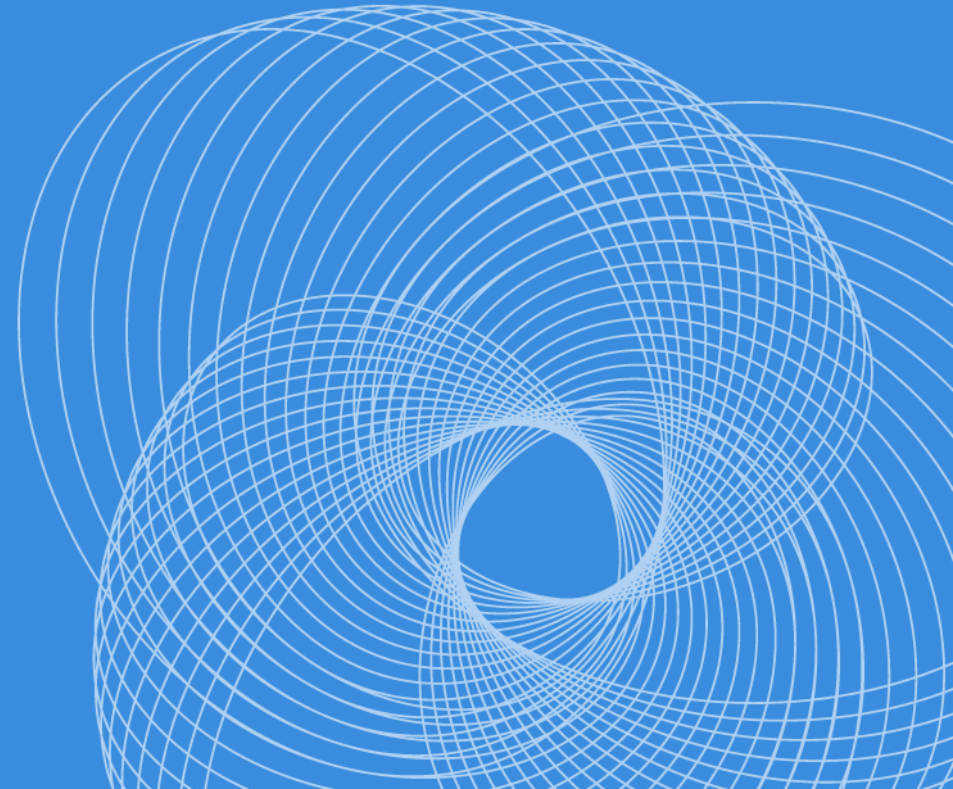
RM m

	Q1 FY2023	Q1 FY2022	YoY Change
Revenue	2,285.1	1,883.8	+ 21.3%
Results from Operating Activities	19.5	184.2	- 89.4%
PBT	(84.4)	98.2	- 185.9%
PATMI	(75.7)	50.9	- 248.7%
EBITDA	318.0	549.1	- 42.1%
Basic/Diluted EPS (sen)	(2.03)	0.56	- 462.5%

Note : EPS 2022 adjusted in accordance to the guidance provided by MFRS 133



Operational Performance





Thermal Power Generation (Local Assets)

Q1 FY2023 PLANT PERFORMANCE REVIEW



COAL-FIRED POWER PLANTS

- **TBP** recorded a **decrease in Equivalent Availability Factor ("EAF")** from **82%** in Q4 FY2022 to **72%** in Q1 FY2023 due to scheduled outages.
- **TBE** has observed a **significant increase in EAF** from **21%** in Q4 FY2022 to **92% in Q1 FY2023.**



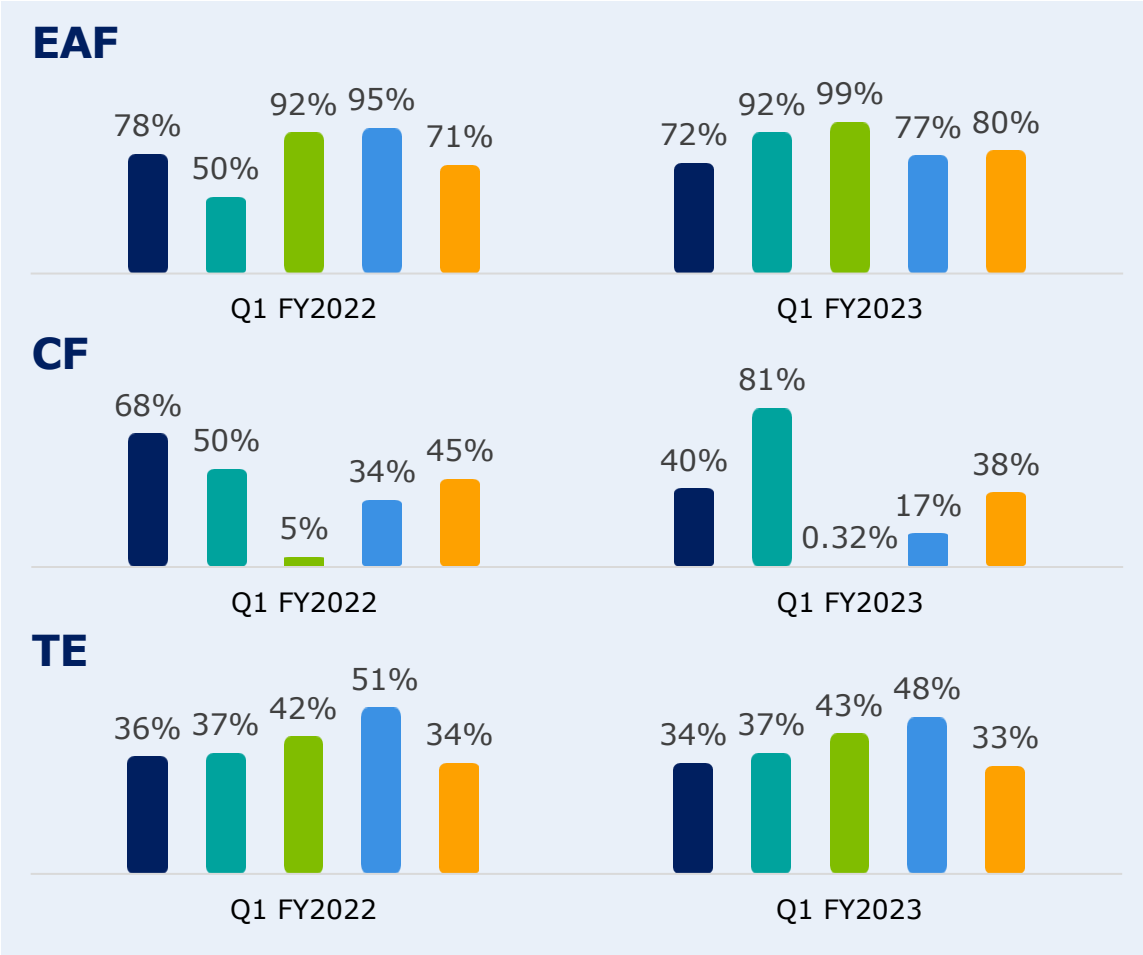
GAS-FIRED POWER PLANTS

- **Gas fired power plants** recorded a generally **high EAF** during the quarter under review.
- It is observed that the **energy demand from the off-taker for the gas-fired plants was low but within the expected target.**



