

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
Quarterly Report on Unaudited Consolidated Results
For the Period Ended 31 March 2025

	3 months ended 31.03.2025 RM'000 (Unaudited)	3 months ended 31.03.2024 RM'000 (Unaudited)	Cumulative 3 months ended 31.03.2025 RM'000 (Unaudited)	Cumulative 3 months ended 31.03.2024 RM'000 (Unaudited)
Revenue	2,027,884	2,280,113	2,027,884	2,280,113
Cost of sales	(1,739,145)	(1,941,381)	(1,739,145)	(1,941,381)
Gross profit	288,739	338,732	288,739	338,732
Other income	8,592	7,844	8,592	7,844
Administrative expenses	(62,313)	(57,346)	(62,313)	(57,346)
Other operating expenses	(95,865)	(79,756)	(95,865)	(79,756)
Results from operating activities	139,153	209,474	139,153	209,474
Finance income	15,032	19,559	15,032	19,559
Finance costs	(117,406)	(131,251)	(117,406)	(131,251)
Net finance costs	(102,374)	(111,692)	(102,374)	(111,692)
Share of profit of equity-accounted associates and joint ventures, net of tax	21,675	21,996	21,675	21,996
Profit before tax	58,454	119,778	58,454	119,778
Tax expense	(15,950)	(41,417)	(15,950)	(41,417)
Profit for the period	42,504	78,361	42,504	78,361
Other comprehensive (expense)/income, net of tax				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit liabilities	(1,130)	(2,527)	(1,130)	(2,527)
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge	(238)	(310)	(238)	(310)
Share of (loss)/gain on hedging reserve of equity-accounted associates and joint ventures	(3,331)	2,067	(3,331)	2,067
Foreign currency translation differences for foreign operations	(1,592)	9,183	(1,592)	9,183
	(5,161)	10,940	(5,161)	10,940
Other comprehensive (expense)/income for the period	(6,291)	8,413	(6,291)	8,413
Total comprehensive income for the period	36,213	86,774	36,213	86,774

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Profit attributable to:				
Equity holders of the Company	33,991	62,200	33,991	62,200
Non-controlling interests	8,513	16,161	8,513	16,161
Profit for the period	<u>42,504</u>	<u>78,361</u>	<u>42,504</u>	<u>78,361</u>
Total comprehensive income attributable to:				
Equity holders of the Company	27,700	70,613	27,700	70,613
Non-controlling interests	8,513	16,161	8,513	16,161
Total comprehensive income for the period	<u>36,213</u>	<u>86,774</u>	<u>36,213</u>	<u>86,774</u>
Earnings per ordinary share (sen)				
Basic/diluted	0.14	0.79	0.14	0.79

Condensed Consolidated Statements Of Financial Position
As at 31 March 2025

	As at 31.03.2025 RM'000 (Unaudited)	As at 31.12.2024 RM'000 (Audited)
Assets		
Property, plant and equipment	10,022,402	10,136,491
Right-of-use assets	105,697	106,947
Investment properties	16,300	16,300
Concession assets	109,994	113,203
Intangible assets	2,053,901	1,978,993
Investments in associates	713,215	593,388
Investments in joint ventures	700,994	709,111
Trade and other receivables	5,679	5,829
Deferred tax assets	296,584	287,982
Total non-current assets	14,024,766	13,948,244
Derivative financial assets	-	24,493
Trade and other receivables	1,530,794	1,536,173
Inventories	1,087,907	1,037,529
Current tax assets	145,205	173,653
Other investments	1,173,265	831,192
Cash and cash equivalents	1,237,038	1,375,368
Assets classified as held for sale	86,035	86,035
Total current assets	5,260,244	5,064,443
Total assets	19,285,010	19,012,687
Equity		
Share capital	5,693,055	5,693,055
Treasury shares	(98,647)	(98,647)
Reserves	310,893	316,054
Accumulated losses	(1,399,426)	(1,404,914)
Equity attributable to owners of the Company	4,505,875	4,505,548
Perpetual sukuk	800,000	800,000
Non-controlling interests	239,842	238,289
Total equity	5,545,717	5,543,837
Liabilities		
Loans and borrowings	7,172,634	7,016,119
Lease liabilities	16,181	16,646
Employee benefits	85,333	86,187
Provision for decommissioning costs	240,156	237,541
Provision for concession assets	162,185	180,151
Deferred income	2,262,948	2,401,935
Deferred tax liabilities	871,784	892,622
Total non-current liabilities	10,811,221	10,831,201

