malakoff
A Member of MMC Group

50 YEARS

Enhancing Life,
Enriching Communities.

Transforming Energy for Sustainable Growth

Integrated Annual Report **2024**

Transforming Energy for Sustainable Growth

COVER RATIONALE

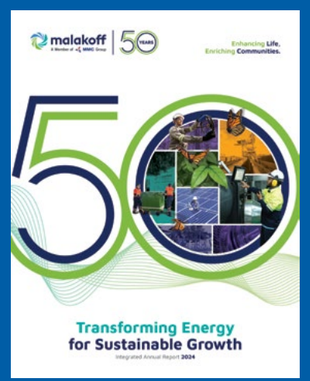
Our cover design commemorates Malakoff Group's 50th anniversary, marking five decades of growth, resilience and transformation. The bold "50" visual paired with dynamic wave patterns reflects both celebration and forward momentum. Within the design, a curated collage highlights Malakoff's role as Malaysia's largest green energy and environmental solutions provider — showcasing renewable energy initiatives such as solar power, sustainable waste management and biodiversity preservation.

The design aligns seamlessly with the tagline "Transforming Energy for Sustainable Growth" reinforces the Group's commitment to delivering cleaner, more sustainable energy solutions. The blend of green and blue tones, natural imagery, and modern design elements together symbolise Malakoff's journey towards a low-carbon future — championing innovation while ensuring long-term environmental and community impact. The colour pallette also draws inspiration from Malakoff's three key business pillars – Malakoff Green Solutions, Malakoff Environmental Solutions and Malakoff Energy – visually grounding the Group's integrated role in shaping a sustainable energy ecosystem.

FEEDBACK

We welcome all inquiries, comments and feedback on our Integrated Annual Report in order to clarify issues and to further improve our reporting. Please communicate with us through:

Tel : +603 2263 3388
Email : cacomm@malakoff.com.my



Scan to view our Integrated Annual Report 2024 microsite

NOTICE OF ANNUAL GENERAL MEETING

19th Annual General Meeting

NOTICE IS HEREBY GIVEN that the 19th Annual General Meeting (AGM) of Malakoff Corporation Berhad (Company) will be held physically at Glenmarie Ballroom, Glenmarie Hotel & Golf Resort, Jalan Usahawan U1/8, Glenmarie Golf & Country Club, 40250 Shah Alam, Malaysia on Tuesday, 29 April 2025

Date : 29 April 2025 (Tuesday)
Time : 10:00 a.m.
Venue : Glenmarie Ballroom, Glenmarie Hotel & Golf Resort, Jalan Usahawan U1/8, Glenmarie Golf & Country Club, 40250 Shah Alam, Malaysia.

Please scan the QR code for further information on specific topics.

Our website: ir2.chartnexus.com/malakoff/v2/agm.php

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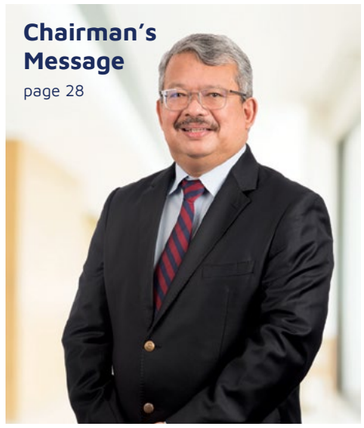

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2024 Key Highlights

Financial Highlights

Revenue	EBITDA	Dividend Per Share	Dividend Payment
RM8.97 billion	**RM1.97 billion**	**4.40 sen**	**RM215.0 million**

Business Highlights

malakoff Green Solutions

- Achieved a total of **173 MW of renewable energy (RE) capacity**, marking a **496.6% increase from the 2021 baseline**.
- **Acquired 51% equity in ZEC Solar Sdn. Bhd. and 49% in TJZ Suria Sdn. Bhd.**, increasing RE capacity by **29 MW**.
- **Completed 17.4 MWp of commercial and industrial solar** installations.

malakoff Environmental Solutions

- **Completed the E-Idaman Sdn. Bhd. (E-Idaman) acquisition**, increasing Malakoff's waste management capabilities and strengthening its **presence in the Northern region's non-concession segment**.
- Introduced a **new fleet of waste collection vehicles**, enhancing **efficiency, operational sustainability and environmental impact reduction**.
- **Secured multiple contracts for leachate treatment plants**, further expanding Malakoff's environmental solutions portfolio and enhancing waste-to-resource capabilities.

malakoff Energy

- Secured a **one-year extension for the 350 MW Prai Power Plant** through a new Power Purchase Agreement with Tenaga Nasional Berhad, which is expected to **contribute to Malakoff's financial performance** in the upcoming year.
- Successfully launched the Biomass Co-firing Project at **Tanjung Bin Power Plant (TBPP) in 2024**, a key milestone under the **National Energy Transition Roadmap**. The project was officiated by **Deputy Prime Minister and Minister of Energy Transition and Water Transformation, YAB Dato' Sri Haji Fadillah Haji Yusof**.
- Secured a **new contract in Bangladesh**, further expanding Malakoff's international footprint in energy generation and infrastructure services.

2024 Key Highlights

Sustainability Highlights

Environmental

Carbon Emission Reduction

- **3.7% YoY reduction** in GHG Emissions intensity.
- **17.0% YoY reduction** in Scope 2 absolute emissions.
- 19.6% increment in Gross Energy Produced.

Recycling & Waste Management

- Achieved a **21.1% recycling rate, surpassing the 2025 target** of 15-20%.
- Alam Flora collected 7,026.7 tonnes of recyclables in 2024.
- Completed the E-Idaman acquisition, increasing our potential waste management capacity close 5,200 TPD.

RE Expansion

- Commenced construction works for the three run-of-river small hydropower plants along Sungai Galas in Kelantan, which is projected to offset 272,424 tonnes of CO_2 annually.

Biomass Co-firing Initiative

- **Achieved 2% co-firing at TBPP.**
- Targeting to achieve a 15% co-firing ratio by 2027.

Social

Community Engagement & Awareness

- Conducted **100 awareness programmes** on sustainability.
- CSR contributions of **RM407,413**, benefiting **6,740 individuals**.

Employee Training & Development

- Employees received an average of **14.98 training hours** (Malakoff).
- Employees received an average of **12.25 training hours** (Alam Flora).

Health & Safety

- **Zero fatality** at Malakoff.
- Lost Time Incident Rate **decreased from 0.73 (FY2023) to 0.42** at Malakoff.

Diversity & Inclusion

- **Female** representation on the Board **increased to 22%**.
- **Zero cases** of discrimination reported in FY2024.

Governance

Zero Bribery & Non-Compliance

- **100% of operations assessed** for corruption-related risks.
- 79% of employees received anti-corruption training.
- **Zero substantiated complaints** concerning breaches of customer privacy and losses of customer data.

Awards & Recognitions

- **Independent Power Producer of the Year Award** at Enlit Asia 2024
- United Nations Global Compact Network Malaysia & Brunei Forward Faster Sustainability Award 2024
  i. **Anti-Corruption (for Large Company category)**
  ii. **Pioneer Sustainable Development Action Recognition (Biomass Co-firing Project)**
- **Company of the Year (Energy Generation) for Community Care and Environmental Conservation** at the Sustainability and CSR Malaysia Awards 2024
- **Company of the Year (Waste Management)** by Sustainability and CSR Malaysia Awards 2024
- Assigned "**Gold**" **Impact Assessment** by MARC Ratings for our Sustainable Finance Framework
- **2024 Special Achievement** by GIS Award in San Diego, California
- **Green Achievement Enterprises Award** by Third Solar Energy Storage Future Malaysia 2024

Basis of This Report

We are pleased to present the fourth integrated report of Malakoff Corporation Berhad (Malakoff or the Group), which adheres to the principles outlined in the Integrated Reporting Framework under the International Financial Reporting Standards (IFRS) Foundation. This report offers a comprehensive and transparent account of Malakoff's performance and strategic direction, while addressing the challenges, opportunities and key risks within the operating environment. While its primary focus is on capital providers, this report also serves as a valuable resource for all stakeholders interested in understanding how we create value over the short, medium and long term, guided by strong governance, harmonising our growth ambitions with our commitment to environmental and social responsibility.

Reporting Framework

Our integrated reporting approach is structured in accordance with the Integrated Reporting <IR> Framework and complies with the Main Market Listing Requirements (MMLR) of Bursa Malaysia, the Corporate Governance Guide (Fourth Edition) by Bursa Malaysia, the Companies Act 2016 (CA 2016), the Malaysian Code on Corporate Governance (MCCG) 2021, the Malaysian Financial Reporting Standards (MFRS) Accounting Standards and the IFRS Accounting Standards.

Additionally, our Sustainability Statement aligns with the Global Reporting Initiative (GRI) Standards, Bursa Malaysia's Sustainability Reporting Guide (3rd Edition) and the United Nations' Sustainable Development Goals (UN SDGs), reflecting our steadfast commitment to sustainable business practices.

Scope and Boundary

This report covers the financial year from 1 January 2024 to 31 December 2024, encapsulating key activities, initiatives and significant events within this period, unless stated otherwise. It includes all subsidiaries in which Malakoff holds a majority stake and exerts significant influence, encompassing our operations in Saudi Arabia, Bahrain and Oman.

Materiality

We have identified and outlined material matters that influence our long-term business strategies, objectives and corporate direction. These material matters form the foundation of our decision-making process and strategic initiatives.

Combined Assurance

We are committed to ensuring the integrity and accuracy of our disclosures through a structured assurance process. This report has undergone thorough review and approval by both Management and the Board of Directors. Our financial statements have been independently audited by Messrs. KPMG PLT (KPMG), while selected sections of the Sustainability Report have been subject to an internal review conducted by the Group's internal auditors.

Forward-Looking Statements

This report contains forward-looking statements regarding Malakoff's future performance, which are based on prevailing assumptions and current conditions. Given the inherent uncertainties in these factors, actual results may differ from those anticipated. Various risks, external developments and macroeconomic conditions could impact our future performance. As we move forward, we remain adaptive in refining our strategies to align with the dynamic business environment.

Directors' Responsibility Statement

The Board of Directors of Malakoff assumes full responsibility for ensuring the accuracy and integrity of Malakoff's Integrated Annual Report 2024. In our view, this report presents a balanced and fair assessment of the Group's performance and effectively addresses key factors that impact our ability to generate sustainable value.