Thermal Power Generation (Local Assets)

Q1 FY2023 PLANT PERFORMANCE



■ TBP ■ TBE ■ SEV ■ PPP ■ KEV

Q1 FY2023 vs Q1 FY2022

TBP	>	• Lower EAF recorded due to higher scheduled and unscheduled outages.
TBE	>	• Higher EAF recorded due to low scheduled and unscheduled outages.
SEV	>	• Higher EAF recorded due to low scheduled and unscheduled outages.
PPP	>	• Lower EAF recorded due to scheduled outage.
KEV	>	• Higher EAF recorded due to low unscheduled outage.

Note : EAF - Equivalent Availability Factor, CF - Capacity Factor, TE - Thermal Efficiency



Thermal Power Generation (Local Assets)

Q1 FY2023 ELECTRICITY GENERATED & SOLD

Plant	Q1 FY2023			Q1 FY2022		
	Power Generated (GWh)	Electricity Sold (GWh)	% of Pen. Msia Electricity Generation*	Power Generated (GWh)	Electricity Sold (GWh)	% of Pen. Msia Electricity Generation*
Tanjung Bin Power (TBP)	1,921.51	1,787.02	5.67%	3,275.26	3,115.94	9.62%
Tanjung Bin Energy (TBE)	1,832.16	1,743.60	5.53%	1,096.35	1,043.87	3.22%
Segari Energy Ventures (SEV)	9.98	9.36	0.03%	136.45	134.15	0.41%
Prai Power Plant (PPP)	134.77	131.80	0.42%	264.95	258.64	0.80%
Total (Excluding KEV)	3,898.43	3,671.79	11.64%	4,773.01	4,552.60	14.05%
Kapar Energy Ventures (KEV)	2,019.37	1,720.30	5.45%	2,161.22	2,013.79	6.22%
Total (Including KEV)	5,917.80	5,392.10	17.09%	6,934.23	6,566.40	20.27%

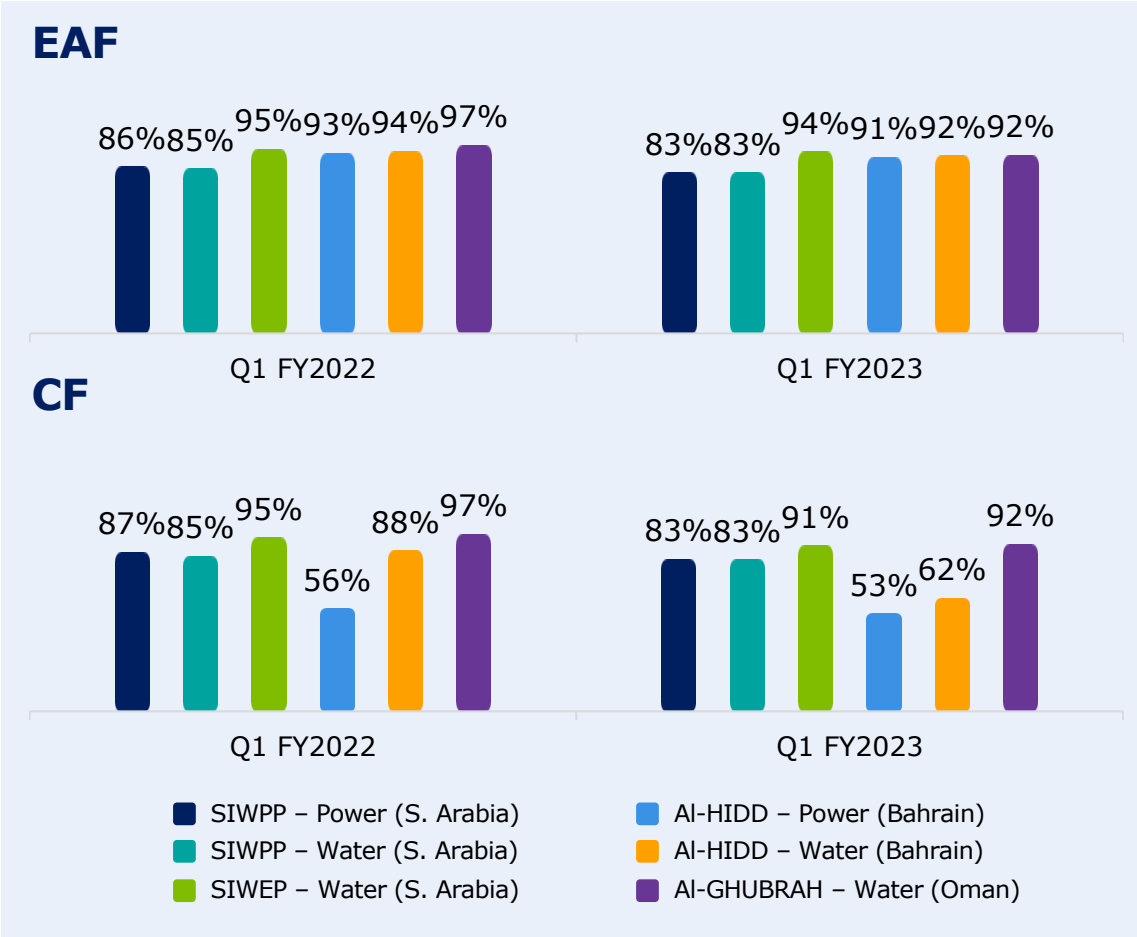
*Energy Sold / Peninsular Malaysia's System Generation

Source: Grid System Operator (GSO) Website



Thermal Power Generation & Water Desalination (International Assets)