Condensed Consolidated Statements Of Financial Position
As at 31 March 2025

	As at 31.03.2025 RM'000 (Unaudited)	As at 31.12.2024 RM'000 (Audited)
Trade and other payables	1,530,167	1,363,471
Current tax liabilities	1,474	5,697
Loans and borrowings	789,447	752,055
Lease liabilities	8,021	7,215
Provision for decommissioning costs	28,600	29,265
Provision for concession assets	132,353	132,353
Employee benefits	14,930	13,660
Deferred income	384,223	295,076
Liabilities classified as held for sale	38,857	38,857
Total current liabilities	2,928,072	2,637,649
Total liabilities	13,739,293	13,468,850
Total equity and liabilities	19,285,010	19,012,687
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.92	0.92

**Condensed Consolidated Statement of Changes in Equity
For the Period Ended 31 March 2025**

	/----- Attributable to owners of the Company -----/				-----/		Perpetual Sukuk RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	----- Non-distributable -----/		Distributable		Accumulated Losses RM'000	Total RM'000			
	Share Capital RM'000	Treasury Shares RM'000	Reserves						
			Translation RM'000	Hedging RM'000					
At 1 January 2025	5,693,055	(98,647)	22,194	293,860	(1,404,914)	4,505,548	800,000	238,289	5,543,837
Remeasurement of defined benefit liabilities	-	-	-	-	(1,130)	(1,130)	-	-	(1,130)
Foreign currency translation differences for foreign operations	-	-	(1,592)	-	-	(1,592)	-	-	(1,592)
Cash flow hedge	-	-	-	(238)	-	(238)	-	-	(238)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	-	-	-	(3,331)	-	(3,331)	-	-	(3,331)
Other comprehensive expense for the period	-	-	(1,592)	(3,569)	(1,130)	(6,291)	-	-	(6,291)
Profit for the period	-	-	-	-	33,991	33,991	-	8,513	42,504
Comprehensive income/(expense) for the period	-	-	(1,592)	(3,569)	32,861	27,700	-	8,513	36,213
Distribution to holder of perpetual sukuk	-	-	-	-	(27,373)	(27,373)	-	-	(27,373)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(6,960)	(6,960)
At 31 March 2025	5,693,055	(98,647)	20,602	290,291	(1,399,426)	4,505,875	800,000	239,842	5,545,717

**Condensed Consolidated Statement of Changes in Equity
For the Period Ended 31 March 2025**

	/----- Attributable to owners of the Company -----/				-----/		Perpetual Sukuk RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	----- Non-distributable -----/		Distributable		Accumulated Losses RM'000	Total RM'000			
	Share Capital RM'000	Treasury Shares RM'000	Reserves						
			Translation RM'000	Hedging RM'000					
At 1 January 2024	5,693,055	(98,647)	36,441	297,787	(1,438,891)	4,489,745	800,000	257,102	5,546,847
Remeasurement of defined benefit liabilities	-	-	-	-	(2,527)	(2,527)	-	-	(2,527)
Foreign currency translation differences for foreign operations	-	-	9,183	-	-	9,183	-	-	9,183
Cash flow hedge	-	-	-	(310)	-	(310)	-	-	(310)
Share of gain on hedging reserve of equity-accounted associates and joint ventures	-	-	-	2,067	-	2,067	-	-	2,067
Other comprehensive income/(expense) for the period	-	-	9,183	1,757	(2,527)	8,413	-	-	8,413
Profit for the period	-	-	-	-	62,200	62,200	-	16,161	78,361
Comprehensive income for the period	-	-	9,183	1,757	59,673	70,613	-	16,161	86,774
Distribution to holder of perpetual sukuk	-	-	-	-	(23,535)	(23,535)	-	-	(23,535)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(30,140)	(30,140)
At 31 March 2024	5,693,055	(98,647)	45,624	299,544	(1,402,753)	4,536,823	800,000	243,123	5,579,946