The report has been prepared in accordance with the <IR> Framework and was formally approved for publication by the Board on 21 March 2025.

NAVIGATING THIS REPORT

OUR CAPITALS

- Financial Capital
- Manufactured Capital
- Human Capital
- Intellectual Capital
- Social & Relationship Capital
- Natural Capital

OUR STRATEGIC PILLARS

- T — Thermal Power Generation
- R — Renewable Energy
- E — Environmental Solutions
- W — Water Desalination
- S — Strategic Bets

MATERIAL MATTERS

Environmental | Social | Governance

- M1 Good Governance and Corporate Integrity
- M2 Regulatory Compliance
- M3 Occupational Safety and Health
- M4 Operational Excellence
- M5 Physical and Transition Climate Risks
- M6 Renewable Energy Transition
- M7 Energy Mix and Efficiency
- M8 GHG Emissions
- M9 Stakeholder Management and Engagement
- M10 Talent Management and Development
- M11 Human and Labour Rights
- M12 Waste Management and Effluents
- M13 Coal Ash Management
- M14 Grid Stability
- M15 Asset Life Cycle and Integrity
- M16 Supply Chain Management
- M17 Water Management
- M18 Technology and Innovation
- M19 Community Impact
- M20 Biodiversity

KEY RISKS

- KR1 Health and Safety
- KR2 Talent Management
- KR3 Cybersecurity
- KR4 Policies and Regulations
- KR5 Environmental, Social and Governance (ESG)
- KR6 Emergence of New Technologies
- KR7 Challenges in Getting New Business
- KR8 Fraudulent, Illegal or Unethical Acts

OUR STAKEHOLDERS

- Employees
- Communities/ General Public
- Shareholders/Analysts/ Investment Community
- Customers/ Clients
- Government
- Rating Agencies and Financial Institutions
- Contractors and Vendors
- Media

CROSS REFERENCE

Indicates where additional information can be found within the report.

Indicates where additional information can be found online at www.malakoff.com.my

Who We Are & What We Do

A Leading Global Energy Generation and Environmental Solutions Company

Malakoff Corporation Berhad is a dynamic, sustainability-driven multinational energy generation and environmental solutions company dedicated to enhancing lives and enriching communities. As Malaysia's largest Independent Power Producer, we have a generating capacity of 6,953 MW, complemented by an expanding renewable energy (RE) portfolio of 173 MW.

Beyond power generation, we are also a leader in environmental solutions through our subsidiary, Alam Flora Sdn. Bhd. which handles waste management volume of 3,397 tonnes per day with the capacity to handle close to 5,200 tonnes per day based on existing contracts, concession arrangements and available assets.

With a global footprint, Malakoff has introduced innovative solutions through power generation and water desalination ventures in Saudi Arabia, Bahrain and Oman. As we navigate an era of transformation, we remain committed to advancing the nation's aspirations for carbon neutrality and a circular economy. Our pursuit of a cleaner, greener world is driven by collaboration, knowledge-sharing and the collective expertise of our people, partners and stakeholders.

Vision

To be a leading global energy generation and environmental solutions player, shaping a greener future through innovation and sustainability best practices

Mission

- We **ASPIRE** to become the **PREFERRED EMPLOYER**
- We **DELIVER** superior **SHAREHOLDER VALUE**
- We are **SOUGHT** after as a **PARTNER OF CHOICE**
- We **SUSTAIN** best-in-class **OPERATING DISCIPLINE**
- We **EARN** respect as a **GOOD CORPORATE CITIZEN**

Corporate Values

INTEGRITY
We conduct our business with a sense of honesty, truthfulness and transparency in all situations

TEAMWORK
Our interdependence brings togetherness and strengthens relationships to accomplish our Vision & Mission

INNOVATION
Our creativity and ability to look at things differently are the platforms for our advancement

EXCELLENCE
We strive for perfection and conduct ourselves in a professional manner

HARMONY
We respect our people, care for the environment and uphold governance

Market Capitalisation
RM4.13 Billion
as at 31 December 2024
(2023: RM3.10 Billion)

Total Assets
RM19.01 Billion
(2023: RM20.30 Billion)

Total Employees
4,304
(2023: 4,319)

Who We Are & What We Do

Three Business Pillars

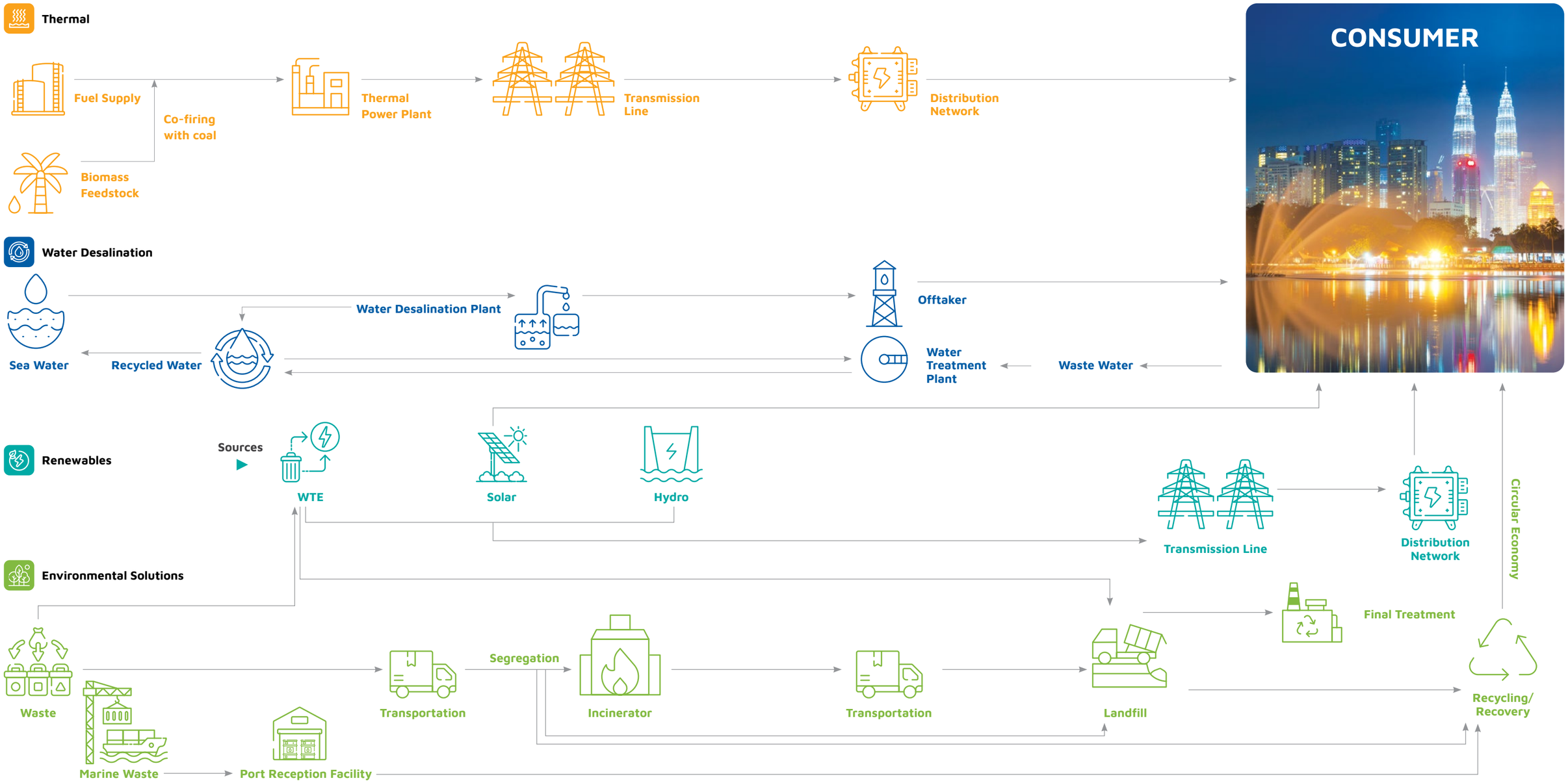
Malakoff's strategy is anchored on three core business pillars:

malakoff Green Solutions	malakoff Environmental Solutions	malakoff Energy
We are at the forefront of Malaysia's transition to sustainable energy, providing innovative and renewable energy solutions.	**As a leading waste management and environmental solutions provider, we support communities in reducing waste while minimising environmental impact.**	**As a major player in thermal power generation, Malakoff Energy ensures dependable, cost-effective energy supply while promoting efficiency and conservation.**
Under Malakoff Green Solutions, we are driving the development of:	Through Malakoff Environmental Solutions, we provide:	Our power generation portfolio includes:
Commercial & Industrial Solar	Comprehensive Waste Management Solutions	Segari, Kapar, Prai, Tanjung Bin and Tanjung Bin Energy Power Plants in Malaysia
Large Scale Solar	Recycling Initiatives	International Power Generation Assets in Saudi Arabia, Bahrain and Oman
Small Hydropower	Hazardous and Marine Waste Solutions	Operation and Maintenance Services
Biogas and Biomass	Integrated Facility Management	Electricity Distribution & District Cooling System*
Battery Energy Storage Systems	Water Desalination Projects	
Carbon-Free Mobility Infrastructure	Waste-To-Energy Innovations	
Through these initiatives, we are actively reducing our carbon footprint and accelerating the adoption of clean energy alternatives.	We are driving Malaysia's transition towards a circular economy, ensuring long-term environmental sustainability.	** On 3 February 2025, Malakoff entered into a conditonal Sale and Purchase Agreement with a third party, KJ Technical Services Sdn. Bhd. for the proposed disposal of its entire 100% equity interest in Malakoff Utilities Sdn. Bhd. aligning with its strategy to focus on high-growth areas and core business expansion in sustainable energy solutions.*
Read more on pages 89 to 94.	Read more on pages 95 to 107.	Read more on pages 108 to 122.

These three strategic pillars define Malakoff's mission to deliver sustainability, innovation and excellence. Through Malakoff Green Solutions, Malakoff Environmental Solutions and Malakoff Energy, we are actively shaping a future that is cleaner, more resilient and built for generations to come.