Q1 FY2023 PLANT PERFORMANCE



Q1 FY2023 vs Q1 FY2022

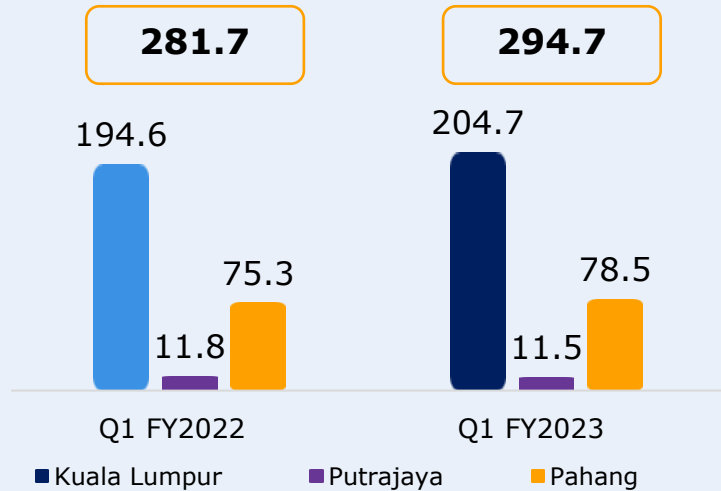
- Shuaibah Phase III IWPP**
(Shuaibah Water & Electricity Company, SWEC)
 - Q1 FY2023 performance **affected by scheduled outages** which include Unit 10 and Unit 20 annual outage, Unit 30 minor outage and MSF cleaning work.
 - In addition, the plant also experienced a **Force Majeure event of an unusual heavy rain** causing Unit 20 to trip.
- Shuaibah Phase III Expansion IWP**
(Shuaibah Expansion Project Company, SEPCO)
 - Slight decline in Q1 FY2023 performance** due to **maintenance works, shutdown for repair work, dispatch instruction and deration** due to **high seawater temperature**.
- AL HIDD IWPP**
(HIDD Power Company, HPC)
 - Decline in Q1 FY2023 performance** due to **gas turbine and steam turbine inspections, MED units' annual outages, common outages and operation mode restrictions**.
- AL GHUBRAH IWP**
(Muscat City Desalination Company)
 - Q1 FY2023 performance affected by **maintenance works, equipment replacement and upgrade work**.

Note: EAF - Equivalent Availability Factor, CF - Capacity Factor, MED - Multi Effect Distillation, IWP - Independent Water Plant, IWPP - Independent Water and Power Plant



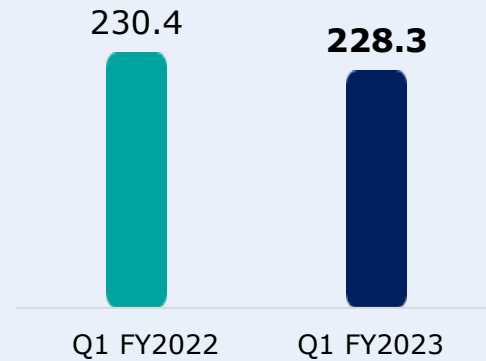
Q1 FY2023 OPERATIONAL PERFORMANCE

Waste Collected (Concession) (‘000 MT)



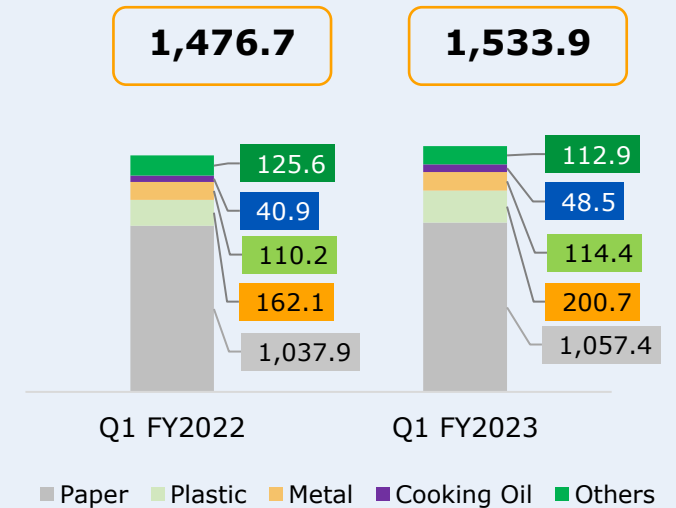
- Domestic waste collected in KL, Pahang & Putrajaya **increased in Q1 FY2023 (+4.6%)** to a total of **294.7k tonnes** as compared to the corresponding quarter.
- The increase was mainly due to **higher waste generated** in the concession areas.

Waste Handled (Non-Concession) (‘000 MT)



- Waste Handled **declined by 0.9%** in Q1 FY2023 against the corresponding quarter.
- The **decline** was mainly attributable to **lesser tonnage received from industry clients**.

Recyclable Material Collected (Tonnes)



- **Higher Recyclable Material Collected (+3.9%)** was mainly due to the **higher waste collected** and the **implementation of a new buyback centre in Pahang**.

Financial Performance



Revenue, PBT & PATMI

Revenue

RM m



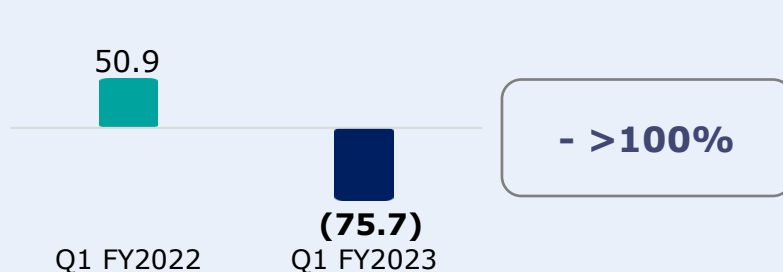
PBT

RM m



PATMI

RM m



Revenue Increase:

- Primarily attributable to **higher energy payment from coal plants** due to **higher Applicable Coal Price ("ACP")**.
- **Higher capacity payment from TBE** as plant was on forced outage in Q1 FY2022 due to the LP blade failure events.

Decline in PBT & PATMI :

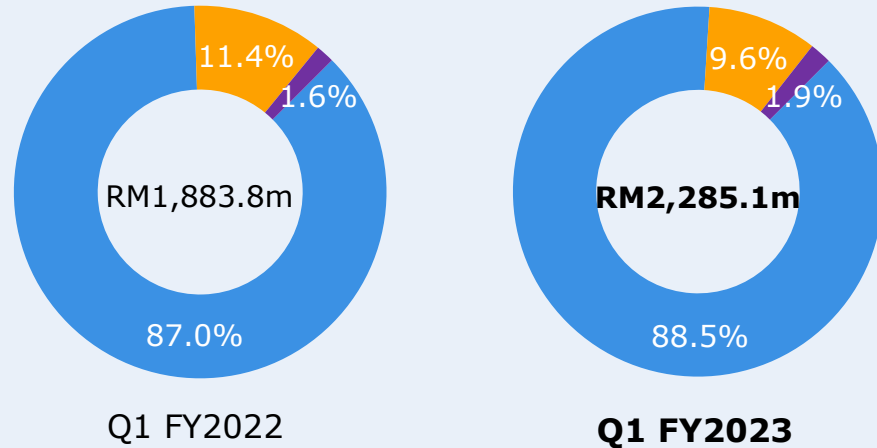
- **Negative fuel margin recorded at TBP and TBE coal plants** impacted by **higher weighted average fuel costs**.
- **Lower share of profit from associates and JV**.
- **Higher operating insurance costs**.