Condensed Consolidated Statements Of Cash Flows
For the Period Ended 31 March 2025

	3 months ended 31.03.2025 RM'000 (Unaudited)	3 months ended 31.03.2024 RM'000 (Unaudited)
Cash flows from operating activities		
Profit before tax	58,454	119,778
Adjustments for :		
Non cash-items	256,856	510,424
Finance costs	117,406	131,251
Finance income	(15,032)	(19,559)
Share of profit of equity-accounted associates and joint ventures, net of tax	(21,675)	(21,996)
Operating profit before changes in working capital	<u>396,009</u>	<u>719,898</u>
<i>Changes in working capital:</i>		
Net change in current assets	(168,006)	(228,436)
Net change in current liabilities	269,918	(88,518)
Net change in non-current liabilities	(65,550)	(59,383)
Cash generated from operations	<u>432,371</u>	<u>343,561</u>
Tax paid, net	(20,524)	(24,659)
Net cash from operating activities	<u>411,847</u>	<u>318,902</u>
Cash flows from investing activities		
Additional investment in an associate	(118,200)	-
Acquisition of subsidiaries, net of cash and cash equivalent acquired	21,200	-
Change in other investments	(342,073)	(321,350)
Dividends received from associates	765	-
Interest received	9,737	18,094
Purchase of property, plant and equipment	(83,152)	(163,127)
Proceeds from disposal of property, plant and equipment	203	-
Net cash used in investing activities	<u>(511,520)</u>	<u>(466,383)</u>
Cash flows from financing activities		
Distribution to perpetual sukuk holder	(27,373)	(23,535)
Dividends paid to the non-controlling interests	(6,960)	(30,140)
Interest paid	(127,384)	(133,169)
Proceeds from borrowings	250,000	-
Repayment of borrowings	(122,666)	(285,996)
Payment of lease liabilities	(4,274)	(1,174)
Net cash used in financing activities	<u>(38,657)</u>	<u>(474,014)</u>

Condensed Consolidated Statements Of Cash Flows
For the Period Ended 31 March 2025

	3 months ended 31.03.2025 RM'000 (Unaudited)	3 months ended 31.03.2024 RM'000 (Unaudited)
Net decrease in cash and cash equivalents	(138,330)	(621,495)
Cash and cash equivalents at beginning of the period	1,375,368	2,571,016
Cash and cash equivalents at end of the period	1,237,038	1,949,521
Cash and cash equivalents comprise :		
Cash and bank balances	115,646	981,290
Deposits with licensed banks and other licensed corporations	1,121,392	968,231
	1,237,038	1,949,521

Notes to the interim financial statements

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, *Interim Financial Reporting* and Appendix 9B (Part A) of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

The audited financial statements of the Group for the financial year ended 31 December 2024 were prepared in accordance with MFRS, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The significant accounting policies adopted in these interim financial statements are consistent with those adopted in the annual audited financial statements for the financial year ended 31 December 2024, except the Group adopted the following Amendments to MFRSs effective for annual periods beginning on or after 1 January 2025 as follows:

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

The adoption of the above did not have any material impact on the financial statements of the Group.

2. Audit qualification

The report of the auditors on the Group's financial statements for the financial year ended 31 December 2024 was not subject to any qualification.

3. Seasonal or cyclical factors

The Group's operations have not been affected by seasonal or cyclical factors.

4. Unusual items

There was no unusual item affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review because of its nature, size and incidence.

5. Changes in estimates

There was no material change in financial estimates made in prior financial year that could materially affect the current interim results.

6. Debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter except for the following:

- i) Issuance of Malakoff Power Berhad (“MPB”) Islamic Medium-Term Notes (“IMTN”) of RM250.0 million under ASEAN Sustainability SRI Sukuk Murabahah Programme of up to RM1.2 billion established in July 2024 of which the proceeds from the issuance were utilised to finance eligible projects set out in the Sustainable Finance Frameworks, including renewable energy and environmental solutions projects;
- ii) Scheduled repayment of Tanjung Bin Energy Sdn. Bhd. (“TBE”) sukuk programme of RM65.0 million; and
- iii) Scheduled repayment of Tanjung Bin Energy Issuer Berhad (“TBEI”) senior USD term loan of USD18.3 million.

7. Dividends paid

There was no dividend paid during the current quarter ended 31 March 2025.

8. Segment reporting

The Group's segmental reporting for the financial period ended 31 March 2025 is as follows:

	<u>Power generation</u>			<u>Waste Management and Environmental Services</u>	<u>Others</u>			<u>Elimination</u>			<u>Total</u>		
	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue from external customers	1,800,834	-	1,800,834	218,435	8,615	-	8,615	-	-	-	2,027,884	-	2,027,884
Inter-segment revenue	-	-	-	2,667	161,599	28,784	190,383	(164,266)	(28,784)	(193,050)	-	-	-
Total segment revenue	1,800,834	-	1,800,834	221,102	170,214	28,784	198,998	(164,266)	(28,784)	(193,050)	2,027,884	-	2,027,884
Profit/(Loss) after tax	77,277	18,392	95,669	30,833	(44,482)	31,499	(12,983)	(39,491)	(31,524)	(71,015)	24,137	18,367	42,504

The Group's segmental reporting for the financial period ended 31 March 2024 was as follows:

	<u>Power generation</u>			<u>Waste Management and Environmental Services</u>			<u>Others</u>			<u>Elimination</u>			<u>Total</u>		
	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>		
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>		
Revenue from external customers	2,016,404	-	2,016,404	216,441	47,268	-	47,268	-	-	-	2,280,113	-	2,280,113		
Inter-segment revenue	-	-	-	2,795	169,463	120,560	290,023	(172,258)	(120,560)	(292,818)	-	-	-		
Total segment revenue	2,016,404	-	2,016,404	219,236	216,731	120,560	337,291	(172,258)	(120,560)	(292,818)	2,280,113	-	2,280,113		
Profit/(Loss) after tax	161,176	22,283	183,459	29,900	(79,593)	118,770	39,177	(50,261)	(123,914)	(174,175)	61,222	17,139	78,361		

9. Property, plant and equipment

There was no revaluation of property, plant and equipment during the current quarter ended 31 March 2025 except for the amounts carried forward pertaining to certain Group properties that had been revalued in the past.

10. Events subsequent to the end of the current interim period

There was no material event subsequent to the end of the current quarter ended 31 March 2025.

11. Changes in composition of the Group

- a) On 31 January 2025, Malakoff Corporation Berhad (“MCB”) completed the acquisitions of the remaining 51% and 49% equity interests in ZEC Solar Sdn. Bhd. (“ZEC Solar”) and TJZ Suria Sdn. Bhd. (“TJZ Suria”), respectively for a total cash consideration of RM29,000,000. Following the completion of the acquisitions, both ZEC Solar and TJZ Suria became wholly-owned subsidiaries of MCB.
- b) On 28 February 2025, Tuah Utama Sdn. Bhd. (“TUSB”), a wholly-owned subsidiary of MCB completed the acquisition of 49% equity interest in E-Idaman Sdn. Bhd. (“E-Idaman”) for a total cash consideration of RM118,200,000. Following the completion of the acquisition, E-Idaman became an associate of MCB.
- c) On 20 March 2025, MCB completed the incorporation of Segarigen2 Ventures Sdn. Bhd. (“SEVG2”), a private company limited by shares under the Companies Act 2016 of which MCB holds 70% equity interest. SEVG2 was incorporated as the special purpose company to carry out business of developing, financing, constructing, operating and maintaining power plant project. The share capital of SEVG2 is RM100, comprising 100 ordinary shares, which have been issued and fully paid up.

