

## MALAKOFF CORPORATION BERHAD

(Registration No. 200601011818/731568-V)

### MINUTES OF EIGHTEENTH ANNUAL GENERAL MEETING (“18<sup>th</sup> AGM”) OF MALAKOFF CORPORATION BERHAD (“MCB” OR “COMPANY”) HELD AT BROADCAST VENUE AT LEVEL 7, BLOCK 4, PLAZA SENTRAL, JALAN STESEN SENTRAL 5, 50470 KUALA LUMPUR ON THURSDAY, 25 APRIL 2024 AT 10.00 A.M.

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#### **PRESENT**

- 1 Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali (“**Chairman**”) *(Independent Non-Executive Chairman)*
- 2 Tan Sri Che Khalib Mohamad Noh *(Executive Vice Chairman)*
- 3 Encik Anwar Syahrin Abdul Ajib *(Managing Director & Group Chief Executive Officer)*
- 4 Datuk Ooi Teik Huat *(Non-Independent Non-Executive Director)*
- 5 Datuk Rozimi Remeli *(Independent Non-Executive Director)*
- 6 Dato’ Mohd Naim Daruwish *(Non-Independent Non-Executive Director)*
- 7 Dr. Norida Abdul Rahman *(Independent Non-Executive Director)*
- 8 Datuk Prakash Chandran Madhu Sudanan *(Independent Non-Executive Director)*
- 9 Datuk Wira Roslan Ab Rahman *(Independent Non-Executive Director)*

#### **IN ATTENDANCE**

Encik Noor Raniz Mat Nor *(Company Secretaries)*  
Puan Zaidatul Neezma Zainal Abidin

#### **SHAREHOLDERS PRESENT**

Total: 641 shareholders, holding 6,666,036 ordinary shares of MCB (“**Malakoff Shares**”)]

## **PROXIES PRESENT**

Total: 125 proxies representing 1,050,338,481 Malakoff Shares, of which 2,638,408,388 Malakoff Shares were represented by the Chairman.

## **INVITEES PRESENT**

As per Attendance List.

## **AUDITORS PRESENT**

Messrs KPMG PLT  
(represented by Mr. Eric Kuo Sze-Wei)

## **POLLING AGENT PRESENT**

Boardroom Share Registrars Sdn Bhd

## **SCRUTINEER PRESENT**

Sky Corporate Services Sdn Bhd

## **PROCEEDINGS OF MEETING**

### **1. CHAIRMAN**

YBhg. Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali chaired the 18<sup>th</sup> AGM of the Company.

### **2. PRELIMINARY**

The Chairman welcomed all shareholders and proxies who attended the 18<sup>th</sup> AGM, his fellow members of the Board of Directors (“**Board**”) and members of senior management team. The Chairman informed that the meeting was the Ninth AGM of the Company since its listing on the Main Board of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) in May 2015.

### **3. QUORUM**

Upon confirmation by the Company Secretary that a quorum was present, the Chairman called the meeting to order.

The Chairman informed that several Directors were participating in the AGM remotely from various locations. The Chairman then introduced the members of the Board who were present at the broadcast venue and those participating via online.

He further introduced the senior management and advisors who were present at the broadcast venue.

#### **4. PRESENTATION BY MANAGING DIRECTOR & GROUP CHIEF EXECUTIVE OFFICER (“MD & GCEO”)**

The Chairman invited Encik Anwar Syahrin Abdul Ajib, the MD & GCEO of MCB, to provide a brief presentation on the overview of the Company’s business environment for 2023. His presentation encompassed the following areas:

- Business Highlights
- Financial Highlights
- Strategic Achievements
- Moving Forward

The Chairman thanked the MD & GCEO for his presentation and proceeded to the next agenda of the meeting.

#### **5. RESPONSE TO MINORITY SHAREHOLDERS WATCH GROUP’S (“MSWG”) QUERIES**

The Chairman informed the meeting that MSWG had through its letter dated 16 April 2024 raised several questions and the Company had responded to the questions accordingly prior to the meeting. He then invited Mr Saravanan Desigamanie to read out the questions and the Company’s response thereto.

A copy of MSWG’s letter together with MCB’s written reply are attached hereto as **Appendix 1**.

#### **6. NOTICE CONVENING THE MEETING**

The Chairman proceeded with the notice convening the meeting as stipulated on pages 400 to 406 of the Integrated Annual Report 2023 (“**IAR 2023**”) which was taken as read.

The Chairman informed that the AGM is the principal forum for dialogue with all shareholders. He further highlighted that his presence together with the Board members was to provide clarifications to any questions in relation to the Agenda items and the 9 resolutions tabled at the meeting.

The Chairman informed that the AGM portal was opened since 9.00 am and following the early opening of the said portal, Management had received several questions from the shareholders and proxy holders. He also informed that all questions would be addressed before the tabling of the resolutions at the meeting.

The Chairman further highlighted that in accordance with the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all motions tabled at the meeting would be voted by way of poll. Boardroom Share Registrar Sdn Bhd had been appointed as the Polling Administrator whilst Sky Corporate Services Sdn Bhd as the Scrutineer.

The Chairman placed on record that a number of shareholders had appointed him as their proxy, and he would vote according to their instructions. He then invited the shareholders and proxy holders to view a short video on the remote polling process presented by the Poll Administrator.

At this juncture, the Chairman invited all shareholders/proxies who wished to commence voting on the proposed resolutions to do so. He further encouraged the shareholders to participate and ask questions in real time until the closure of the Question and Answer (“Q&A”) session is announced. He then proceeded to deliberate on all the pertinent questions raised by the shareholders and proxies which were addressed by the Board and Management as set out in **Appendix 2** hereof.