Partially moderated by:

- **Higher capacity income from TBE due to shorter duration of unscheduled outages**.
- **Lower net finance costs** in line with **schedule repayments of loans and borrowings**.
- **Lower depreciation and amortisation charges**.

Revenue Mix

Revenue



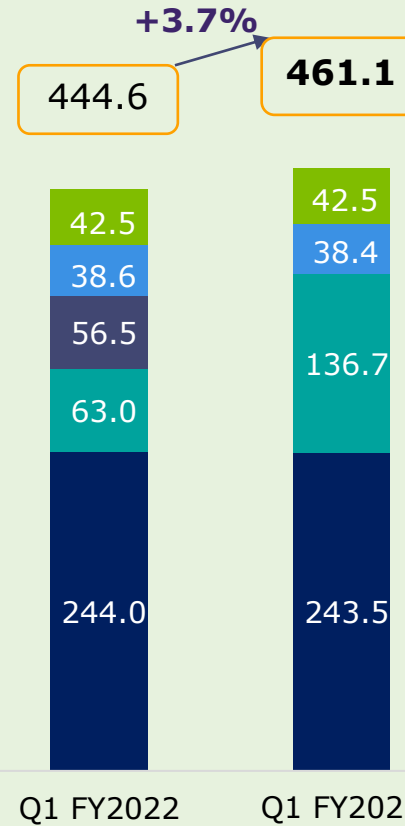
Q1 FY2022

Q1 FY2023

- Power Generation & Distribution
Capacity income + Energy Income + Daily Utilisation Payment
- Waste Management & Environmental Services
- Others
Rental Income + Project Management Fees + O&M Fees + Malakoff Utilities Sdn. Bhd. ("MUSB")