Our Business Value Chain

Our Business Value Chain



Our Presence

Our Presence

1 Saudi Arabia
Shuaibah Phase 3 IWPP
216 MW
211,200 m³/day

Shuaibah Phase 3 Expansion IWP
35,700 m³/day

One of the **Largest IWPP projects** in the MENA region & **First IWPP** in Saudi Arabia

2 Bahrain
Al-Hidd IWPP
372 MW
164,000 m³/day

Malakoff's **Largest Overseas Investment** in Power & Water Desalination

3 Oman
Al-Ghubrah IWP
62,075 m³/day

Oman's **Fourth Largest** Water Desalination Plant

4 Penang
Prai Power Plant
350 MW

One of the **Most Efficient Gas-Fuelled Power Plants in Malaysia**

5 Perak
SEV Power Plant
1,222 MW

The **Second Largest IPP-owned Combined-Cycle Gas Turbine plant** in Malaysia

6 Selangor
Kapar Power Plant
880 MW

The First and Only Triple Fuel Firing Power Plant in Malaysia (Gas, Oil, Coal)

7 Kuala Lumpur
Environmental Solutions
2,179 tonnes/day

8 Putrajaya
Environmental Solutions
125 tonnes/day

9 Pahang
Environmental Solutions
905 tonnes/day

Alam Flora (Overall)
Non-Concession Areas
169 tonnes/day

Recyclable Material
19 tonnes/day

10 Johor
Tanjung Bin Power Plant
1,890 MW

Tanjung Bin Energy Power Plant
1,000 MW

The First Private Coal-Fired Plant in Malaysia and one of the **Biggest Coal-Fired IPPs** in South East Asia

Notes:
[1] Inclusive of concession and non-concession areas

Notes: IWP - Independent Water Plant IWPP - Independent Water and Power Plant IPP - Independent Power Producer

Renewable Energy

173 MW
Renewable Energy Generating Capacity

148 MW
Renewable Energy Effective Capacity

51,879 tCO_2e of carbon avoidance
Equivalent to:
12,088 gasoline-powered passenger vehicles driven for one year
856,000 tree seedlings grown for 10 years
Note: Based on actual total generation from solar in 2024

Power

5,930 MW
Total Effective Thermal Power Generation Capacity

Water

472,975 m³/day
Total Effective Water Production Capacity

Environmental Solutions

3,397 tonnes/day
Total Waste Management Actual Volume

Close to **5,200 tonnes/day**
Total Waste Management Handling Capacity

Our Competitive Advantages

A well-defined sustainability roadmap focused on **achieving a low-carbon and resource-efficient future**, underpinned by **strong ESG principles**, **human rights protection** and **robust governance frameworks**.

A well-balanced portfolio spanning thermal power generation, innovative renewable energy solutions, integrated waste management, environmental services and water desalination, **catering to critical infrastructure needs**.

Strategically positioned across Malaysia, Saudi Arabia, Bahrain and Oman, reinforcing Malakoff's status as **a regional leader in energy and environmental solutions** while unlocking opportunities for international growth.

A team of industry veterans with deep expertise in energy and environmental sectors, supported by strong strategic partnerships to drive innovation and operational efficiency.

A solid history of success in both greenfield and brownfield projects, demonstrating technical expertise, operational excellence and the ability to deliver large-scale infrastructure projects efficiently.

A high-yield dividend payout policy, with distributions not less than **70% of net profit**, ensuring consistent and attractive returns for shareholders.

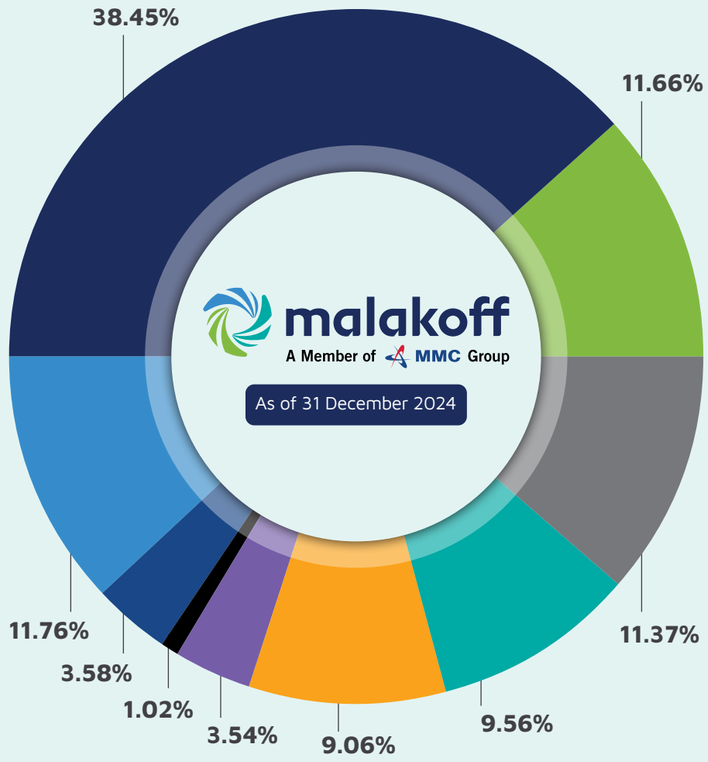
Aggressively scaling up in renewable energy, circular economy initiatives and sustainable environmental solutions, including waste-to-energy conversion and carbon-free mobility infrastructure.

A highly experienced and independent Board composition, ensuring transparent decision-making, accountability and adherence to global best practices in governance.

A strong balance sheet with stable returns and reliable cash flows, backed by long-term concessions, high-credit-quality counterparties and resilient financial management.

Backed by a credible network of institutional investors, including Permodalan Nasional Berhad, Employees Provident Fund and Kumpulan Wang Persaraan (Diperbadankan), ensuring financial resilience and investor confidence.

Our Shareholdings Structure



MMC Corporation Berhad
Malakoff's largest shareholder with a combined interest of 38.45% (directly and through its wholly-owned subsidiary Anglo Oriental (Annuities) Sdn. Bhd.)

Permodalan Nasional Berhad
One of the largest fund management companies in Malaysia

Employees Provident Fund
The world's 12th largest pension fund

Urusharta Jamaah Sdn. Bhd.
A special purpose vehicle wholly-owned by the Ministry of Finance

Kumpulan Wang Persaraan (Diperbadankan)
Malaysia's largest public services pension fund

Lembaga Tabung Haji
An Islamic institution dedicated to providing comprehensive and systematic facilities for the welfare of Malaysian pilgrims

Etiqa Insurance
A leading ASEAN Insurance and Takaful player under the Maybank Group, a leading banking conglomerate in ASEAN

Foreign Shareholders

Local Corporations & Retail Shareholders

Our Credit Ratings

1	LONG TERM MALAKOFF POWER BERHAD BY MARC	AA-$_{IS}$/STABLE
2	SHORT TERM MALAKOFF POWER BERHAD BY MARC	MARC-1$_{IS}$/STABLE
3	LONG TERM TANJUNG BIN O&M BERHAD BY MARC	AA-$_{IS}$/STABLE
4	LONG TERM TANJUNG BIN POWER SDN. BHD. BY RAM	AA2/STABLE
5	LONG TERM TANJUNG BIN ENERGY SDN. BHD. BY RAM	AA3/STABLE
6	LONG TERM ALAM FLORA SDN. BHD. BY MARC	AA$_{IS}$/STABLE
7	SHORT TERM ALAM FLORA SDN. BHD. BY MARC	MARC-1$_{IS}$/STABLE
8	LONG TERM RP HYDRO (KELANTAN) SDN. BHD. BY RAM	AA3/STABLE

Notes:
MARC – Malaysian Rating Corporation Berhad
RAM – Rating Agency Malaysia

Greening Our Core:

MALAKOFF'S SUSTAINABLE TRANSFORMATION JOURNEY

Our Approach to Sustainability

Sustainability is at the heart of Malakoff's strategy, embedded in our transformation journey under the Malakoff Strategic Transformation 2.0 plan. In 2022, we introduced the Sustainability Framework to integrate responsible business practices across our operations, ensuring long-term value creation while addressing global sustainability challenges.

Our three guiding principles below drive our sustainability agenda:

Easy Access
To reliable power, clean water and effective waste disposal

Greener Energy Sources
From fossil fuels to renewables

Cleaner Environment
Effective and efficient waste management as part of circular economy

Malakoff's Sustainability Approach Guiding Principles

Aligning with the United Nations Sustainable Development Goals (UN SDGs) in areas where we can create the most impact, we have identified 13 priority UN SDGs, to which our material matters, policies and programmes are aligned to. Our business operations are anchored in Environmental, Social and Governance (ESG) themes. These principles dictate how we operate and grow, enabling us to embed sustainability into every aspect of our business while driving long-term resilience.

Following our Malakoff 2.0 rebranding initiative, which reflects a shift towards greener operations as we transition from a conventional energy producer to a lower-carbon energy mix organisation, we are accelerating renewable energy (RE) ventures, expanding sustainable environmental solutions to support the circular economy and reducing the carbon footprint of power generation.

Recognising that different stakeholders prioritise material matters differently, we actively engage with diverse stakeholder groups to understand their expectations and needs. By aligning our strategy with these insights, we focus on delivering economic, environmental and social value while upholding strong governance standards. Through this approach, we aim to create a lasting, positive impact in Malaysia and globally, ensuring long-term success and sustainability.

Sustainability advocacy remains central to our approach as we embed ESG principles into our operations, ensuring continuous progress toward long-term value creation. We also recognise that advancing sustainability requires more than setting goals, as it demands continuous integration of sustainable practices into our business model. To drive meaningful progress, we actively participate in key sustainability platforms and ESG conferences, fostering collaboration among stakeholders to address pressing issues such as climate change and risks. These engagements are central to delivering our Net Zero Roadmap, strengthening frameworks and policies that support a multi-sector transition to a low-carbon future.

We work closely with industry partners, regulatory bodies and non-governmental organisations to encourage the broader adoption of sustainable development principles. Through these partnerships, we exchange best practices, refine tools and enhance industry-wide sustainability standards. As part of this commitment, we became a member of the UN Global Compact Network Malaysia & Brunei (UNGCMYB), a leading voluntary initiative that promotes responsible business practices in Malaysia and Brunei. Additionally, we are targeting to register and become a member of the Malaysian Carbon Market Association, a non-profit organisation that facilitates the development of Malaysia's carbon market, further reinforcing our role in advancing climate action.

We remain committed to fostering a safe, inclusive and productive workplace while engaging with communities to drive meaningful outcomes. These efforts are anchored in strong corporate governance, guided by the Malaysian Code on Corporate Governance and the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad.