Upon the closure of the Q&A session, the Chairman proceeded with the tabling of the resolutions as follows:

7. **AGENDA 1**  
**TO RECEIVE THE AUDITED FINANCIAL STATEMENTS (“AFS”) OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (“FYE 2023”) AND THE DIRECTORS’ REPORT AND AUDITORS’ REPORT THEREON**

The Chairman explained that the AFS for the FYE 2023 tabled under Agenda 1 was for discussion only as stipulated under Section 340(1) of the Companies Act, 2016 and the Company’s Constitution. The Company’s AFS does not require shareholders’ approval and hence, the matter would not be put forward for voting.

The Chairman declared that the AFS of the Company for the FYE 2023 and the Directors’ Report and Auditors’ Report thereon be received by the shareholders.

8. **AGENDA 2 (i) - ORDINARY RESOLUTION 1**  
**RE-ELECTION OF TAN SRI DATUK DR. IR. AHMAD TAJUDDIN ALI WHO RETIRES AS DIRECTOR IN ACCORDANCE WITH ARTICLE 105 OF THE COMPANY’S CONSTITUTION**

*(Under Explanatory Note 5 of the Notice of 18<sup>th</sup> AGM dated 26 March 2024, any of the Directors who is a shareholder of the Company shall abstain from voting on the resolution in respect of his re-election. As Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali holds 50,000 ordinary shares in the Company, he had therefore abstained from voting on this resolution)*

As this resolution pertains to his own re-election, the Chairman handed over the Chair to Tan Sri Che Khalib Mohamad Noh to proceed with Resolution 1.

Tan Sri Che Khalib Mohamad Noh who took over as Chairman, confirmed that Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali has indicated his willingness to be re-elected.

The following **Resolution 1** on the re-election of Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali was proposed as follows:

*“THAT Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali, who retires in accordance with Article 105 of the Company’s Constitution, be and is hereby re-elected as the Director of the Company.”*

Tan Sri Che Khalib Mohamad Noh then handed over the Chair to Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali to continue with the remaining resolutions in the Agenda of the meeting.

9. **AGENDA 2 (ii) - ORDINARY RESOLUTION 2**  
**RE-ELECTION OF TAN SRI CHE KHALIB MOHAMAD NOH WHO RETIRES AS DIRECTOR IN ACCORDANCE WITH ARTICLE 105 OF THE COMPANY’S CONSTITUTION**

*(As Tan Sri Che Khalib Mohamad Noh holds 420,000 ordinary shares in the Company, he had therefore abstained from voting on this resolution)*

The Chairman confirmed that Tan Sri Che Khalib Mohamad Noh has indicated his willingness to be re-elected.

The following **Resolution 2** on the re-election of Tan Sri Che Khalib Mohamad Noh tabled at the meeting was proposed as follows:

*“THAT Tan Sri Che Khalib Mohamad Noh, who retires in accordance with Article 105 of the Company’s Constitution, be and is hereby re-elected as the Director of the Company.”*

10. **AGENDA 2 (iii) - ORDINARY RESOLUTION 3**  
**RE-ELECTION OF DATO’ MOHD NAIM DARUWISH WHO RETIRES AS DIRECTOR IN ACCORDANCE WITH ARTICLE 105 OF THE COMPANY’S CONSTITUTION**

The Chairman confirmed that Dato’ Mohd Naim Daruwish has indicated his willingness to be re-elected.

The following **Resolution 3** on the re-election of Dato’ Mohd Naim Daruwish tabled at the meeting was proposed as follows:

*“THAT Dato’ Mohd Naim Daruwish, who retires in accordance with Article 105 of the Company’s Constitution, be and is hereby re-elected as the Director of the Company.”*

**11. AGENDA 3 - ORDINARY RESOLUTION 4  
RE-ELECTION OF DATUK WIRA ROSLAN AB RAHMAN WHO  
RETIRES AS DIRECTOR IN ACCORDANCE WITH ARTICLE 111 OF  
THE COMPANY’S CONSTITUTION**

The Chairman confirmed that Datuk Wira Roslan Ab Rahman has indicated his willingness to be re-elected.

The following **Resolution 4** on the re-election of Datuk Wira Roslan Ab Rahman tabled at the meeting was proposed as follows:

*“THAT Datuk Wira Roslan Ab Rahman, who retires in accordance with Article 111 of the Company’s Constitution, be and is hereby re-elected as the Director of the Company.”*

**12. AGENDA 4 - ORDINARY RESOLUTION 5  
PAYMENT OF DIRECTORS’ FEES UP TO AN AMOUNT OF RM1,250,000  
TO THE NON-EXECUTIVE DIRECTORS (“NEDs”) WITH EFFECT  
FROM THE CONCLUSION OF THE 18<sup>th</sup> AGM UNTIL THE NEXT AGM  
OF THE COMPANY**

*(Under Explanatory Note 5 of the Notice of 18<sup>th</sup> AGM dated 26 March 2024, the Non-Executive Directors (“NEDs”) who are the shareholders of the Company shall abstain from voting on Ordinary Resolutions 5 to 7 concerning their own re-election, fees and remunerations.)*

*Therefore, the following NEDs who held shares in the Company had abstained from voting on Resolutions 5 to 7:*

- *Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali;*
- *Tan Sri Che Khalib Mohamad Noh; and*
- *Datuk Ooi Teik Huat.*

As explained under Explanatory Note 3 of the Notice of 18<sup>th</sup> AGM, the proposed resolutions 5, 6 and 7, if passed, would allow the payment of the following Directors’ fees and remuneration to the NEDs on a monthly basis and/or as-and-when incurred within the approval period after the NEDs have discharged their responsibilities and rendered their services to the Company:

- Directors' fees; and
- Benefits payable by the Company comprising Board Committee allowances, meeting allowances, annual leave passage and/or annual supplemental fees including benefits-in-kind to the Chairman.

The Current Directors' fees per member/month as provided in the table under Explanatory Note 3 of the Notice of 18<sup>th</sup> AGM.