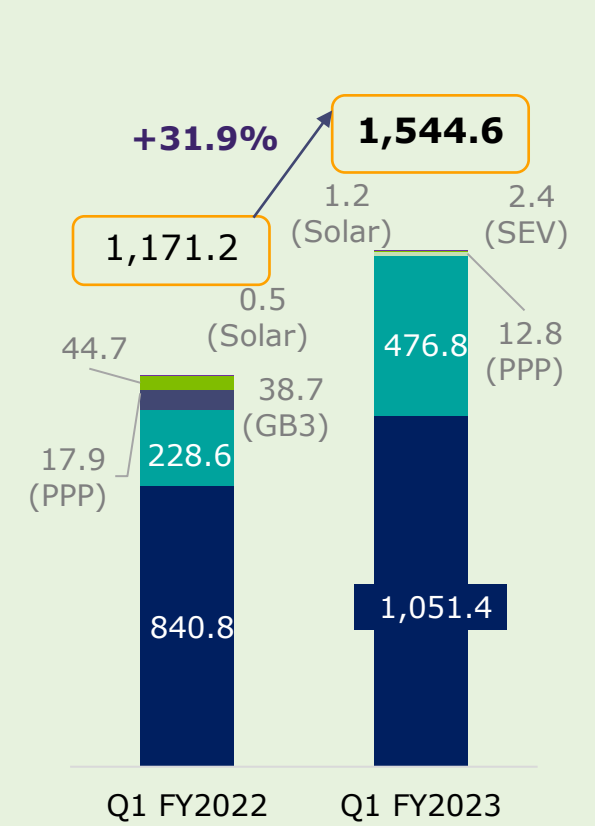
Capacity Income

RM m



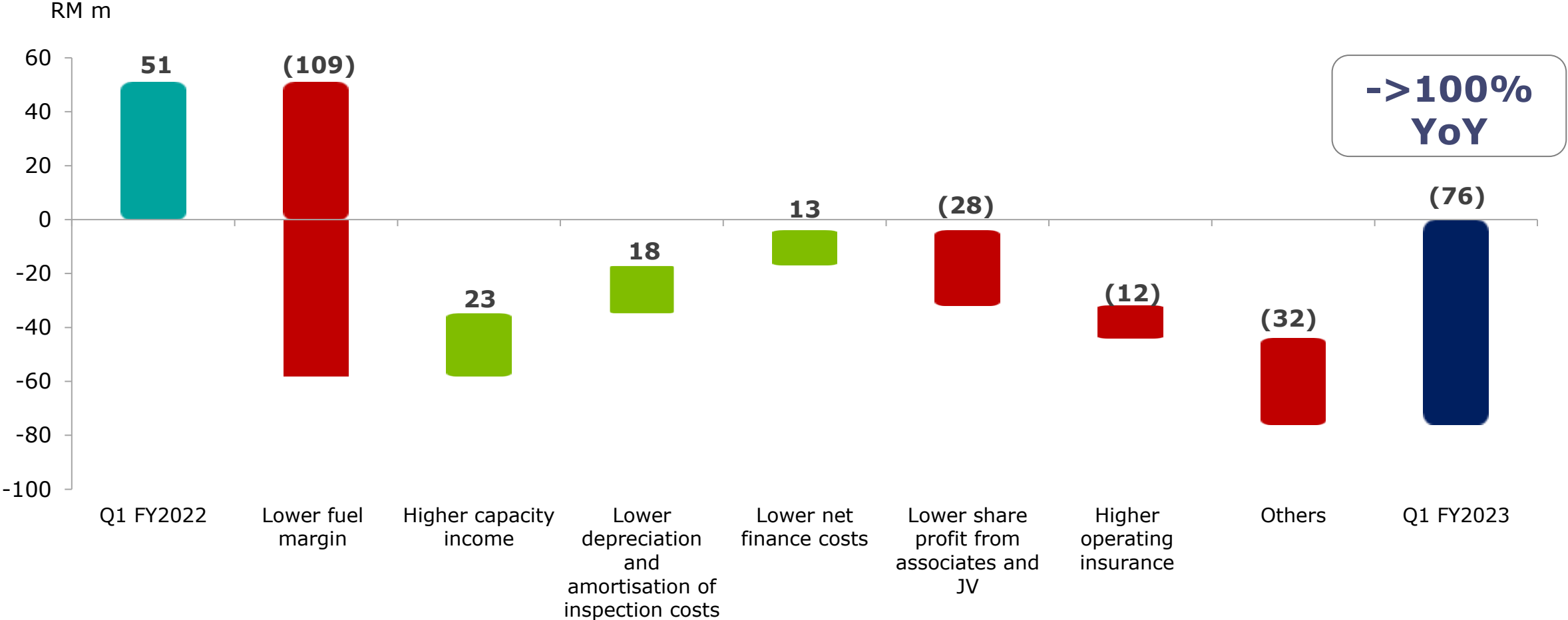
Energy Income

RM m

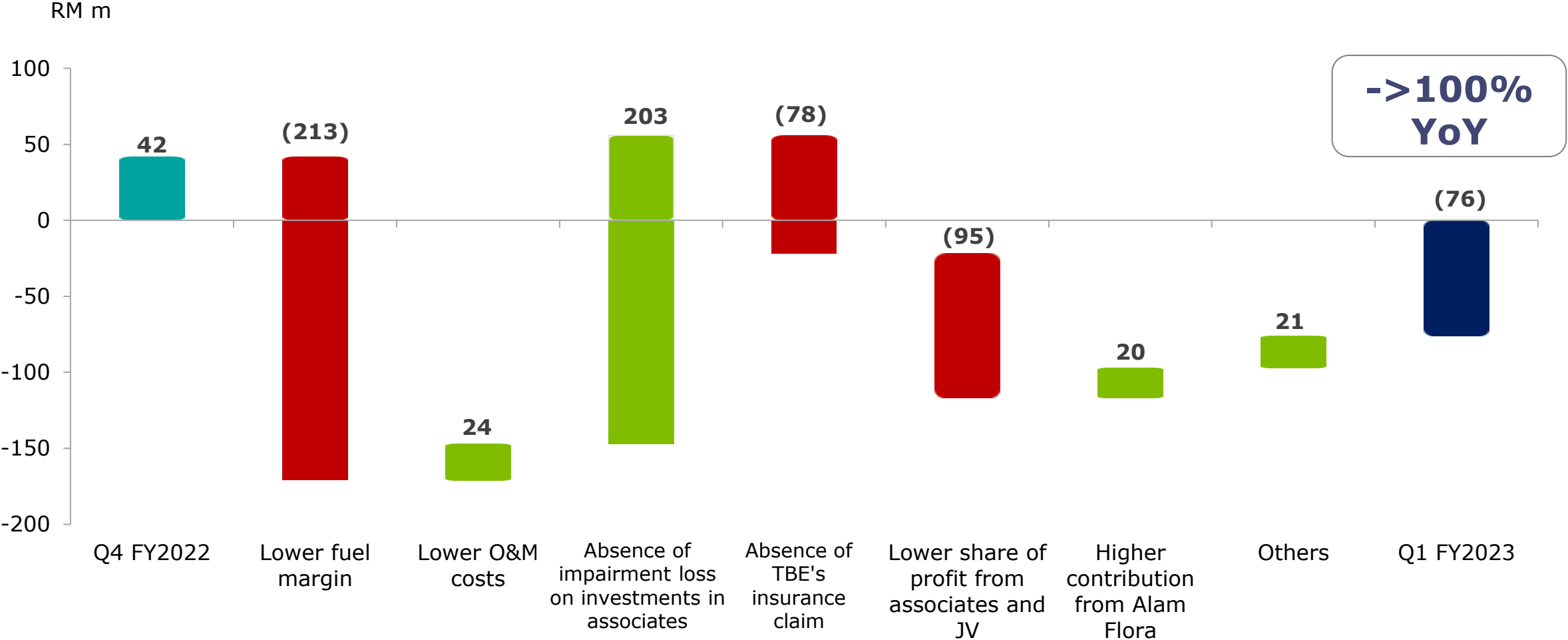


■ TBP ■ TBE ■ GB3 ■ PP ■ SEV ■ Solar

Group PATMI – Q1 FY2023 vs Q1 FY2022 (YoY)



Group PATMI – Q1 FY2023 vs Q4 FY2022 (QoQ)

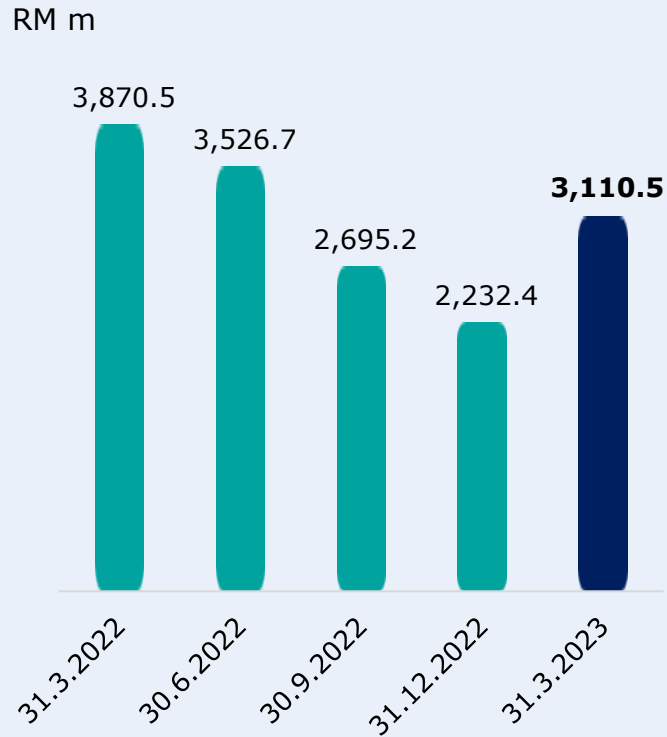


Share of Profit from Associates/JVs

RM m	Q1 FY2023	Q1 FY2022	% Change (Remarks)
Shuaibah Water & Electricity Company (SWEC), Saudi Arabia Shuaibah Expansion Project Company Limited (SEPCO), Saudi Arabia <i>(MCB effective equity 24% & 23.8%, respectively)</i>	14.8	28.0	-47% <i>Lower profits due to changes in accounting treatment</i>
Hidd Power Co, Bahrain <i>(MCB effective equity 40%)</i>	-	15.4	-100% <i>Profit not recognized consequent to impairment assessment carried out in 2022</i>
Muscat City Desalination Company, Oman <i>(MCB effective equity 32.5%)</i>	2.7	2.0	+35%
Muscat City Desalination Operation & Maintenance Company (MCDOMCO), Oman <i>(MCB effective equity 50%)</i>	1.9	2.0	-5%
Others	0.2	0.3	-33%
TOTAL	19.6	47.7	-59%