(Note: In relation to item 11(a) and (b) above, the Management in accordance with MFRS 3, *Business Combinations*, has 12 months from the date of acquisition to complete the respective Purchase Price Allocation).

12. Asset classified as held for sale

Disposal of a subsidiary

On 17 October 2024, the Directors had approved the disposal of its electricity distribution and district cooling business, Malakoff Utilities Sdn. Bhd. (“MUSB”), a wholly-owned subsidiary of the Company. On 3 February 2025, the Company entered into a conditional Sale and Purchase Agreement (“SPA”) with KJ Technical Services Sdn. Bhd., a wholly-owned subsidiary of KJTS Group Berhad for the disposal of its entire 100% equity interest in MUSB for a total cash consideration of RM65,500,000. Based on the current development, the transaction is expected to be completed by second quarter of 2025.

In relation thereto, the assets and liabilities of MUSB have been presented as a disposal group held for sale in accordance with MFRS 5, *Non-Current Assets Held for Sale and Discontinued Operation*.

13. Changes in contingent liabilities or contingent assets

There was no change in contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 December 2024 except for the following bank guarantees issued to third parties:

	31.03.2025 RM'mil	31.12.2024 RM'mil
Company and subsidiaries	<u>842.7</u>	<u>837.2</u>

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

14. Capital commitments

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

	31.03.2025 RM'mil	31.12.2024 RM'mil
Property, plant and equipment:		
Authorised and contracted for	836.1	1,067.4
Authorised but not contracted for	<u>725.5</u>	<u>506.6</u>
	<u><u>1,561.6</u></u>	<u><u>1,574.0</u></u>

Additional information required by the Bursa Securities Listing Requirements**15. Review of performance****Quarter 1, 2025 vs Quarter 1, 2024**

For the quarter ended 31 March 2025, the Group recorded RM2,027.9 million in revenue, a decrease of RM252.2 million or 11.1% from RM2,280.1 million reported in the corresponding quarter ended 31 March 2024, primarily due to lower energy payments recorded from Tanjung Bin Power Sdn. Bhd. (“TBP”) and Tanjung Bin Energy Sdn. Bhd. (“TBE”) in line with the decline in applicable coal price (“ACP”) as well as lower energy payment recorded from Segari Energy Ventures Sdn. Bhd. (“SEV”) given the decrease in despatch factor.

Hence, the Group recorded lower profit before taxation of RM58.5 million in the current quarter, a significant decrease of RM61.3 million from profit before taxation of RM119.8 million as reported in the corresponding quarter ended 31 March 2024. This was also primarily due to lower positive fuel margin recorded at TBP in line with the decline in ACP, higher net realisable value (“NRV”) provision for coal inventories and lower contribution from Prai Power Plant Sdn. Bhd. (“PPSB”) following a reduction in the revised tariff from the extended Power Purchase Agreement (“PPA”).

16. Variation of results against immediate preceding quarter**Quarter 1, 2025 vs Quarter 4, 2024**

The Group recorded slightly higher profit before taxation of RM58.5 million in the current quarter as compared with RM56.3 million reported in the immediate preceding quarter, mainly due to lower operation and maintenance costs as well as recognition of provision for Availability Target Penalty (“ATP”) in the fourth quarter of 2024 in view of the allowed planned outages in TBE being exceeded under PPA terms. However, these were partially offset by higher NRV provision for coal inventories.

17. Current prospects

Malaysia Gross Domestic Product (“GDP”) grew by 4.4% in the first quarter of 2025 slower than the preceding quarter (4Q 2024: 5.0%) driven by sustained household spending, steady expansion in investment activities and continued growth in external demand particularly from electrical and electronics (E&E) exports and tourism activities (*Source: BNM’s Economic & Financial Developments in Malaysia in the First Quarter of 2025*).