The following **Resolution 5** on the payment of Directors' fees up to an amount of RM1,250,000 to the NEDs with effect from the conclusion of the 18<sup>th</sup> AGM until the next AGM of the Company was tabled at the meeting:

*“That the payment of Directors' fees up to an amount of RM1,250,000 to the Non-Executive Directors with effect from the conclusion of the 18<sup>th</sup> AGM until the next AGM of the Company be and is hereby approved.”*

**13. AGENDA 5 (i) - ORDINARY RESOLUTION 6  
PAYMENT OF DIRECTORS' BENEFITS TO THE NON-EXECUTIVE DIRECTORS UP TO AN AMOUNT OF RM1,350,000 WITH EFFECT FROM THE CONCLUSION OF THE 18<sup>th</sup> AGM UNTIL THE NEXT AGM OF THE COMPANY**

The following **Resolution 6** on the payment of Directors' benefits to the NEDs at the capping amount of RM1,350,000 with effect from the conclusion of the 18<sup>th</sup> AGM until the next AGM of the Company was tabled at the meeting:

*“That the payment of Directors' benefits to the Non-Executive Directors at the capping amount of RM1,350,000 with effect from the conclusion of the 18<sup>th</sup> AGM until the next AGM of the Company be and is hereby approved.”*

**14. AGENDA 5 (ii) - ORDINARY RESOLUTION 7  
PAYMENT OF DIRECTORS' BENEFITS UP TO AN AMOUNT OF RM260,000 BY THE SUBSIDIARIES OF THE COMPANY TO THE DIRECTORS WITH EFFECT FROM THE CONCLUSION OF THE 18<sup>th</sup> AGM UNTIL THE NEXT AGM OF THE COMPANY**

The following **Resolution 7** on the payment of Directors' benefits to the Directors at the capping amount of RM260,000 with effect from the conclusion of the 18<sup>th</sup> AGM until the next AGM of the Company was tabled at the meeting:

*“That the payment of Directors' benefits to the Directors at the capping amount of RM260,000 with effect from the conclusion of the 18<sup>th</sup> AGM until the next AGM of the Company be and is hereby approved.”*

As for Resolution 7 in the Notice of 18<sup>th</sup> AGM, the Directors' benefits comprise of monthly allowances and meeting allowances payable to the Directors of Malakoff who are also sitting on the Board of two subsidiaries of Malakoff namely:

1. Malaysian Shoaiba Consortium Sdn Bhd (80%-owned) – Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali and Encik Anwar Syahrin Abdul Ajib
2. Alam Flora Sdn Bhd (97.37%-owned) - Tan Sri Che Khalib Mohamad Noh, Encik Anwar Syahrin Abdul Ajib and Dr. Norida Abdul Rahman

These 2 subsidiaries hold quarterly Board/Board Committee meetings.

**15. AGENDA 6 - ORDINARY RESOLUTION 8  
RE-APPOINTMENT OF KPMG PLT TO ACT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The following **Resolution 8** on the re-appointment of KPMG PLT was tabled at the meeting:

*“THAT Messrs. KPMG PLT, who are eligible and have given their consent for re-appointment, be and are hereby re-appointed as Auditors of the Company, AND THAT the Directors are authorised to fix their remuneration.”*

**16. AGENDA 7 - ORDINARY RESOLUTION 9  
PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED SHAREHOLDERS' MANDATE”)**

The Chairman explained that under Explanatory Note 4 of the Notice of 18<sup>th</sup> AGM, Resolution 9 under Agenda 7 if passed, would empower the Company and its subsidiaries (“**Group**”) to enter into recurrent related party transactions of a revenue or trading nature with the Related Parties as set out in Section 2.4 of the Circular to Shareholders dated 26 March 2024 which are necessary for the Group's day-to-day operations and/or in the ordinary course of business of the Group on normal commercial terms and to facilitate the conduct of the Group's business in a timely manner.

The details of the Proposed Shareholders' Mandate as set out in the Circular to Shareholders dated 26 March 2024, that was circulated together with the IAR 2023 of the Company.



The following **Resolution 9** on the Proposed Shareholders' Mandate was tabled at the meeting:

“THAT, subject to Paragraph 10.09 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Company and its subsidiaries (“Group”) be and are hereby authorised to enter into recurrent related party transactions of a revenue or trading nature with the Related Parties as set out in Section 2.4 of the Circular to Shareholders dated 26 March 2024, PROVIDED THAT such transactions are necessary for the Group’s day-to-day operations and are in the ordinary course of business of the Group and at arm’s length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company;

THAT such approval shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the general meeting at which this Ordinary Resolution shall be passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority conferred by this resolution is renewed;
- (ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“Act”) (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier;

AND THAT the Directors of the Company and its subsidiaries be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate as authorised by this Ordinary Resolution.”

## **17. ANNOUNCEMENT OF RESULTS**

At 12.00 pm, the Chairman called the meeting to order and announced the results of the polling as follows:

### **Ordinary Resolution No. 1**

- 1) FOR was 99.2622%; and
- 2) AGAINST was 0.7378%.

**Ordinary Resolution No. 2**

- 1) FOR was 99.9553%; and
- 2) AGAINST was 0.0447%.

**Ordinary Resolution No. 3**

- 1) FOR was 99.9529%; and
- 2) AGAINST was 0.0471%.

**Ordinary Resolution No. 4**

- 1) FOR was 99.9529%; and
- 2) AGAINST was 0.0431%.

**Ordinary Resolution No. 5**

- 1) FOR was 99.9683%; and
- 2) AGAINST was 0.0317%.

**Ordinary Resolution No. 6**

- 1) FOR was 99.9595%; and
- 2) AGAINST was 0.0405%.

**Ordinary Resolution No. 7**

- 1) FOR was 99.9634%; and
- 2) AGAINST was 0.0366%.

**Ordinary Resolution No. 8**

- 1) FOR was 99.9867%; and
- 2) AGAINST was 0.0133%.

**Ordinary Resolution No. 9**

- 1) FOR was 99.9666%; and
- 2) AGAINST was 0.0334%.

The Chairman declared that all motions were duly passed and approved by the Shareholders of the Company at the meeting.