Cash & Gearing as at 31 March 2023

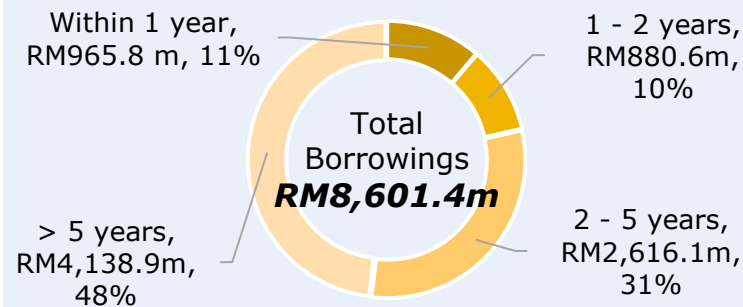
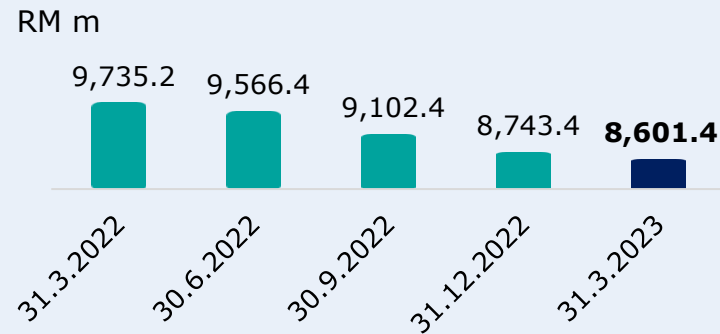
Total Cash & Bank Balances*



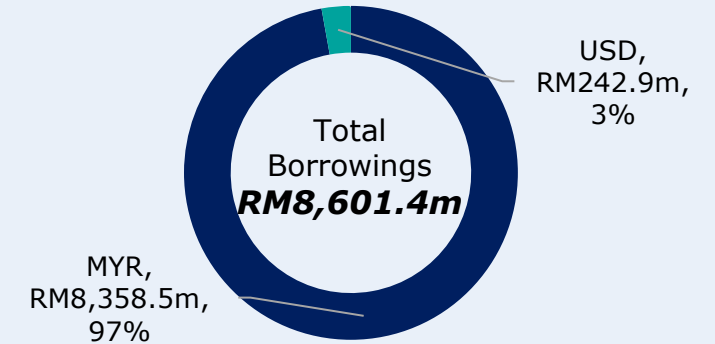
*Includes Cash categorised as Other Investments

Gearing Ratio, Total Borrowings & Debt Ageing

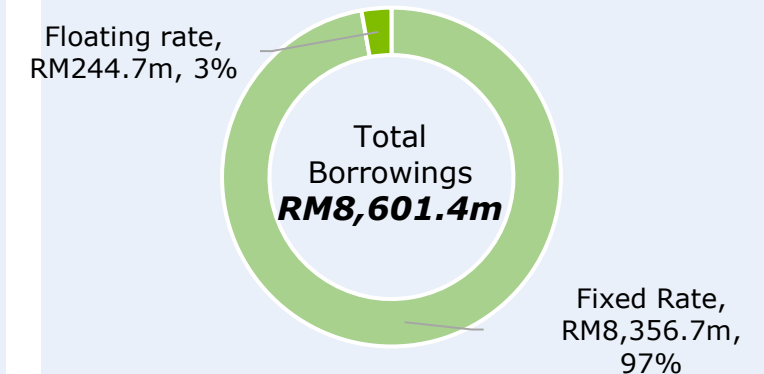
1.47x Gross	1.44x Gross	1.34x Gross	1.31x Gross	1.31x Gross
0.89x Net	0.91x Net	0.94x Net	0.97x Net	0.83x Net