As the country's first independent power producer to join the United Nations Global Compact, we continue to uphold its ten universally accepted principles across environment, human rights, labour standards and anti-corruption. By embedding these principles into our operations, we strengthen our governance frameworks and advance key programmes that align with Malaysia's transition to a clean energy future, driving tangible progress in our sustainability initiatives. This commitment has not only guided our ongoing efforts but has also earned us recognition for excellence in sustainability.

Malakoff's Focus: Global & National ESG Trends

Risks, Financial Impact and Opportunities for Malakoff

Global & Regional Net Zero Commitment

RISK
Necessity to Decarbonise
Acceleration towards transition driven by increasing awareness of sustainability issues and regulatory changes.

FINANCIAL IMPACT
Investor & Stakeholder Expectations
Investment in climate-related projects is increasing with a focus on mitigating physical climate risks and supporting the transition to a low-carbon economy.

OPPORTUNITY
Business Opportunities
Become leaders in RE and waste-to-energy (WTE) projects.

Carbon Tax

RISK
Financial Risks
Likelihood of incurring higher operating expenses and/or operational costs.

FINANCIAL IMPACT
Shift in Energy Mix
Requirement of incentives to offset carbon footprint, improve energy efficiency and intensify RE initiatives.

OPPORTUNITY
Revenue Opportunities
Generate carbon credits from RE and WTE projects to offset carbon tax.

Transition to RE & Circular Economy

RISK
Market Evolution
Failure to transition may lead to environmental, social and economic repercussions.

FINANCIAL IMPACT
Cost of Transition
Substantial initial investment and operational costs required to transition from traditional energy to RE.

OPPORTUNITY
Reputational Benefits
Demonstrating leadership in RE and circular economy efforts.

Increasing ESG Regulations

RISK
Mandatory Disclosure Requirements
Non-compliance may lead to regulatory penalties and reputational damage.

FINANCIAL IMPACT
Cost of Compliance
Robust data collection, transparent reporting and capacity building.

OPPORTUNITY
Competitive Edge
Positions the Group as a transparent and responsible organisation.

Our Approach to Sustainability

Sustainability Awards in 2024

UNGCMYB Forward Faster Sustainability Award 2024
- Anti-Corruption (for Large Company category)
- Pioneer Sustainable Development Action Recognition (Biomass Co-firing Project)

Company of the Year (Energy Generation) at the Sustainability and CSR Malaysia Awards 2024
- Community Care and Environmental Conservation

Green Achievement Enterprises Award at the Third Solar Energy Storage Future Malaysia 2024

Assigned "Gold" Impact Assessment by MARC Ratings (an external credit assessment institution) for our Sustainable Finance Framework

Our Sustainability Commitment

We remain steadfast in our commitment to sustainability by regularly evaluating our initiatives against frameworks such as the UN SDGs, to ensure alignment with stakeholders' expectations while addressing organisational risks.

To further shape our approach, for the financial year ended 31 December 2024 (FY2024), we conducted a double materiality assessment, aligned with the guidelines within the parameters of Bursa Malaysia's requirement and other ESG reporting frameworks, including the Global Reporting Initiative (GRI), UN SDGs, Sustainability Accounting Standards Board (SASB), Carbon Disclosure Project (CDP) and International Financial Reporting Standards (IFRS). This evaluation considered the significance of sustainability issues from two perspectives: financial materiality and impact materiality. Financial materiality focuses on how sustainability issues affect our financial performance and position while impact materiality looks at how significant Malakoff affects the environment and society in terms of our operations, processes and value chains, to name a few.

This assessment allowed us to identify and evaluate sustainability issues that are significant to both our financial performance and our broader environmental and societal impact. The material matters identified in 2024 are highly relevant to our stakeholders and, in turn, shape the development of our sustainability commitments and objectives.

For more information on our materiality assessment, refer to pages 54 to 65.

Our Approach to Sustainability

Our commitments are consistently aligned with the 20 identified material matters following the recent double materiality assessment and 13 of the 17 UN SDGs, as illustrated in the infographic below:

Our ESG Strategy

Environmental	Social	Governance
We are committed to act on climate change by reducing our carbon emissions and advancing the transition to a cleaner energy and circular economy future	We will enrich communities and cultivate an inclusive culture within an agile organisation offering equal opportunities for all our people to grow professionally within a safe and healthy work environment	We will enforce and observe the highest corporate compliance standards in all units and activities of the Group

Material Matters

Environmental	Social		Governance	
M4 Operational Excellence	M12 Waste Management and Effluents	M3 Occupational Safety and Health	M11 Human and Labour Rights	M1 Good Governance and Corporate Integrity	M14 Grid Stability
M5 Physical and Transition Climate Risks	M13 Coal Ash Management	M9 Stakeholder Management and Engagement	M16 Supply Chain Management	M2 Regulatory Compliance	M18 Technology and Innovation
M6 Renewable Energy Transition	M15 Asset Life Cycle and Integrity	M10 Talent Management and Development	M19 Community Impact		
M7 Energy Mix and Efficiency	M17 Water Management				
M8 GHG Emissions	M20 Biodiversity				

Related SDGs

Malakoff's Sustainability Targets

Carbon Emissions
- Achieve Net Zero Emissions by 2050, in line with the 1.5°C scenario analysis based on Science Based Target initiative Sectoral Decarbonisation Approach
- Reduce our greenhouse gas (GHG) emissions intensity by 30% by 2031 from a 2019 baseline
- No new coal investments

Renewable Energy
- Achieve an RE capacity of 1,400 MW by 2031
- Increase profit contribution from RE & Environmental Solutions to at least 50% in the next ten years

Waste Management
- Collect, handle and manage waste volume of 10,000 tonnes per day by 2031
- Achieve 15% - 20% recycling rate by 2025, from waste collected by Alam Flora Sdn. Bhd. (Alam Flora)
- Towards achieving a Zero Waste Circular Economy goal

Our Approach to Sustainability

The identification and assessment of the material matters are important as they will be significant in our initiatives to slowly transition to the IFRS S1 and S2 disclosure requirements for the 2025 financial year end reporting. Our operations and approach will revolve around these material matters moving forward.

While our Sustainability Targets have remained consistent since 2023, we have revised one of our RE targets to better align with the positive growth in our RE and environmental solutions businesses, following a decision by our Management Sustainability Committee (MSC) in December 2024. We are now targeting to increase profit contribution as opposed to revenue contribution from RE & Environmental Solutions to at least 50% in the next ten years for better visibility on earnings monitoring.

Sustainability Framework

The introduction of Malakoff's Sustainability Framework as part of the Malakoff Strategic Transformation 2.0 plan emphasises our commitment to sustainability. It serves as a key element in our pursuit of long-term environmental and social impact.

Environmental	Social	Governance
Transitioning to a Cleaner Energy and Circular Economy Future	**Empowering Our People and Supporting Our Communities**	**Embedding Sustainable, Innovative Business Practices and Acting with Integrity**
Climate Change Reducing our GHG emissions and moving towards a low-carbon system by transitioning to RE and Environmental Solutions	**Diversity** Fostering a culture of diversity & inclusion	**Corporate Governance** Maintaining an effective governance and decision-making structure
Circular Economy Reducing overconsumption, designing out waste, regenerating the ecosystem and promoting reuse of new raw materials	**Health, Safety, Security & Environment (HSSE)** Creating a safe working environment and prioritising the well-being of the workforce	**Risk Management** Identifying material risks and ensuring effective mitigation as well as strong internal controls
Water Security Improving the efficiency of water usage and long-term supply of water in water-stressed regions	**Corporate Social Responsibility (CSR)** Ensuring the CSR pillar works hand-in-hand with various stakeholders	**Compliance & Integrity** Acting with integrity and ensuring regulatory compliance

Our Approach to Sustainability

Our ESG Roadmap

Malakoff's Sustainability Framework is supported by a thoughtfully developed roadmap that reflects our ongoing journey towards becoming a sustainability conscious organisation. This roadmap outlines our milestones, guiding us progressively toward the achievement of our sustainability goals. It also serves as a catalyst for advancing the transition to a low-carbon and circular economy organisation in the country.

A Sustainability Conscious Organisation

2022 – 2023

Laying the Foundation

- Established clear sustainability governance across the Group
- Inculcated the sustainability DNA in all Malakoff employees
- Identified key sustainability performance indicators
- Grew the RE team to capture market share
- Commenced research on new green technologies
- Embarked on enhanced sustainability disclosures
- Performed assessment and qualitative evaluation of material issues, risks and opportunities

2024 – 2026

Accelerate Transition

Climate Action

- Continuation of initiatives and efforts to reduce emission intensity

ESG Integration

- Roll out Go-To-Market strategies for RE, low-carbon materials and net-zero solutions
- Expand electric vehicle charging infrastructure and integrate sustainable transport options within projects
- Enhance waste management through expanded recycling programmes and circular economy initiatives
- Advance diversity, equity, and inclusion (DEI) policies alongside targeted community engagement programmes

Sustainability Reporting

- Disclose Scope 3 emissions data
- Adopt IFRS S1 and S2 for 2025 year end reporting
- Ensure data integrity through internal audits
- Conduct double materiality assessment
- Monitor ESG performance to evaluate ESG ratings

2027 onwards

Sustainable Growth

Climate Action

- 30% GHG intensity reduction by 2031 from 2019 baseline
- Net Zero emission by 2050

ESG Integration

- Scale up RE investments, carbon capture solutions and sustainable construction materials
- Invest in next-generation green technologies such as hydrogen energy and advanced storage solutions
- Implement waste management and tree planting programmes
- Invest in sustainable energy solutions, such as converting biomass and plastic into fuel
- Adopt and expand RE sources
- Explore opportunities in Renewable Energy Certificates (RECs) and carbon credit markets

Sustainability Reporting

- Improve Scope 3 emissions data disclosures
- Improve disclosures based on IFRS S1 and S2
- Enhance data integrity via external auditor engagement
- Maintain continuous improvements in disclosures and reporting, including disclosures on capital expenditure for ESG
- Strengthen partnerships with sustainability rating agencies and institutions for improved ESG rankings

Our Approach to Sustainability

In addition, we have structured our roadmap in accordance with the ESG pillars:

Environmental

GHG Reduction

- Reduce GHG emissions produced by business activity through the value chain

Efficiency Improvement – Technical heat rate margin and improvement of maintenance programme, inclusive of planned and unplanned outages

GHG Compensation

- Extract carbon from atmosphere through natural GHG removal and technologies to compensate for business emissions

Tree Planting Programme (one tree absorbs approximately 21kg of CO_2 a year on average)

Options to Retrofit with Carbon capture technology

Fuel Switching to Ammonia/ Hydrogen

Fly Ash (Green Option for Offtakers)

Social

Workforce Equalisation

- Analysis of existing compensation structures and packages
- Clear policies of inclusion and equality

Launch of Social and Human Rights Charter

Retention and Progression

- Focused talent management efforts to retain and reward employees without discrimination or bias

Culture Transformation Programme

Recruitment

- Increase gender-equal pipeline through strategic recruitment campaigns

Increased Employee Engagement

Enhanced Human Rights and Labour Standards

Governance

Risk Assessment

- Further review specific Company risks and review current practices mitigation of bribery risks

Sensitisation

- Run training courses and implement programmes to increase awareness among employees on the Group's governance policies

Enforcement & Compliance

- Reporting of incidents and auditing of reports with documented remediation and disciplinary procedures

Our Approach to Sustainability

Sustainability Scorecard

2024 SCORECARD

Our Sustainability Scorecard helps us to track our performance against our goals and targets. The introduction of the Sustainability Framework in 2022, under the Malakoff Strategic Transformation 2.0 plan and guided by ESG pillars and the UN SDG framework, has been instrumental in driving our transition to a cleaner and lower-carbon energy mix.