**19. ANY OTHER BUSINESS**

The Chairman informed that the Company did not received any notice for “Any Other Business” to be transacted at this 18<sup>th</sup> AGM.

**20. CLOSE OF MEETING**

The Chairman expressed his appreciation to the shareholders for their participation in the meeting. There being no further business, the meeting was declared closed at 12.35 pm with a vote of thanks to the Chairman.

Confirmed as correct record,

Signed  
CHAIRMAN

BY HAND/BY EMAIL

24 April 2024

Minority Shareholders Watch Group ("MSWG")  
Level 23, Unit 23-2, Menara AIA Sentral  
No. 30, Jalan Sultan Ismail  
50250 Kuala Lumpur

Attention: Encik Ismet Yusoff, Chief Executive Officer

Dear Sir,

**18<sup>th</sup> Annual General Meeting of Malakoff Corporation Berhad ("MCB") to be held on 25 April 2024**

We refer to your letter dated 16 April 2024 in relation to the above matter.

We are pleased to attach herewith our reply to MSWG's questions in respect of MCB's 18<sup>th</sup> AGM. Should you require any further information or clarification, kindly contact the undersigned.

Thank you.

Yours faithfully,  
for **MALAKOFF CORPORATION BERHAD**



Noor Haniz Mat Nor  
Company Secretary

Encl.

Copy to: Managing Director & Group Chief Executive Officer, Malakoff Corporation Berhad

## **Operational & Financial Matters**

1. The Company has set ambitious sustainability goals, including a 30% reduction in greenhouse gas (GHG) emissions intensity by 2031 and to increase revenue contribution from RE and environmental solutions to at least 50% over the next decade, all of which are aligned towards Malaysia's environmental aspirations. (Page 30 of IAR 2023)

- (a) To date, how successful has the Group been in reducing greenhouse gas (GHG) emissions intensity and how confident is the Management in achieving its target by 2031?

### **Answer:**

*The Group's GHG Emissions Intensity target of a 30% reduction by 2031 is generally a long-term goal based on SBTi's Sectoral Decarbonisation Approach, geared towards achieving Net Zero Emissions by 2050.*

- *Based on absolute emissions, the Group has achieved a reduction of 21.8% in 2023 (against 2019's baseline of 21.16 million tCO<sub>2</sub>e).*
- *The Group's emissions intensity (absolute emissions/gross energy output), however, had increased by 6.6% in 2023 to 0.81 tCO<sub>2</sub>e/MWh (against 2019's baseline of 0.76 tCO<sub>2</sub>e/MWh) due to lower gross energy output resulting from the expiry of PPAs (Prai Power Plant, GB3 Power Plant) when compared to the pre-pandemic period.*
- *However, the Group's 2023 emissions intensity reduced by 11.0% compared to 2022 (0.91 tCO<sub>2</sub>e/MWh) due to higher efficiency of plants operating at its rated capacity and an increase in gross energy sold to the Grid compared to the previous year.*
- *The Group is confident of achieving this target by 2031 on the back of decarbonization efforts such as biomass cofiring at its Tanjung Bin Power Plant ("TBP") with a target of at least 15% by 2027 and carbon avoidance through the accelerated growth of its Renewable Energy assets (1,400 MW by 2031).*

- (b) Which areas are the Group focusing on to increase revenue contribution from RE and environmental solutions?

### **Answer:**

- *Under Renewable Energy, the Group is mainly focusing on solar (both utility-scale solar and rooftop solar), small hydro, biogas, biomass and carbon-free mobility infrastructure (EV charging) – which are the key areas under Malakoff Green Solutions.*
- *Under the banner of Malakoff Environmental Solutions, the Group is accelerating its growth in integrated waste facility management, recycling projects, marine and hazardous waste solutions as well as innovative Waste-to-Energy projects.*
- *The increasing demand for RE and environmental services, in line with the country's target of achieving 70% RE mix in its energy generation by 2050 and 40% recycling rate by 2025, will provide key opportunities for the Group to grow its revenue contribution from these high-growth segments.*

2. Malakoff's water desalination projects, which is one of the largest in the Middle East was able to consistently meet the production demands of the region. (Page 33 of IAR 2023)

What is the prospect for water desalination projects and how sizeable is the revenue contribution to the Group? What are the plans to expand this segment?

**Answer:**

- *Despite the subdued global economic outlook due to geopolitical uncertainties and fiscal challenges post the COVID-19 recovery period, the demand for potable water via desalination in the MENA region has been increasing steadily and is expected to persist through the coming years.*
  - *The underlying driver for this trend is the growing concern over water scarcity, which may hinder long-term economic plans, causing it to emerge as an investment catalyst to improve the sector's capacity and efficiency.*
  - *Desalination projects in the MENA region are experiencing remarkable expansion in response to the challenges of prolonged water scarcity. Numerous countries in the region are confronted with the complex task of ensuring reliable water supply in the face of arid climates, population growth and escalating water demands.*
  - *Subsequently, demand for the services provided by our Independent Water Plants ("IWPs") and Independent Water and Power Plants ("IWPPs") are likely to remain constant, if not increase due to the abovementioned factors.*
  - *In 2024, our focus will be directed towards sustaining efforts in exploring potential greenfield projects that align with Malakoff's commercial and growth requirements while improving operations at the existing facilities within our portfolio.*
  - *The IWPP assets (both power production and water desalination in the Middle East) contributes typically 20% to the Group's earnings (accounted using the Equity method).*
3. As part of the Malakoff 2.0 Strategic Transformation, the Group established clear goals – to reach an RE capacity of 1,400 MW by 2031 and achieve a 15% to 20% recycling rate by 2025 from waste collected by its subsidiary, Alam Flora Sdn Bhd. (Page 34 of IAR 2023)

What is the probability of the Group achieving an RE capacity of 1,400 MW by 2031 and a 15% to 20% recycling rate by 2025? What is the basis for arriving at such targets?