Debt Profile by Currency

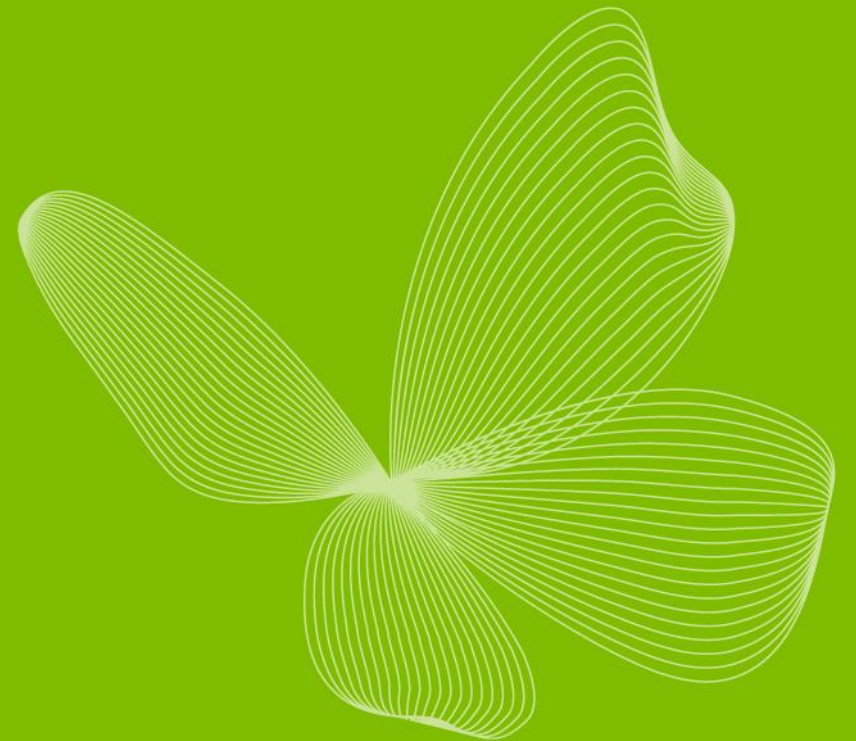


Debt Profile by Fixed / Floating Rate



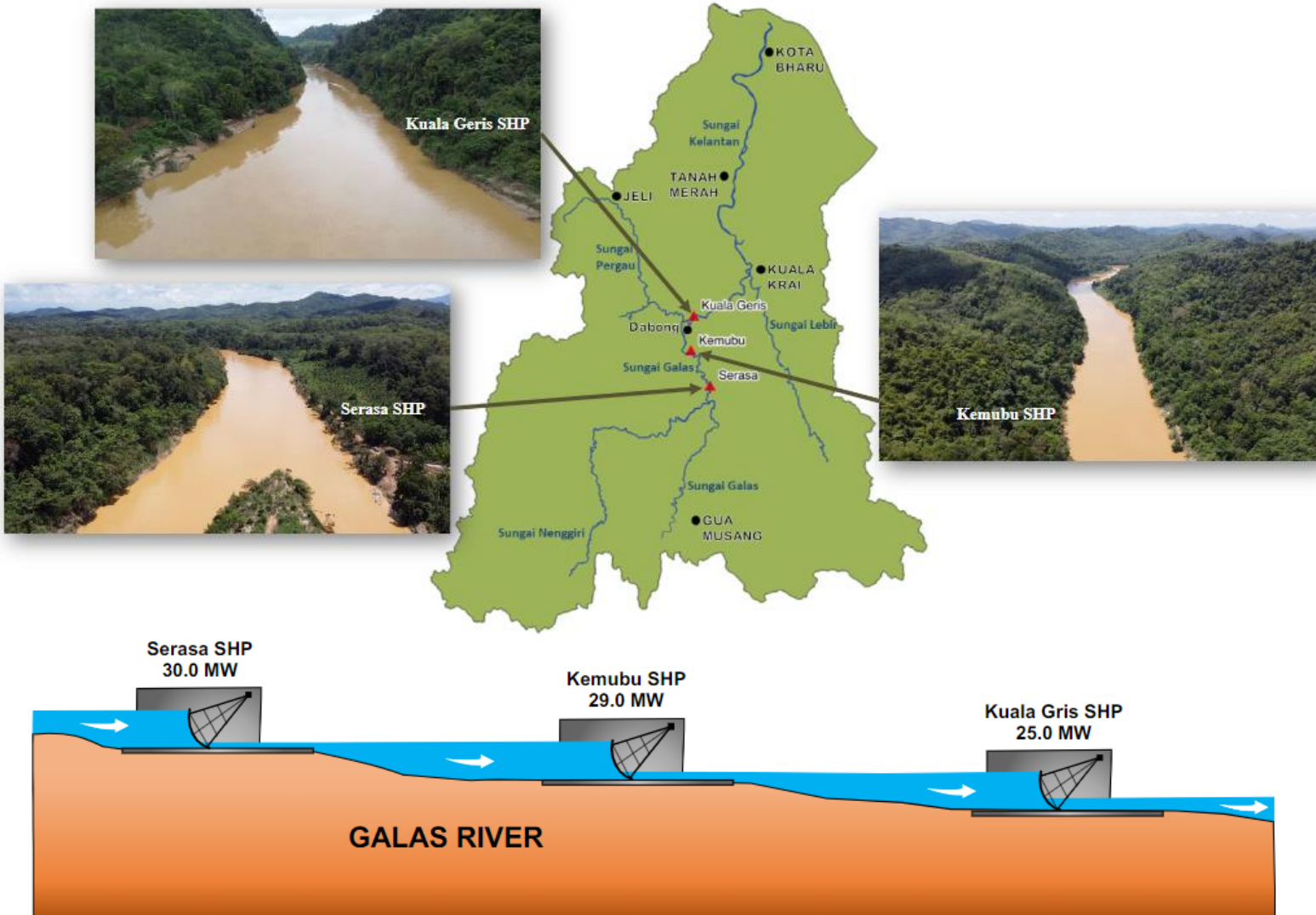


Corporate Updates



Malakoff Expands its RE Portfolio through Small Hydro

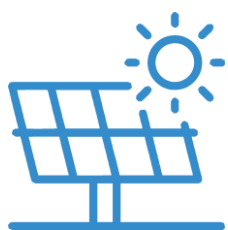
Aligned with Malaysia's RE Roadmap to Leverage Hydro's Full Potential



- On 21 March, Malakoff entered into a Heads of Agreement with Rising Promenade Sdn Bhd, RP Hydro (Kelantan) Sdn Bhd ("RPHK") and Rising O&M Engineering Services Sdn Bhd to **own, operate and maintain three (3) Small Hydropower Plants ("SHP")** in **Kuala Krai, Kelantan** with a **total installed capacity of 84 MW**.
- The Project will **accelerate MCB's growth in the RE industry** and **advance its transition to cleaner energy sources** as MCB moves towards a **low carbon and circular economy future**.
- The total net energy output produced annually by the Project will **offset over 272,424 tonnes of CO2 emissions**.

Accelerated Growth in Solar Segment

Malakoff Awarded 11.1 MWp New Rooftop Solar Projects



- The Group has been awarded **14 new rooftop solar projects** with a **total capacity of 11.1 MWp**.
 - The respective Solar Power Purchase Agreements (“SPPAs”) are expected to be signed in 2023.
- A total of **23 MWp solar PV projects** have **successfully achieved commercial operations** while the remaining projects are on track to be completed.



ROOFTOP SOLAR PROJECTS

SPPA Signed	Commissioned	New
14 Projects	11 Projects	14 Projects
25.4 MW	23.0 MW	11.1 MW

Alam Flora Launches 'Fasilita'

A New Comprehensive Home Cleaning Service under AFES



fasilita

Sit back and relax,
fasilita
is here to save the day!

BOOK US NOW!
What we offer:

- ✓ Home cleaning services
- ✓ Domestic Pest control
- ✓ Post renovation cleaning services
- ✓ Domestic Bulky waste disposal
- ✓ Domestic disinfection service Area

Service Areas:
Shah Alam & Kuala Lumpur

FOR MORE INFO:
Fasilita Planner | +6019 214 5365
(Available - Monday to Friday
9:00 a.m. to 4:00 p.m.)