Global coal prices are expected to experience a declining trend in the first half of 2025 primarily due to reduced reliance on coal imports by certain developing economies. The reduction in China’s coal import in the past few months was due to cheaper domestic coal prices, slowdown in seasonal demand for coal and the expected post-monsoon hydropower as alternative power supply. India’s thermal coal demand is expected to remain limited as their power plants hold significant coal reserves and ample domestic coal production to meet demand. As such, a higher provision for net realisable value (“NRV”) for coal inventories have been accounted for during the current quarter under review. The Group’s thermal assets continue to focus on operational efficiencies to enhance reliability and availability so as to mitigate any impact from fluctuations in global coal prices.

On 28 February 2025, Tuah Utama Sdn. Bhd. (“TUSB”), a wholly-owned subsidiary completed the acquisition of 49% equity interest in E-Idaman Sdn. Bhd. (“E-Idaman”), further strengthening the Group’s strategic presence in the waste management and environmental services sector. This acquisition increases Malakoff’s waste management capacity by approximately 700 tonnes per day (“TPD”), raising the total effective waste volume from 5,615 TPD to 6,315 TPD, an increase of about 12%. This expansion reinforces the Group’s commitment towards sustainable waste solutions and long-term goal of managing 10,000 TPD by 2031.

On 24 February 2025, Alam Flora Environmental Solutions Sdn. Bhd. (“AFES”) successfully renewed its contract with Keretapi Tanah Melayu Berhad (“KTMB”) for the diesel multiple unit (DMU) & Intercity Trains Coaches Cleaning & Sleeperette Preparation Services for a period of three (3) years, signifying AFES’s continuous service performance and effort to grow its non-concession business.

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

18. Profit before tax

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

	3 months ended 31.03.2025	3 months ended 31.03.2024	Cumulative 3 months ended 31.03.2025	Cumulative 3 months ended 31.03.2024
	RM'mil	RM'mil	RM'mil	RM'mil
Finance income	(15.0)	(19.6)	(15.0)	(19.6)
Finance costs	117.4	131.3	117.4	131.3
Depreciation	201.2	200.2	201.2	200.2
Amortisation of intangibles assets	67.0	72.6	67.0	72.6
Net foreign exchange loss	0.4	0.1	0.4	0.1

19. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter ended 31 March 2025.

20. Tax expense

	3 months ended 31.03.2025	3 months ended 31.03.2024	Cumulative 3 months ended 31.03.2025	Cumulative 3 months ended 31.03.2024
	RM'mil	RM'mil	RM'mil	RM'mil
Current tax expense	44.9	21.3	44.9	21.3
Deferred tax expense	(28.9)	20.1	(28.9)	20.1
Total tax expense	<u>16.0</u>	<u>41.4</u>	<u>16.0</u>	<u>41.4</u>

The Group's effective tax rate for the current financial period was higher than the statutory income tax rate primarily due to certain expenses not deductible for tax purposes.

21. Borrowings

	31.03.2025	31.12.2024
	RM'mil	RM'mil
Current		
- Secured	759.4	722.1
- Unsecured	30.0	30.0
	<u>789.4</u>	<u>752.1</u>
Non-current		
- Secured	7,172.7	7,016.1
	<u>7,962.1</u>	<u>7,768.2</u>

The breakdown of Group borrowings by currency is as follows:

	31.03.2025	31.12.2024
	RM'mil	RM'mil
Functional currency		
- RM	7,962.1	7,686.2
- USD	-	82.0
	<u>7,962.1</u>	<u>7,768.2</u>

22. Changes in material litigation

Singapore International Arbitration Centre Arbitration No. 278 of 2018 Claim 1 (formerly Main Action) between Prai Power Sdn Bhd ("PPSB") (as Claimant) and (1) GE Energy Parts, Inc ("GE Energy Parts"), (2) GE Power Systems (Malaysia) Sdn Bhd ("GE Power Systems"), (3) General Electric International, Inc ("GE International"), and (4) General Electric Company ("GE") (collectively "GE Entities") (as Respondents); and Claim 2 (formerly Third Party Claim) between GE Entities (as Claimants) and (1) Malakoff Power Berhad ("MPB"), and (2) Malakoff Corporation Berhad ("MCB") (collectively "Malakoff Entities") (as Respondents), in relation to Prai Power Plant.