ENVIRONMENTAL

Description	Targets	2023 Achievements	2024 Achievements	% Difference
CLIMATE CHANGE Reducing our GHG emissions and moving towards a low-carbon system by transitioning to RE and expanding Environmental Solutions	Reduce GHG emissions intensity by 30% by 2031 (0.54 tCO_2e/MWh) from a 2019 baseline (0.76 tCO_2e/MWh)	2023 Emissions Intensity: **0.81** **tCO_2e/MWh**	2024 Emissions Intensity: **0.78** **tCO_2e/MWh**	↓ **3.7%**
	Achieve RE capacity of 1,400 MW by 2031	RE capacity: **153 MW**	RE capacity: **173 MW**	↑ **13.1%**
	Increase profit contribution from RE & Environmental Solutions to at least 50% in the next 10 years	Not available	Profit contribution from RE and Environmental Solutions for FY2024: 33% of the Group's profit after tax and minority interest	-
	Review and initiate disclosures of Scope 3 emissions where relevant and applicable	Not available	Disclosed emissions from Business Travel and Employee Commuting	-
CIRCULAR ECONOMY Reducing overconsumption, designing out waste, regenerating the ecosystem and promoting reuse of new raw materials	Collect, handle and manage waste volume of 10,000 tonnes/day by 2031	Collected **4,386 tonnes** per day	Collected **3,397 tonnes** per day, with a potential capacity of close to 5,200 tonnes per day	2023 actual vs 2024 actual: ↓ **22.5%** 2023 actual vs 2024 capacity: ↑ **18.6%**
	Achieve 15% - 20% recycling rate by 2025, from waste collected by Alam Flora	Recycling rate: **18.9%**	Recycling rate: **21.1%**	↑ **2.2%**

Our Approach to Sustainability

SOCIAL

Description	2023 Achievements	2024 Achievements	% Difference
DIVERSITY Fostering a culture of diversity & inclusion	**10% Female** Members on the Board	**22% Female** Members on the Board	↑ 12%
	0 Cases of discrimination reported	**0 Cases** of discrimination reported	-
HEALTH, SAFETY, SECURITY & ENVIRONMENT (HSSE) Creating a safe working environment and prioritising the well-being of the workforce	Lost Time Injury Rate: **0.73**	Lost Time Injury Rate: **0.42** • **Zero** Lost Time Injuries or Lost Time Accidents across Shuaibah Phase 3 Independent Water and Power Plant (IWPP), Shuaibah Phase 3 Expansion, Al-Hidd IWPP and Al-Ghubrah Independent Water Plant, all in MENA** • 2 million Safe Man-Hours achieved at Prai Power Plant in Penang • 1 million Safe Man-Hours achieved at Malakoff Utilities Sdn. Bhd.	↓ 42.5%
COMMUNITY INVESTMENT & DEVELOPMENT Directing resources and capital to underserved areas to foster economic growth, improve living conditions and promote social and environmental initiatives	CSR Contribution to Educational Institutions and Community-Enrichment Initiatives: **RM309,537**	CSR Contribution to Educational Institutions and Community-Enrichment Initiatives: **RM407,413**	↑ 31.6%
	Number of Individuals Impacted: **5,898**	Number of Individuals Impacted: **6,740**	↑ 14.3%
	Number of Engagements: **84**	Number of Engagements: **56**	↓ 33.3%*

* *Higher amount in CSR contributions for Educational Institutions and Community-Enrichment Initiatives and number of individuals impacted despite the reduction in the total number of engagements.*
** *MENA - Middle East and North Africa.*

Our Approach to Sustainability

GOVERNANCE

Description	2023 Achievements	2024 Achievements	% Difference
COMPLIANCE & INTEGRITY Acting with integrity and ensuring regulatory compliance	**85% Employees*** Received Anti-Corruption Training	**79% Employees**** Received Anti-Corruption Training	↓ 6%
	100% of operations assessed for corruptions-related risks	100% of operations assessed for corruptions-related risks	-

* *798 employees received the training against the total of 941 employees in 2023.*
** *722 employees received the training against the total of 910 employees in 2024.*

Sustainability Governance

The Board of Directors at Malakoff holds the ultimate responsibility for overseeing corporate governance and the creation of value for shareholders. This oversight is supported by the Sustainability, Research and Investor Relations (SRIR) Department, which regularly reports to both the Management team and Board on the Group's sustainability and investor relations initiatives.

The MSC is tasked with steering the development of the Group's strategic direction, chaired by the Managing Director & Group Chief Executive Officer. Established based on our 2022 Terms of Reference, the committee is also responsible for ensuring that the Group's strategy is in line with Malakoff's corporate vision, goals and values. In addition, the MSC plays a critical role in fostering a strong sustainability culture within the organisation.

The SRIR is at the forefront of executing sustainability strategies and projects. Serving as the core driver for sustainability efforts, the department oversees day-to-day operations and is committed to integrating sustainability principles into tangible initiatives. The department also ensures the Group's actions are in line with ESG objectives, contributing to long-term sustainable success.

To further embed sustainability across Malakoff, we launched roadshows to engage our people; from senior management, Heads of Departments to key operational personnel. These sessions are designed to share our sustainability journey, highlighting the crucial role each person plays in advancing our corporate objectives. These are ongoing initiatives. We will continue to engage with all levels of internal stakeholders to entrench the importance of sustainability within the organisation.

In 2024, the Board actively engaged in various ESG-focused training programmes, seminars and workshops, strengthening their grasp of sustainability issues and climate-related risks. These requirements are included in the Annual Board Assessment, facilitated by the Company Secretary. It is a critical tool to evaluate the performance of Board members. While the integration of sustainability-related indicators into the Board's Key Performance Indicators (KPIs) is still under consideration, we are actively exploring ways to embed these elements.

For further details on the roles of the MSC as well as sustainability responsibilities and governance structure, please refer to the Corporate Governance Overview Statement on pages 228 to 249.

Group Structure

AS AT 17 FEBRUARY 2025

Thermal Power Generation

- 100% Prai Power Sdn. Bhd.
- 93.75% Segari Energy Ventures Sdn. Bhd.
- 90% Tanjung Bin Power Sdn. Bhd.
- 75% GB3 Sdn. Bhd.
- 40% Kapar Energy Ventures Sdn. Bhd.
- 100% Hypergantic Sdn. Bhd.
  - 100% Port Dickson Power Berhad
- 100% Tanjung Bin Energy Sdn. Bhd.
  - 100% Tanjung Bin Energy Issuer Berhad
- 65% PDP Gen Two Sdn. Bhd.
- 100% Yan Energy Ventures Sdn. Bhd.

Renewable Energy

- 100% Tuah Utama Sdn. Bhd.
  - 100% Malakoff Radiance Sdn. Bhd.
  - 100% Green Biogas Sdn. Bhd.
  - 100% Sungai Udang WTE Sdn. Bhd. *(Formerly known as Southern Biogas Sdn. Bhd.)*
  - 70% RP Hydro (Kelantan) Sdn. Bhd.
  - 49% E-Idaman Sdn. Bhd. (E-Idaman)[IX]
- 100% ZEC Solar Sdn. Bhd. (ZEC Solar)[VII]
- 100% Malakoff Solar Sdn. Bhd.

Environmental Solutions

- 100% Tunas Pancar Sdn. Bhd.
  - 100% Genesis Facility Solutions Sdn. Bhd.
  - 97.37% Alam Flora Sdn. Bhd.
    - 97.37% Alam Flora Environmental Solutions Sdn. Bhd.

Operations and Maintenance

- 100% Malakoff Power Berhad
  - 100% Tanjung Bin O&M Berhad
  - 100% PDP O&M Sdn. Bhd.[I]
- 100% Malakoff Technical Solutions Sdn. Bhd.
  - 100% Natural Analysis Sdn. Bhd.[I]
  - 100% TJSB Services Sdn. Bhd.
  - 100% TJSB Global Sdn. Bhd.
    - 49% Hyflux-TJSB Algeria SPA
  - 95% PT. Teknik Janakuasa
  - 70% Rising O&M Engineering Services Sdn. Bhd.
  - 51% Malakoff Gas Malaysia Cogen O&M Sdn. Bhd.
  - 51% / 49% TJZ Suria Sdn. Bhd. (TJZ Suria)[VIII]
- 100% TJSB International Limited
  - 100% TJSB Middle East Limited
  - 50% Muscat City Desalination Operation and Maintenance Company LLC
  - 100% TJSB International (Shoaiba) Limited
    - 20% Saudi-Malaysia Operation & Maintenance Services Company Limited
  - 20% Al-Imtiaz Operation & Maintenance Company Limited
  - 20%

Electricity Distribution and District Cooling System

- 100% Malakoff Utilities Sdn. Bhd.

Project Management Services

- 100% Malakoff Engineering Sdn. Bhd.
  - 100% MESB Project Management Sdn. Bhd.[I]

Others

- 100% Malakoff R&D Sdn. Bhd.
- 54% Desa Kilat Sdn. Bhd.