**Answer:**

- *Since our transformation programme commenced in 2021, Malakoff has managed to increase its RE capacity from 29 MW to 153 MW (both operational and secured projects) by the end of 2023.*
  - *Under the National Energy Transition Roadmap ("NETR") that was launched in July 2023, Malaysia intends to have 31% of its total energy generation from renewables, representing 15.2 GW by 2030 - mainly from hydro (16%), solar (14%) and bioenergy (1%).*
  - *The Group's goal of reaching an RE capacity of 1,400 MW by 2031 represents a 9% - 10% market share.*
  - *We believe that Malakoff, as a major energy and environmental solutions player, should be able to capture key opportunities within space based on our strengths and technical know-hows to deliver large projects.*
  - *The recycling rate target was based on half of the country's national recycling rate target of 40% by 2025, for waste collected by Alam Flora Sdn. Bhd. ("Alam Flora") – the Group is well-on track, having achieved a recycling rate of 18.9% in 2023, in line with the national recycling rate of 35.4% for the same year.*
4. Malakoff has set ambitious targets to expand its RE capacity, aiming to reach 1,400 MW by 2031. This expansion is in response to the increasing demand for cleaner energy sources and aligns with Malaysia's strategic direction towards enhancing RE's share in the total primary energy supply. Investments into various RE segments, including solar, SHP, biogas, biomass, and Waste-to-Energy (WTE), are critical components of Malakoff's strategy to diversify its energy portfolio. (Page 44 of IAR 2023)

Which RE segments contributed significant revenue (also provide the value of contracts and tenure) to the Group and their prospects/outlook going forward?

**Answer:**

- *The Group's RE contribution to overall revenue is predominantly derived from the solar business, consisting of a 29 MW Large-Scale Solar ("LSS") farm in Kota Tinggi, Johor and Rooftop Solar ("RTS") projects for commercial and industrial companies (operational) totaling 24.4 MW.*
  - *The total value of contract and tenure is as below:*
    - *LSS – RM395 million (21 years)*
    - *RTS – RM108 million (25 years)*
  - *Moving forward, the Group will be actively participating in competitive bidding for solar projects in Malaysia, focusing on LSS, RTS and the Corporate Green Power Programme ("CGGP"). We are also considering potential acquisition of operational greenfield opportunities in the LSS space.*
  - *The Group will leverage its RE portfolio to explore potential exporting of energy to neighbouring countries.*
5. Other operating expenses rose significantly to RM206.949 million in FY 2023 from RM159.951 million in FY 2022. (Page 243 of IAR 2023)

What were the reasons and what were the major items? What is the outlook in FY 2024?

**Answer:**

- *The increase in Other Operating Expenses by RM46.998 million or 29.4% for FY2023 was mainly due to the higher operating insurance costs and demurrage charges incurred at Tanjung Bin Power Plant.*
  - *In general, the higher operating insurance costs are in line with the increase in premium rates for all plants, particularly for TBP and Tanjung Bin Energy ("TBE") coal plants due to the hardening of the insurance market for coal related placement and businesses that continue to rely heavily on coal.*
  - *The Low-Pressure Turbine blade failure event that occurred at TBE in the fourth quarter of 2021 further contributed to the increase in its insurance cost.*
  - *TBP had to incur higher demurrage charges as the unloading of coal stocks took longer than normal since the plant faced lower despatch and experienced a series of plant outages in the first quarter of 2023.*
  - *FY2024 outlook for Other Operating Expenses in relation to the operating insurance costs is expected to increase further as there is a growing concern amongst insurers to cover coal-fired power plants due to the risks presented from climate change.*
6. Share of (loss)/profit of equity-accounted associates and joint ventures, net of tax worsened to RM (363.534) million in FY 2023 from RM 276.418 million in FY 2022. (Page 243 of IAR 2023)

What caused the worsening financial performance of the associates and joint ventures? Is the outlook for FY 2024 expected to be better?

**Answer:**

- *For FY2023, Malakoff recorded a net share of loss of equity-accounted associates and joint ventures principally due to a loss recorded from Al-Hidd IWPP, a 40% foreign associate in*

*Bahrain amid asset impairment as the Power and Water Purchase Agreement (“PWPA”) is not expected to be extended on a long-term period after its expiry.*

- *Based on Al-Hidd IWPP’s 2024 financial projection and in the absence of one-off assets impairment, the Company is expected to register an improved financial performance.*

7. Tenaga Nasional Berhad contributed to the Group a very sizeable amount of revenue of RM8.01 billion or 88.3% of the Group revenue of RM 9.07 billion. (Page 331 of IAR 2023)

What are Malakoff’s plans and actions in mitigating the concentration of customer issues, and how is the progress?

**Answer:**

- *Tenaga Nasional Berhad is a major customer for not only Malakoff, but all independent power generation companies within the energy industry.*
- *In our effort to reduce reliance / customer concentration issues, we have diversified our business into environmental solutions.*
- *As part of expanding our environmental solutions business, we acquired Alam Flora Sdn Bhd in 2019.*
- *This follows through with our effort to grow Alam Flora Environmental Solutions Sdn Bhd (“AFES”), the non-concession arm of Alam Flora and the proposed acquisition of E-Idaman Sdn Bhd, a waste management solutions provider operating in the northern states of Peninsular Malaysia.*

**Corporate Governance Matters**

1. Work-Related Injuries – Malakoff (page 130 of IAR 2023)

<b>Safety Performance Indicators</b>	<b>2022</b>	<b>2023</b>
Number of Incidents Recorded	9	351
Number of LTI Cases (Operations)	2	4
Lost Time Injury Frequency Rate (LTIFR) – Operations	0.29	0.73

The above indicators show a deteriorating situation. What was the nature of the incidents? What lessons have been learned from these incidents? What are the Company’s proactive plans to prevent or minimise such occurrences?