On 24 September 2018, Allianz General Insurance Company (Malaysia) Berhad initiated the arbitration as a subrogated action, in the name of PPSB, against GE Entities, in relation to an incident on or about 18 July 2015 ("2015 Incident") which resulted in damage to a gas turbine at PPSB's 350MW Combined Cycle Gas Turbine Power Plant situated in Prai, Penang ("Prai Power Plant").

PPSB alleged that GE Entities breached the duty to exercise reasonable care and skill to properly design, manufacture, supply and install a GE 109FA single shaft gas turbine at the Prai Power Plant. By reason of the alleged breach, PPSB claims for, among others, loss and damages in the sum of RM72,094,050 from GE Entities.

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

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

On 9 August 2019, GE Entities filed a Joinder Application, seeking to join Malakoff Entities as parties to GE Entities' Counterclaim, alleging that:

- a) the commencement of the arbitration constitutes a breach of the Settlement and Release Agreement ("SRA"), in respect of which Malakoff Entities are liable;
- b) Malakoff Entities are liable to indemnify GE Entities against any liability under the arbitration; and
- c) if GE Entities are found liable for the 2015 Incident, MPB is liable for contributory negligence as the operator of the Prai Power Plant.

On 20 June 2020, the Arbitral Tribunal granted the Joinder Application to join Malakoff Entities as the Respondents in Claim 2 of GE Entities.

Following the passing of a member of the Arbitral Tribunal on 29 January 2023 and the consequential appointment of the substitute co-arbitrator on 17 March 2023, the hearing had been rescheduled to take place from 7 March 2024 to 20 March 2024.

On 10 January 2024, one of the members of the Arbitral Tribunal had decided to withdraw himself as a co-arbitrator due to unexpected health complications.

On 22 January 2024, the Arbitral Tribunal confirmed that the previously scheduled hearing dates from 7 March 2024 to 20 March 2024 have been vacated.

On 26 February 2024, the SIAC appointed a substitute co-arbitrator.

On 28 February 2024, the Presiding Arbitrator requested the parties' counsel to propose alternate sets of hearing dates for the Arbitral Tribunal's consideration.

On 13 May 2024, the Arbitral Tribunal confirmed that the arbitration hearing has been scheduled to be held from 23 July 2025 to 8 August 2025.

There has been no significant change in material litigation, including the status of the pending material litigation in respect of the Company and its subsidiaries during the current quarter under review.

23. Dividend Payable

No interim dividend has been recommended by the Directors for the quarter ended 31 March 2025 (31 March 2024: Nil).

On 17 March 2025, the Board of Directors has approved and declared a final dividend of 2.17 sen per ordinary share in respect of the of the financial year ended 31 December 2024. The final dividend will be paid on 29 May 2025 to shareholders registered in the records of depositors at the close of the business on 30 April 2025.

24. Earnings per ordinary share

	3 months ended 31.03.2025	3 months ended 31.03.2024	Cumulative 3 months ended 31.03.2025	Cumulative 3 months ended 31.03.2024
Basic Earnings per Ordinary Share				
Profit for the period attributable to equity holders (RM mil)	34.0	62.2	34.0	62.2
Distribution to perpetual sukuk holder (RM mil) [#]	(27.4)	(23.5)	(27.4)	(23.5)
Profit for the period attributable to ordinary shareholders (RM mil)	6.6	38.7	6.6	38.7
Weighted average number of ordinary shares (mil)	4,887.0	4,887.0	4,887.0	4,887.0
Basic earnings per ordinary share (sen)	0.14	0.79	0.14	0.79

Note[#] - The distribution to perpetual sukuk holder is classified as equity in the financial statement based on the underlying of issuing terms of the sukuk program.

25. Authorisation for issue

The interim financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 27 May 2025.

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