International

- 100% Radiant Summit Global Limited
- 100% Spring Assets Limited[I]
- 100% Malakoff Capital (L) Ltd[I]
- 100% Malakoff International Limited (MIL)
  - 100% Malakoff Gulf Limited (MGL)
    - 100% Desaru Investments (Cayman Isl.) Limited (DIL)
      - 40% / 40% Malaysian Shoaiba Consortium Sdn. Bhd. (MSCSB)
        - 40% Saudi-Malaysia Water & Electricity Company Limited (SAMAWEC)[II]
          - 24% Shuaibah Water & Electricity Company Limited (SWEC)[II]
          - 24% Shuaibah Expansion Holding Company Limited (SEHCO)[III]
            - 23.4% / 0.4% Shuaibah Expansion Project Company Limited (SEPCO)[III]
  - 100% Malakoff Hidd Holding Company Limited (MHHCL)
    - 57.14% Malakoff Summit Hidd Holding Company Limited (MSHHCL)
      - 40% Hidd Power Company B.S.C (c) (HPC)[V]
  - 100% Malakoff AlDJazair Desal Sdn. Bhd. (MADSB)
    - 70% Tlemcen Desalination Investment Company SAS (TDIC)
      - 35.7% Almiyah Attilemcania SPA (AAS)[IV]
  - 100% Pacific Goldtree Sdn. Bhd.
  - 100% Skyfirst Power Sdn. Bhd.
  - 100% Malakoff Oman Desalination Company Limited
    - 32.5% Muscat City Desalination Company S.A.O.G (MCDC)[VI]
  - 100% Malakoff Technical (Dhofar) Limited (MTDL)
    - 43.48% Oman Technical Partners Limited (OTPL)

The percentage of shareholdings in the diagram represents effective equity interest of Malakoff in the respective companies.

I. Dormant.

II. Malakoff's effective equity interest of 40% and 24% in SAMAWEC and SWEC respectively is held via MGL and DIL, which respectively hold 40% equity interest in MSCSB, which in turn holds 50% equity interest in SAMAWEC. SAMAWEC holds 60% equity interest in SWEC.

III. Malakoff's effective equity interest of 23.8% in SEPCO is held via MGL and DIL, which respectively hold 40% equity interest in MSCSB, which in turn holds 50% equity interest in SAMAWEC. SAMAWEC holds 60% equity interest in SEHCO, which in turn holds 97.5% equity interest in SEPCO. SAMAWEC also holds a direct shareholding of 1% in SEPCO.

IV. Malakoff's effective equity interest of 35.7% in AAS is held via MADSB, which holds 70% equity interest in TDIC, which in turn holds 51% equity interest in AAS.

V. Malakoff's effective interest of 40% in HPC is held via MHHCL, which holds 57.14% equity interest in MSHHCL, which in turn holds 70% equity interest in HPC.

VI. MCDC is a company listed on the Muscat Stock Exchange since 2 January 2018.

VII. Malakoff acquired additional effective equity interest of 51% in ZEC Solar on 31 January 2025.

VIII. Malakoff acquired additional effective equity interest of 49% in TJZ Suria on 31 January 2025.

IX. Malakoff acquired effective equity interest of 49% in E-Idaman on 28 February 2025.

Chairman's Message

Dear Shareholders,

I am pleased to report on Malakoff's recovery in 2024, following a challenging 2023 on account of the fluctuating coal prices and a substantial share of loss from our 40% foreign associate in Bahrain, including an impairment loss on the Group's carrying value of investment of the same project in Bahrain. The Group regained momentum and returned to profitability for the financial year ended 31 December 2024 (FY2024), demonstrating our resilience and determination to create value for our shareholders.

The global economy navigated a complex and evolving landscape, shaped by geopolitical tensions and disruptions in international trade. Despite these challenges, Malaysia's economy demonstrated resilience, expanding by 5.1% (2023:3.6%), supported by robust domestic demand and a rebound in exports. Growth was supported by stronger household spending, reflecting favourable labour market conditions, policy measures and stable household balance sheets. Investment growth was strengthened by strong investment approvals and the progress of multi-year projects, including catalytic initiatives under national master plans such as the New Industrial Master Plan, National Energy Transition Roadmap (NETR) and National Semiconductor Strategy. However, external headwinds and volatile commodity prices posed challenges.

Amid these conditions, Malakoff delivered a robust performance, recording revenue of RM8,969.6 million, a marginal 1% decline from the previous year, primarily due to lower energy payment contributions from Tanjung Bin Power Sdn. Bhd. following a decline in the coal price. Our Profit After Tax and Minority Interests surged over 100% to RM268.7 million, marking a sharp turnaround from the previous year's Loss After Tax and Minority Interests of RM837.2 million. This strong recovery was driven by improved contributions from our plants, stabilising global coal prices and the absence of share of loss from a foreign associate, Al-Hidd Independent Water and Power Plant in Bahrain and lower impairment loss on the Group's carrying value of its investment in Al-Hidd.

In line with our commitment to enhancing shareholder value, the Board approved an interim dividend of 2.23 sen per ordinary share, amounting to RM108.9 million for FY2024. This was paid in October 2024. Additionally, a final dividend of 2.17 sen per ordinary share, totalling RM106.0 million, was approved for FY2024. This is expected to be paid in May 2025.

Driving Malaysia's Clean Energy Transition

Malaysia's transition to clean energy continues to gain momentum, fuelled by rising demand for sustainable solutions, evolving regulations and changing market dynamics. Through Malakoff Strategic Transformation 2.0, we have reinforced our position in renewable energy (RE) and environmental solutions while ensuring a resilient energy portfolio. Our expanded investments in these areas have not only accelerated our climate objectives but also positioned us at the forefront of the region's energy transition.

The announcement allowing Independent Power Producers (IPPs) to sell electricity directly to consumers under the 'wheeling charges' model by Tenaga Nasional Berhad (TNB) has introduced new market dynamics, unlocking new opportunities for greater competition and diversification. In response, we capitalised on these developments by improving asset efficiency and expanding our energy solutions which strengthened our presence in Malaysia's evolving energy sector.

Rooftop Solar Project at Northport (M) Berhad

On the operational front, we grew our RE capacity to 173 MW through acquisitions and project expansions, including the purchase of ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd. and the construction of the 83 MW small hydropower project in Kelantan. Meanwhile, Alam Flora Sdn. Bhd. (Alam Flora) increased its recyclable material collection by 15% in 2024 as compared to 2023, while securing new contracts to strengthen sustainable waste solutions and circular economy.

To further strengthen energy security, we secured a one-year extension for the 350 MW Prai Power Plant through a new Power Purchase Agreement (PPA) with TNB, with an option to extend. The biomass co-firing initiative at Tanjung Bin Power Plant, a key milestone under the NETR, successfully completed installation, testing and commissioning. Launched by the Deputy Prime Minister and Minister of Energy Transition and Water Transformation, Datuk Sri Fadillah Yusof, the project aims to achieve a 15% co-firing ratio by 2027. That said, realising this ambition will require close collaboration between the public and private sectors, with policymakers, industry players and stakeholders playing a critical role in driving its success. This aligns with our commitment to reducing GHG emissions intensity by 30% by 2031 and achieving Net Zero by 2050.

Strategic partnerships played a significant role in strengthening our technical expertise and expanding our capabilities in advanced power generation and environmental solutions. Our collaborations with Korea South-East Power Company and China Northeast Electric Power Engineering & Services Co. Ltd. have optimised operational efficiencies while facilitating the deployment of technical personnel to international projects. In environmental solutions, our partnerships with City Oil Field Inc. and Blue Planet Environmental Solutions have explored advanced waste treatment technologies and landfill rehabilitation, driving innovation and sustainable resource management.

Chairman's Message

Strengthening Sustainability

Sustainability continues to be central to Malakoff Strategic Transformation 2.0, shaping our long-term growth, resilience and market leadership. We have embedded Environmental, Social and Governance (ESG) principles into every aspect of our business to accelerate the transition to clean energy, enhance circular economy practices and drive responsible business practices.

"Reaffirming this commitment to sustainability, we became Malaysia's first IPP to join the United Nations Global Compact (UNGC), aligning our strategies with global sustainability standards.

A key pillar of this transformation is decarbonisation as we work towards reducing GHG emissions intensity and achieving Net Zero by 2050. To support this goal, we have implemented a range of green solutions including commercial and industrial (C&I) solar, large-scale solar, small hydropower developments, biomass projects as well as the expansion of carbon-free mobility infrastructure and battery energy storage systems. At the same time, we continue to explore new ventures that advance our Net Zero journey, reaffirming our long-term climate commitments.

In line with our broader sustainability agenda, we have advanced our waste management solutions, strengthening Malakoff's role in the circular economy. For Alam Flora, we continue to scale operations towards handling 10,000 tonnes of waste daily by 2031, enhancing resource recovery efforts and driving sustainable waste solutions.

Given our focus on expanding our business pillars, we established 45 dedicated Health, Safety, Security & Environment Implementation Units to strengthen systems oversight, compliance, communication and operational security.

Nevertheless, we did not forget our commitment to our communities. In 2024, we invested RM407,413 in targeted community initiatives, benefitting 5,993 individuals through outreach programmes and sustainable development projects, reaffirming our commitment to social responsibility.

Our efforts in driving RE expansion and impactful sustainability initiatives did not go unnoticed. At Enlit Asia 2024, we were awarded the 'Independent Power Producer of the Year' for the second consecutive year, this time for our pioneering the Biomass Co-firing project. We were also recognised for the same project at the UNGC Network Malaysia & Brunei Forward Faster Sustainability Awards 2024.

Further reflecting our commitment to responsible business practices, we were named 'Company of the Year' at the Sustainability & CSR Malaysia Awards 2024. In the waste management sector, we received the Waste Management Association of Malaysia 'Excellent Waste Management Recognition and Waste Reduction and Circularity Award', acknowledging our efforts in advancing circular economy practices.

Notably, Alam Flora was awarded the 2024 Special Achievement in GIS Award in San Diego, California, recognising its M Flora Telematics Systems project, a breakthrough in waste collection efficiency that improved operational effectiveness by 96% while optimising routes to reduce fuel consumption and emissions.

Achieving Net Zero requires collaboration across industries to develop the most effective solutions. Throughout the year, we leveraged new learnings and strategic insights to refine decision-making, driving our efforts towards a resource-efficient future.