**Answer:**

- *There is an error in the Number of Incidents Recorded for 2023 as reproduced by MSWG – it should be 35 and not 351 (as shown below) as the 1 is a reference to a notation.*
- *Nevertheless, the higher number of incidents in 2023 includes nine (9) near-miss cases.*
- *The incidents were mainly related to minor medical treatment injuries and property-related damages.*
- *Key lessons learnt from these incidents include, among others:*
  - *Importance of practicing effective communication - always seek clarification when in doubt, particularly in relation to safety matters.*
  - *To be observant of the surroundings and to report safety concerns soonest possible.*
  - *To always abide by the relevant Standard Operating Procedures (“SOPs”) and safety instructions as well as to wear Personal Protective Equipment (“PPE”) at all times.*



**Malakoff**

Safety Performance Indicators	2022	2023
Total Manhours Worked	7,130,563	6,983,212
Number of Incidents Recorded	9	35 <sup>1</sup>
Number of LTI Cases (Operations)	2	4
Number of LTI Cases (Projects)	0	0
Lost Time Injury Frequency Rate (LTIFR) – Operations	0.29	0.73
Lost Time Injury Frequency Rate (LTIFR) – Projects	0.00	0.00
Legal Compliance	0	2 <sup>2</sup>

<sup>1</sup> Includes near miss incidents

<sup>2</sup> Notice of prohibition and notice of improvement for fatality incident on 18 October 2023 at Tanjung Bin Energy Power Plant

*The Group is taking the following key initiatives to mitigate such occurrences:*

- *Increase in manpower resources to enhance safety monitoring and internal controls.*
- *Introduction of a Safety Management Digitalisation System.*
- *Increase in safety programmes to enhance compliance among contractors and ensure good safety practices.*

**MALAKOFF CORPORATION BERHAD (“Malakoff” or “THE COMPANY”)  
EIGHTEENTH ANNUAL GENERAL MEETING (“18<sup>th</sup> AGM”) HELD ON 25 APRIL 2024**

**PRESENT:**

1. Tan Sri Datuk Dr. Ir. Ahmad Tajuddin bin Ali (*Independent Non-Executive Chairman*)
2. Tan Sri Che Khalib bin Mohamad Noh (*Executive Vice Chairman*)
3. Encik Anwar Syahrin bin Abdul Ajib (*Managing Director & Group Chief Executive Officer*)
4. Datuk Ooi Teik Huat (*Non-Independent Non-Executive Director*)
5. Datuk Rozimi bin Remeli (*Independent Non-Executive Director*)
6. Dato’ Mohd Naim bin Daruwish (*Non-Independent Non-Executive Director*)
7. Dr. Norida Abdul Rahman (*Independent Non-Executive Director*)
8. Datuk Prakash Chandran Madhu Sudanan (*Independent Non-Executive Director*)
9. Datuk Wira Roslan bin Ab Rahman (*Independent Non-Executive Director*)

**IN ATTENDANCE:**

1. Encik Noor Raniz bin Mat Nor (Company Secretary)
2. Puan Zaidatul Neezma Zainal Abidin (Joint Company Secretary)

**Summary of Key Matters Discussed at the 18<sup>th</sup> AGM**

No	Key Matters Discussed	Response from MCB
1.	<p><b><u>Teo Cher Ming – Shareholder</u></b></p> <p>(a) Following the escalating tensions in the Middle East region, is there any risk of impairment on Malakoff’s investments?</p>	<p>Our investments are in stable countries that are not directly involved with the current happening in the Middle East Region. Thus, the risk of impairment is insignificant for our investments there.</p>

No	Key Matters Discussed	Response from MCB
	(b) An analyst report mentioned that the worst is over for negative fuel margin as Newcastle coal price has stabilised. Does the Management agree with this statement?	The global benchmark has observed relatively steady fluctuation in coal prices in the second half of 2023. As indicated by Newcastle global coal news, barring any unforeseen circumstances, the average delivered price of coal for 2024 is projected to be stabilised, ranging from USD140/MT to USD150/MT. Nevertheless, Management would be monitoring the situation closely.
2.	<p data-bbox="297 440 663 467"><b><u>Tan Sek Keng – Shareholder</u></b></p> <p data-bbox="297 507 1028 571">What are the Board’s strategies in revitalising the Group's performance?</p>	<p data-bbox="1052 507 2024 571">The Group has outlined several key strategies which focuses on efficiency and growth.</p> <p data-bbox="1052 611 2024 842">Malakoff continues to strive and improve our efficiency in operations both in our energy business and environmental solutions by identifying and implementing key initiatives that drive operational excellence. At the same time, Malakoff continues to optimise its operational costs and spending wisely. Since some of the power plants are nearing expiry, Management is embarking its efforts to grow its’ topline by securing new Combined Cycle Gas Turbine (“CCGT”) power plants for the future growth.</p> <p data-bbox="1052 882 1823 909">As for the continuous growth of the Company, Management will:</p> <ul data-bbox="1052 917 2024 1361" style="list-style-type: none"> <li data-bbox="1052 917 2024 981">• continue the current momentum in Thermal/Gas IPP business by expanding the gas portfolio both domestically and internationally.</li> <li data-bbox="1052 989 2024 1085">• Increase investment in renewable energy ventures, including utility-scale solar projects, rooftop solar installations, mini hydro power plants, and other potential renewable energy opportunities.</li> <li data-bbox="1052 1093 2024 1157">• Bidding for the newly launch LSS5 up to 500MW in July 2024, signed up with MASDAR and presented proposals for Solar Rooftop close to 100MW.</li> <li data-bbox="1052 1165 2024 1260">• Enhance environmental solutions capabilities and offerings by expanding both concession and non-concession businesses in waste management beyond the states we have.</li> <li data-bbox="1052 1268 1928 1295">• Further expansion in water desalination by growing the water business.</li> <li data-bbox="1052 1303 2024 1361">• Invest in selected disruptive technologies in green energy and environmental solutions areas.</li> </ul>