AFES
Alam Flora Environmental Solutions

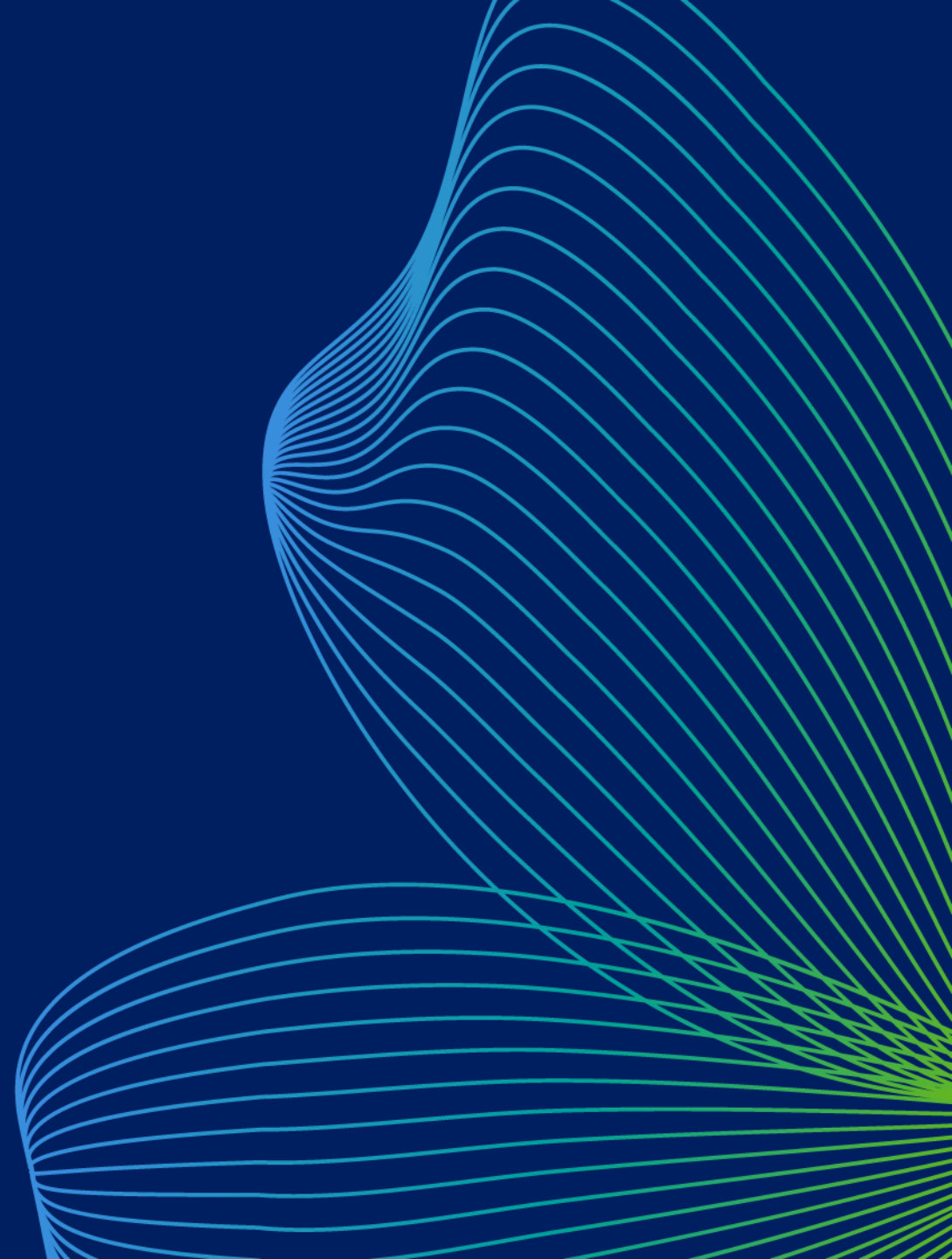
f AFES Sdn Bhd @afessdnbhd AFES Sdn Bhd in AFES Sdn Bhd



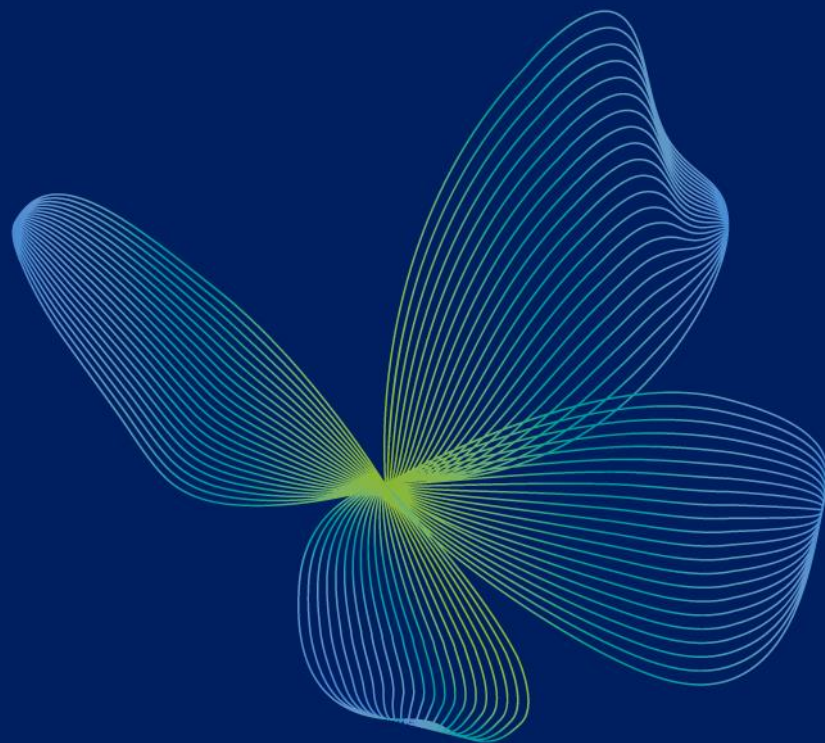
- 'Fasilita' is an extension of **Alam Flora Environmental Solutions' (AFES') Facility Management, Infrastructure Cleaning and Waste Solution segment** where it aims at **expanding the facility management services to the public** and simultaneously **strengthening the AFES brand.**
- 'Fasilita' provides **fully equipped cleaning tools with a team of professional experts** to deliver their solutions and services from home to home with a flexible service session around the Klang Valley area.



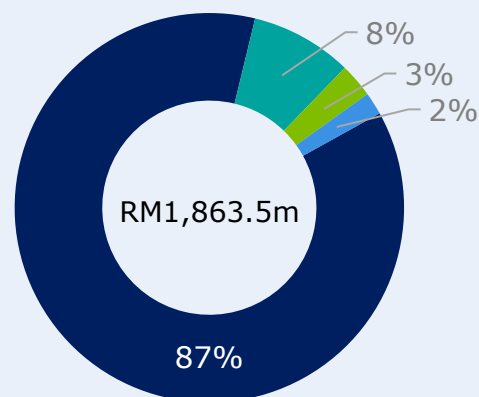
Thank you.



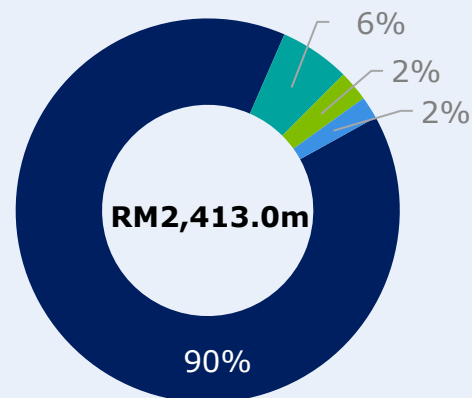
Appendices



Breakdown of Costs



Q1 FY 2022



Q1 FY 2023

- Cost of Sales
- Finance Costs
- Administrative Expenses
- Other Operating Expenses

Cost of Sales Breakdown (RM m)

	Q1 FY2023	Q1 FY2022
Fuel	1,616.9	1,064.7
Depreciation and Amortisation of Inspection Costs	191.7	223.2
Amortisation of Intangible Assets	72.6	79.0
Operations and Maintenance Costs	65.4	66.8
Waste Management and Environmental Services Costs	164.7	155.3
Others	50.7	29.2
TOTAL	2,162.0	1,618.2

Capital Expenditure as at 31 March 2023

RM m

158.2



Mainly for maintenance outage works at TBP and TBE coal plants and MRSB's construction of its rooftop solar projects.

Q1 FY2022

48.2



Mainly for maintenance outage works at TBP coal plant.

Q1 FY2023