Improving Governance

At Malakoff, corporate governance is integral to driving business performance while upholding sustainability commitments. The evolving macroeconomic landscape and increasing global market interdependencies have reinforced the necessity of strong ethics, transparency and accountability in executing strategies. We focused on ensuring robust governance frameworks were in place to maintain operational resilience, sustain value creation and deliver consistent shareholder returns.

Throughout the year, we continued to enhance governance standards, aligning practices with international benchmarks to strengthen integrity and long-term business sustainability. The Board remained actively engaged in strategic planning, contributing to the Group's five-year business plan (2025 to 2029) and setting the corporate Key Performance Indicators for 2025. To enhance governance oversight, the Board Audit Committee now reviews Conflicts of Interest (COI) cases involving Directors and key senior management. A COI policy has also been adopted to ensure effective management of such matters.

As part of ongoing improvements, we heightened oversight of emerging risks, particularly ESG and cybersecurity threats, in response to concerns outlined in the Global Risks Report 2024. The MSC, Board Risk and Investment Committee and the Board provided structured oversight to ensure proactive risk mitigation strategies were implemented. To further strengthen transparency and risk management, we introduced the Corruption Risk Register Online Database via the TRICOR System which serves as a centralised platform to streamline corruption risk assessments, risk identification and mitigation.

We are proud to report that our sustainability efforts have yielded positive results. While Malakoff was not included in the FTSE4Good Bursa Malaysia Index due to ineligibility under the FTSE Bursa Malaysia EMAS Index (FBM EMAS Index) criteria, we are pleased to announce that on 5 December 2024, Malakoff was included in the FTSE Bursa Malaysia Mid 70 Index. This index forms part of the FBM EMAS Index. If we continue to meet the eligibility criteria through the next review in June 2025, we may qualify for inclusion in the FTSE4Good Bursa Malaysia Index.

Regardless, Bursa Malaysia, in collaboration with FTSE Russell has been collecting data based on publicly disclosed information. We are pleased to share that our FTSE4Good rating has improved from 2.8 in December 2023 to 3.3 (out of 5) as of December 2024, placing Malakoff in Bursa Malaysia's ESG Grading Band of 3 stars (out of 4). Our governance pillar received a strong score of 4.6 (out of 5), with corporate governance and anti-corruption achieving a perfect score of 5.0. This reflects our deep-seated commitment to strong governance, transparency and ethical business practices.

Further reaffirming our commitment to governance excellence, we received the UNGC Forward Faster Sustainability Awards in the Anti-Corruption (Large Companies) category. In sustainable finance, we achieved a "Gold" Impact Assessment from MARC Ratings for our Sustainable Finance Framework, reinforcing our leadership in integrating sustainability into financial strategies. These accolades reflect our continued focus on infusing corporate governance into every aspect of our operations, ensuring accountability and long-term value creation.

Outlook

Malaysia's economy is set to expand in 2025, driven by robust investment activity, resilient household spending and steady export performance. Multi-year projects across the private and public sectors, including the realisation of approved investments, will further accelerate growth, supported by government measures such as the upward revision of minimum wage and civil servant salaries. Easing global costs and stable demand are anticipated to moderate inflationary pressures. At the same time, policy measures are expected to shape economic conditions, with inflation anticipated to remain manageable, ensuring a stable environment for sustained expansion amid global uncertainties.

Against this backdrop, we will continue to focus on executing secured projects, extending the PPA for key assets and expanding our Environmental Solutions business, particularly in non-concession opportunities. We anticipate positive developments across the business driven by higher plant availability, improved reliability and optimised O&M costs at Tanjung Bin Power Sdn. Bhd. and Tanjung Bin Energy Sdn. Bhd.

Concurrently, the waste management business continues to expand through tariff revisions, new concession agreements and emerging non-concession opportunities, reinforcing our growing role within the Group. As we move forward, the continued expansion of the IPP business and environmental solutions will provide a strong foundation for long-term sustainability and value creation.

"As Malakoff approaches its 50th anniversary in 2025, our rebranding journey over the past year marks a bold step towards sustainability, innovation and a future-ready business.

This evolution reflects a strategic dedication to adapting to the needs of stakeholders, reaffirming that Malakoff is more than Malaysia's largest IPP. It signifies our commitment to a greener future, where clean energy expansion and energy security come together to drive long-term value for the nation.

Acknowledgements

Our progress would not have been possible without the support of our stakeholders.

We deeply appreciate the support of the Malaysian government in fostering a conducive ecosystem for the industry as well as the governments and regulators in the countries where we operate, who continue to strengthen the regulatory frameworks for the energy and environmental sectors.

We are grateful to our business partners, vendors, investors and shareholders who have been integral to our journey. Your continued confidence and partnership drive our ambition to create long-term value.

A heartfelt thank you to our dedicated employees. Our achievements throughout the year are due to your support, dedication and loyalty in realising our Malakoff Strategic Transformation 2.0.

I would like to take this opportunity to express my sincere appreciation to Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali for his leadership, guidance and invaluable contributions during his tenure as Chairman over the last three years. His insights and dedication have played a pivotal role in shaping Malakoff's strategic direction and we are grateful for his commitment to the Group's success.

My gratitude also extends to my fellow Board members for their support, trust and shared vision. A special thanks to Managing Director & Group Chief Executive Officer, Anwar Syahrin Abdul Ajib and the Management Team for their dedication, perseverance and leadership in driving us towards our corporate and sustainability goals.

The past year has been one of resilience and transformation, demonstrating our ability to navigate a shifting landscape while pursuing our long-term ambitions. As we move forward, we recognise that the journey is far from over. Achieving our goals will require focus, adaptability and a united front, and we are committed to pushing ahead with purpose and determination.

Tan Sri Che Khalib Mohamad Noh
Chairman

Chairman's Message

Managing Director & Group Chief Executive Officer's Statement

Dear Shareholders,

2024 was a year of progress and momentum as we strengthened Malakoff's resilience, expanded our renewable energy (RE) footprint and moved forward with sustainable solutions.

With a clear focus on innovation and operational excellence, we navigated industry shifts, reinforced energy security and delivered long-term value. As we move ahead, we remain committed to driving Malaysia's green transition and contributing to a resilient energy future.

Anwar Syahrin Abdul Ajib
Managing Director & Group
Chief Executive Officer
(MD & GCEO)

Q How has the global macroeconomic environment and the rapidly evolving energy landscape shaped Malakoff's strategic direction and growth trajectory in 2024?

The year 2024 unfolded against a backdrop of economic uncertainties, escalating climate challenges and heightened geopolitical risks. Ongoing conflicts in Russia-Ukraine and the Middle East intensified volatility in the energy market, demonstrating the fragility of global energy security. Meanwhile, rising electricity demand driven by economic expansion, extreme weather events and the proliferation of energy-intensive industries such as data centres continued to reshape market dynamics.

Domestically, Malaysia's energy sector faced mounting pressure due to regulatory shifts, heightened competition from major utility companies and international traders and surging demand for reliable power. The introduction of the National Policy on Climate Change 2.0 in September 2024, alongside market liberalisation that allows IPPs to sell electricity directly to consumers have reshaped industry dynamics.

At the same time, the rapid expansion of energy-intensive industries has placed unprecedented strain on the national grid, emphasising the need for strategic energy planning and infrastructure resilience. According to the International Renewable Energy Agency, Malaysia's total energy consumption is projected to rise by 2.0% annually on average, nearly doubling by 2050. This projection suggests a significant increase in electricity demand over the coming decades.

Globally, the coal market demonstrated greater price stability, with benchmark indices maintaining a narrower trading range, signalling a more balanced market. This steadier pricing environment has led to more predictable procurement costs, alleviating the volatility seen in prior years. Additionally, elevated offtake volumes contributed to a favourable financial impact, enhancing margin stability and strengthening revenue visibility.

In navigating this evolving landscape, Malakoff reinforced operational resilience while harnessing new opportunities for strategic growth. By leveraging technical expertise and optimising our core assets, we continued to meet the nation's growing energy needs while accelerating our RE portfolio expansion. We delivered solid operational performance, exporting 35,040 GWh of electricity to the National Grid, an increase from 6,825 GWh in 2023, driven by improved grid stability and enhanced plant efficiencies.

We have also expanded our renewables footprint, scaling up investments in solar, small hydro and waste-to-energy (WTE) projects to solidify our position in the clean energy sector. In 2024, we managed 1.24 million tonnes of waste through optimised operations and strategic waste management initiatives. This includes adjustments following the expiry of the transfer station and incinerator in Cameron Highlands. Concurrently, through our strategic collaboration with Alam Flora Environmental Solutions (AFES), we are expanding our involvement in the WTE sector, reinforcing our commitment to sustainable energy solutions and advancing circular economy initiatives. Meanwhile, Malakoff's water desalination projects in the Middle East remained fully operational, consistently meeting regional demands and reaffirming Malakoff's expertise in delivering large-scale infrastructure solutions.

Looking ahead, we continue to broaden our RE and environmental solutions portfolio through strategic partnerships and circular economy initiatives. As a trusted partner in Malaysia's green transition, we are focused on strengthening capabilities, enhancing efficiencies and delivering long-term value in an evolving energy landscape.

Q How is Malakoff leveraging the momentum of its Malakoff Strategic Transformation 2.0 to capitalise on the opportunities presented by its 50th Anniversary in 2025, including the recent brand revitalisation?

The energy sector is undergoing a profound transformation, driven by the dual challenge of securing reliable power while accelerating decarbonisation. As Malaysia's largest IPP, contributing 25% of Peninsular Malaysia's generation capacity as at the end of 2024, we recognise our responsibility to deliver energy solutions that balance sustainability, resilience and long-term economic growth.

In 2021, we embarked on a transformative journey, making a concerted effort to position Malakoff as a fully integrated, sustainability-driven powerhouse in the energy sector. The Malakoff Strategic Transformation 2.0 plan was introduced in response to the gradual phase-out of coal-fired power plants and the accelerating shift to renewables. To strengthen our direction, we rebranded the organisation under the three core business pillars — Malakoff Green Solutions, Malakoff Environmental Solutions and Malakoff Energy — reinforcing our commitment to harnessing renewables, advancing circular economy advancement and driving energy security. This approach ensures that we adapt to industry shifts and actively lead Malaysia's energy transition.