No	Key Matters Discussed	Response from MCB
3.	<p><b><u>Teo Cher Ming – Shareholder</u></b></p> <p>Based on the Annual Report, the Al Hidd IWPP impairment was substantial. Is this as a result of the risk of non-renewal of the IWPP by the local government in 2027?</p>	<p>For FY2023, Malakoff recorded net share of loss of equity-accounted associates and joint ventures principally due to loss recorded from Al- Hidd IWPP, a 40% foreign associate in Bahrain amid assets impairment as the Power and Water Purchase Agreement (“PWPA”) is unlikely to be extended for a long-term period upon its expiry.</p> <p>Based on Al-Hidd IWPP 2024 financial projection and in the absence of one-off assets impairment, the Company is expected to register improved financial performance.</p>
4.	<p><b><u>Ng Siaw Cheen – Shareholder</u></b></p> <p>How long will it take for Malakoff to be profitable and excel in energy sector?</p>	<p>Excluding impairment of Al-Hidd and negative fuel margin that has been registered in our FY2023 results, Malakoff energy business has been consistently making profit.</p> <p>Our focus is to continue to grow our energy and environmental solutions business while striving to improve efficiency of our assets. This is expected to improve our profitability in the energy sector.</p>
5.	<p><b><u>Hiu Chee Keong – Shareholder</u></b></p> <p>In this digital and Artificial Intelligence age, any plan to cut down workforce to save cost in the long run?</p>	<p>At the moment, there is no plan to reduce the size of our workforce for this purpose, as our personnel are all accounted for to meet the current business requirements and processes. The Company consistently reviews its work processes for efficiency and as such, should digitalisation in respect of the way we work is needed in future, the Company shall further review and optimise its workforce size.</p>

No	Key Matters Discussed	Response from MCB
6.	<p><b><u>Shahriman bin Ruslan – Shareholder</u></b></p> <p>(a) What is the status of the Company's proposed development of a WTE Plant in Melaka?</p> <p>(b) Since listing, there have always been negative reports about the Company. From unplanned outages at its' power plant, disputes with third parties, and recently negative fuel margin. All these have negatively affected the Company's profits. Would appreciate the Company's respond on these matters.</p>	<p>The Company is in the midst of finalising its negotiations of the key project agreements with the Government and other key stakeholders.</p> <p>Malakoff's power plants provide in total 20% of energy needs of the country as the demand and despatch for its power plants are high. Due to this, the Company is embarking coal firing with biomass since the government believes in ensuring the continuity of these power plants beyond the current concession period.</p> <p>Unplanned outages for large coal plants are unique as compared to other coal plants. Other coal power plants also face similar problems of breakdown of blades that requires replacements. Negative fuel margin problem is something out of ordinary. Further, none expected Russia to invade Ukraine and due to this, escalation coal price and scarcity of supply happened. This were unprecedented and unforeseeable.</p> <p>However, all Malakoff's operated power plants recorded a better performance as compared to PPA's limit of forced outage rate in 2023. All unplanned outages have been resolved and no major unplanned outage recorded in year 2023. Our focus is to continue to grow our energy and environmental solutions business while striving to improve efficiency of the assets to improve Malakoff's overall profitability.</p>
7.	<p><b><u>Khaw Choke Han – Shareholder</u></b></p> <p>(a) Can the Chairman elaborate on the impact of National Energy Transition Roadmap (“NETR”) and RE to Malakoff's business and how the Management is going to excel with the coming transition of energy?</p>	<p>(a) Under NETR, there are a number of schemes introduced by the government, on which Malakoff could participate to grow the RE portfolio particularly in area of LSS and small hydro, utilising the existing landbanks within the Group, the internal technical expertise and financial standing. However, the supply of reliable electrical energy with a tariff level that is affordable to the people is still with thermal coal and gas fired plants. The amount of energy generated through solar, other sources such as mini hydro would still be limited. At the moment, almost half of the country's electricity comes from coal fired and gas fired plants. This is the reality the nation is facing.</p>

No	Key Matters Discussed	Response from MCB
	(b) What about the Dividend policy of Malakoff?	<p>As mentioned earlier by MD &amp; GCEO, we will include biomass fuel into the coal to increase the portion of non-coal utilising waste in terms of EFBs and other woodchips to generate energy to replace coal up to 15% by end of 2027. However, Malakoff is determined to incorporate other energy sources to produce energy going forward with mini hydro and Rooftop Solar.</p> <p>(b) As announced, despite the huge loss made for FY2023, the Company is still able to declare dividend payout after taking into consideration certain key financial and strategic elements such as profitability, capital expenditure, investment plans and historical payouts. This is our commitment to reward our shareholders for staying with us during our tough times.</p>
8.	<p><b><u>Mohamad Shahrel Bin Mohd Yudin – Shareholder</u></b></p> <p>Is there any plan to increase the number of female directors on the Board?</p>	<p>In relation to 30% women representation on the Board, Malakoff is gearing towards fulfilling 30% women representation on Board within the next two years as recommended. We are trying to match the skill set and diversification of board members. We are currently looking for women with special skills and expertise in digital and sustainability area.</p>
9.	<p><b><u>Moby Gian Fung – Shareholder</u></b></p> <p>Malakoff accumulate loss of RM884 million for FY2023. Why is Malakoff still distributing final dividend of 1.5 sen? Does Malakoff have enough cash flow to run the business?</p>	<p>The declaration was made after taking into consideration certain key financial elements under the existing dividend policy, fulfilment of the solvency test under the relevant provisions of the Company Act 2016 and compliance with the financial covenants of prevailing borrowing facilities.</p>
10.	<p><b><u>Norhalina Binti Mohamad Termidzi – Shareholder</u></b></p> <p>With the current LSS5 tender and Malakoff's solar plants, does Malakoff intends to export any of its' Renewable Energy (“RE”) to Singapore or Thailand with the recent news of the Single Buyer to operate energy exchange i.e. cross-border electricity sale (“CBES”).</p>	<p>Malakoff is very much interested in exporting electricity to Singapore and currently in discussion with relevant parties. Malakoff is considering both options i.e. conventional power and renewable energy.</p> <p>Currently, Malakoff is also focusing to participate in the LSS5 tender which is due</p>

No	Key Matters Discussed	Response from MCB
	The next question is whether Malakoff ready to embark on this journey?	in July 2024 and at the same time, the Company would also observe the outcome of the pilot project under the CBES scheme as launched recently.
11.	<p><b><u>Liew Chee Seng – Shareholder</u></b></p> <p>Kindly outline the specific measures and initiatives plans to improve the financial performance, enhance operational efficiency, and strengthen our competitive position in the market. This includes transparent communication about the company’s plans, timelines, and expected outcomes.</p> <p>Using the analogy of neglecting a baby, we must not allow the Company to falter and deteriorate but instead nurture it back to health and success. It is our collective responsibility to ensure that Malakoff thrives and delivers value to its shareholders.</p> <p>As a shareholder, I am committed to supporting constructive efforts and initiatives that contribute to the Company’s long-term growth and sustainability. I look forward to hearing the board’s insights and plans for addressing these critical challenges.</p>	<p>Thank you for your support and question. Our Malakoff 2.0 aims to grow our energy, RE and environmental solutions which we have made progress.</p> <p>We have identified several key initiatives to grow our business in the three business areas and be vigilant of the costs. One of these initiatives has been registered as a flagship in NETR which relates to biomass cofiring at our Tanjung Bin Power Plant.</p> <p>For developments that we can share, we will communicate accordingly with our shareholders and market. For example, our recent acquisition of Small Hydro of 84MW project and our 49% stake in E-Idaman for waste management.</p>
12.	<p><b><u>Norhalina Binti Mohamad Termidzi – Shareholder</u></b></p> <p>What projects are currently in the pipeline and what is the status of the projects i.e. confirmed, COD, signed PPA?</p> <p>How many projects have been screened through or conducted due diligence in a year and the amount of fund used for it? Out of all the screened projects, how many projects are confirmed and has signed the PPAs? Kindly share the numbers of cost used for due diligence such as consultancy cost, etc against the number of projects gained.</p>	<p>For Solar Rooftop, the total capacity installed and commissioned is at 24.4 MW while the total new projects secured at March 2024 was 23.4 MW.</p> <p>With regards to Alam Flora concession, we wish to highlight that Alam Flora holds a 22-year concession for solid waste collection and public cleansing management for Kuala Lumpur, Putrajaya and Pahang awarded by the Malaysian Government, which runs through 1 September 2011 until 31 August 2033.</p>

No	Key Matters Discussed	Response from MCB
	<p>May I know the timeline on the expiry concession for all Malakoff power plants and Alam Flora? What happen to the staff and concessions that are expiring for both Malakoff power plants and Alam Flora? What other revenue is Malakoff looking at with the expiry of all the concessions?</p>	<p>We are in the midst of discussion with the Government for potential extension of concession period. Prai Power Plant would be expiring mid this year, Segari Energy Venture Power Plant in the year 2027, Tanjung Bin Power Plant in the year 2031 and Tanjung Bin Energy Power Plant in the year 2041.</p> <p>In addition, Alam Flora Group moving forward strategic business plan targeting 6 key segments to expand existing operations and to be a leader in sustainable environmental engineering and solutions. The targeted 6 key segments are:-</p> <ol style="list-style-type: none"> <li>1. Municipal Solid Waste</li> <li>2. Schedule Waste Management</li> <li>3. Integrated Waste Management Facilities</li> <li>4. Facility Management</li> <li>5. Waste-to-Energy</li> <li>6. Renewable Energy</li> </ol> <p>Upon the expiration of the PPAs, if the need arises, staff with similar skills and experience will be mobilised to other power plants to fill vacancies or undergo a reskilling program to prepare for opportunities at other locations within the Group. Currently, we were appointed O&amp;M for H Class power plant in Bangladesh and some of the employees have been deployed to work in Bangladesh. This is the testament that we have quality people in our organisation and capabilities operating beyond Malaysia shores.</p>
13.	<p><b><u>Teo Cher Ming – Shareholder</u></b></p> <p>On M&amp;A as stated on page 40 of the Integrated Annual Report 2023, can Management clarify what does it meant by unpolished diamonds?</p> <p>On the same page, it was also mentioned that certain LSS player are reluctant to part away with their asset despite a good valuation to monetise them. Can management further comment some of the reasons for such reluctance since pricing does not seem to be an issue here.</p>	<p>As the O&amp;M, whose experience dates decades back, is constantly looking to enhance their capabilities to upkeep with industry demand, and expand their services locally and internationally, we intend to leverage our technical and management expertise to improve the project or plant operation and business moving forward. These are some of the unpolished diamonds.</p> <p>Regarding LSS, players are reluctant to divest or part away from their assets, as the project was awarded to them. Even with good offer, it is challenging to give that project up cause when it meets the COD, it can garner more return for the project</p>



No	Key Matters Discussed	Response from MCB
		promoters. However, the challenge lies on if these players can complete these projects successfully within the given timeline, or none at all.
14.	<p><b><u>Liew Chee Meng - Shareholder</u></b></p> <p>(a) How much did the Company spend to hold this virtual AGM plus the remote participation &amp; voting?</p> <p>(b) Would the Company conduct the next AGM/EGM/other meetings physically?</p> <p>(c) Could the Board of the Company be kind enough to give away e-meal vouchers to the event participants, particularly grateful to help minority shareholders to improve their life qualities during the current high inflation economy?</p>	<p>(a) The estimated cost for this AGM is RM59,000 mainly for the "Remote Participation and Electronic Voting" ("RPEV") facilities and scrutineer;</p> <p>(b) The Company encourages participation of more shareholders. Hence, by leveraging on RPEV facilities, it enables the participation of shareholders remotely.</p> <p>(c) As stated in the AGM Administrative Details, there is no voucher for distribution to shareholders.</p> <p>The Management would take into consideration whether to hold the future AGMs/EGMs by way of hybrid moving forward.</p>