Building on our rebranding initiatives in 2023, we commemorated our progress over the year with an event that introduced Alam Flora's and AFES' new uniforms while infusing new momentum into our long-term vision for sustainable growth and energy security. This transition reaffirmed Malakoff's commitment to a greener future while nurturing our integration with Alam Flora, creating a unified force in energy and environmental solutions. By aligning our strategy, we ensure that all our stakeholders view Malakoff and Alam Flora as a single, cohesive entity that drives innovation, operational excellence and environmental stewardship. Across all subsidiaries, we remain committed to advancing ESG principles and contributing to the UN SDGs, all aligned with our overarching purpose of "Enhancing Life, Enriching Communities".

Launching Ceremony of Malakoff's Biomass Co-firing Project at Tanjung Bin Power Plant

This commitment was mirrored in the execution of our sustainability-driven roadmap. RE expansion remained a key priority, driven by strategic acquisitions and partnerships. Our solar and hydro projects continued to gain momentum, reflecting a structured approach to harnessing green energy solutions. The successful launch of our Biomass Co-firing project at Tanjung Bin Power Plant marked a key milestone in our decarbonisation strategy, reinforcing Malaysia's Net Zero ambitions while ensuring grid security. Alam Flora continued to drive waste recovery and circular economy advancements while WTE solutions enhanced resource efficiency by converting waste to RE, further strengthening Malakoff's role as a key driver of sustainable waste management.

Aligned with our long-term sustainability commitments, we have set clear goals focused on reducing carbon emissions, expanding RE capacity and improving waste management handling. To name a few, we are targeting an RE capacity of 1,400 MW by 2031 and aiming to achieve a 15% to 20% recycling rate by 2025 from the waste collected by Alam Flora. On that note, we are pleased to share that in 2024, we achieved a recycling rate of 21.1%, surpassing the higher-end of the target by 1.1%. We remain focused on driving initiatives that create a lasting impact and foster an energy ecosystem that is efficient, resilient and anchored in long-term value creation.

As we approach our 50th anniversary, I believe that this milestone is not just a reflection of our legacy, but a catalyst for our future. Our transformation is embedded in Malakoff's new corporate identity, symbolising our evolution beyond conventional power generation into a diversified, sustainability-driven entity. It signifies a company that is not merely adapting to change but shaping it, continuously innovating to redefine possibilities in the energy and environmental sectors.

Managing Director & Group Chief Executive Officer's Statement

Q How has Malakoff advanced its business pillars in 2024, and what pivotal achievements highlight the Group's progress?

Ensuring a stable, sustainable power supply is critical especially as electricity demand surges, particularly from energy-intensive sectors. To address this, we implemented a disciplined strategy to enhance energy security while accelerating the shift to renewables.

A key milestone in 2024 was securing the Prai Power Plant extension in Penang, reinforcing our role in grid stability. The renewed PPA for this 350 MW Combined-Cycle Gas Turbine (CCGT) facility with Tenaga Nasional Berhad (TNB) ensures continued energy supply from 6 September 2024 to 5 September 2025, with the option for further extensions. This renewal is expected to contribute to Malakoff's financial performance in the upcoming year.

To drive decarbonisation, we launched the Biomass Co-firing Project at Tanjung Bin Power Plant in Johor, achieving a 2% co-firing ratio, with plans to scale it to 15% by 2027. This initiative is expected to cut carbon emissions significantly, which is equivalent to planting over 141 million mature trees while supporting Malaysia's Just Energy Transition agenda. Throughout the year, we continued to explore innovative technologies, including smart silo systems and torrified pellets, to optimise biomass integration and transition towards cleaner energy solutions.

In parallel, we are actively securing several new CCGT plants with sizable capacities on land owned by Malakoff or within the Group across Peninsular Malaysia as these assets will be critical in supporting grid stability and accommodating growing energy demand.

We continued to break new ground on the international front by strengthening our global presence through strategic partnerships. In Bangladesh, our collaboration with China Northeast Electric Power Engineering & Services Co. Ltd. expanded our role in advanced H-class technology and maintenance to manage two 1,167 MW of Combined-Cycle Power Plants (CCPPs). Meanwhile, our alliance with Korea South-East Power Company enhanced our expertise in power plant operations, biomass fuel planning and RE integration, reinforcing Malakoff's technical leadership in the international energy market.

Building Integrated Photovoltaic Carport Solar System at Masjid Saidina Umar Al-Khattab in Bukit Damansara, Kuala Lumpur

On the renewables front, we advanced our RE portfolio, increasing our capacity to 173 MW through strategic acquisitions and new project developments. The completion of the ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd. acquisitions towards the end of January expands our solar portfolio by 14.79 MW. ZEC Solar Sdn. Bhd. currently owns a 29 MW solar facility in Kota Tinggi, Johor, operating under a 21-year Solar PPA with TNB until 2040. These acquisitions will not only pave the way for Malakoff's RE expansion, but also position the Group as a strong contender in upcoming Large Scale Solar (LSS) bidding exercises, both locally and internationally.

In 2024, Malakoff Radiance Sdn. Bhd. (MRSB) secured 22.1 MWp of commercial and industrial (C&I) solar projects, with 17.4 MWp installed. Notable clients include Senai International Airport, Malaysia Flying Academy, UMW Group of Companies, Projek Lintasan Kota Holdings Sdn. Bhd., Gas Malaysia Berhad (Gas Malaysia), Pos Malaysia Berhad and DRB HICOM Berhad. In total, MRSB has secured a C&I solar portfolio amounting to 60 MWp.

MRSB also spearheaded community-driven RE initiatives. The 202.96 kWp Building-Integrated Photovoltaic Carport Solar system at Masjid Saidina Umar Al-Khattab (MSUA) in Bukit Damansara, Kuala Lumpur is Malakoff's first community-based solar project. Developed under a zero capital expenditure scheme, this initiative creates significant electricity cost savings for MSUA and sets a precedent for future community-solar projects.

As hydropower remains integral to our renewable strategy, we made steady progress in constructing the three run-of-the-river small hydropower plants (SHPs) in Kuala Krai, Kelantan. Once operational, the Sungai Galas hydro project will generate an annual net energy output capable of offsetting 272,424 tonnes of CO_2 emissions.

Managing Director & Group Chief Executive Officer's Statement

Concurrently, we are actively exploring opportunities under the Corporate Renewable Energy Supply Scheme as new government policies now enable IPPs to sell electricity directly to consumers. This initiative ensures a cost-effective approach to clean energy distribution while strategically managing wheeling charges imposed by TNB.

At the same time, Malaysia's rapid urbanisation and population growth have led to a rise in waste generation, intensifying the need for efficient waste management. The volume of recyclable materials processed by Alam Flora increased by 15% from 6,109 tonnes in 2023 to 7,027 tonnes in 2024, mainly due to higher intake at AFES' Recovery Initiative Sustainable Eco-Facility Kuala Lumpur (RISE@KL) in Gombak. We also secured five-year operation and maintenance (O&M) contracts for leachate treatment plants in Jabor, Kuantan and Ladang CEP, Johor, further enhancing our waste recovery capabilities.

During the year, AFES collaborated with City Oil Field Inc. via a Technology Partner Agreement to explore eco-friendly plastic waste treatment using Pyrolysis Technology from Korea. This collaboration will assess the feasibility of developing a Regenerated Green Oil facility in Malaysia, marking a step towards sustainable waste-to-fuel solutions. AFES also partnered with Blue Planet Environmental Solutions to expand landfill rehabilitation and waste treatment.

Malakoff Leadership Development Programme Graduates Class of 2024

We are also pleased to share the successful completion of the acquisition of a 49% equity interest in E-Idaman Sdn. Bhd. (E-Idaman) with Metacorp Berhad on 28 February 2025. This move enhances our position in the northern region's non-concession segment, leveraging E-Idaman's established market presence. The acquisition marks a key milestone in Malakoff's transformation journey, reinforcing our commitment to sustainability and ESG principles and further strengthening our strategic presence in the waste management and environmental services sector.

Our priorities in 2024 were clear — to build an energy ecosystem that is efficient, resilient, fosters shared prosperity while creating long-term value. Despite the challenges, we are confident in our ability to drive Malaysia's green transition while ensuring a secure, sustainable energy future. This will be achieved not only through collaborations but also by developing our own renewable initiatives, including the development of hydropower plants, WTE projects and other clean energy solutions.

Q What have been the most significant challenges encountered in 2024?

Malaysia's energy sector is evolving rapidly, presenting a multitude of challenges that demand strategic action to ensure long-term stability and sustainability. The industrial sector is the largest consumer of electricity, followed by the commercial sector which includes businesses, offices and retail establishments and thereafter, the residential sector. Industries require substantial energy to power operations and many are now focused on pursuing operational excellence to improve efficiency and productivity, driving a greater need for data and insights.

Managing Director & Group Chief Executive Officer's Statement

The relentless focus on digitalisation and industrialisation has driven a surge in energy needs and data centres are emerging as a key driver of electricity demand. By 2035, energy consumption from data centres is projected to surpass 5,000 MW, with new supply applications exceeding 11,000 MW. This represents over 40% of Peninsular Malaysia's total installed capacity, reinforcing the imperative to capitalise on renewables while maintaining grid resilience.

To address this, securing PPA extensions for critical assets such as the 350 MW Prai Power Plant has been essential for maintaining baseload generation. Notwithstanding these pressures, managing the expiry of key PPAs presents another challenge, requiring a concerted effort to optimise assets. These include our 1,303 MW Segari Energy Ventures gas plant which will expire in 2027, our 2,200 MW Kapar Energy Ventures plant in 2029, our 2,100 MW Tanjung Bin Power plant in 2031 and our 1,000 MW Tanjung Bin Energy plant in 2041. We are also actively pursuing new CCGT plants to navigate these transitions effectively, leveraging our operational expertise, site readiness and financial strength to support Malaysia's evolving energy agenda and the nation's power demand.

While renewables are central to energy transition, solar's intermittency requires a broader investment in robust storage solutions, for example Battery Energy Storage System and grid enhancements, to support the increasing integration of RE as well as ensure system stability. Biomass Co-firing, another key transitional energy source, faces supply chain constraints, compounded by global demand for oil palm Empty Fruit Bunches (EFB) which are increasingly exported to Japan, South Korea and the US for paper and pellet production. This not only raises cost pressures but also limits local availability as most of the supply is primed for export.

Fasiliti Inovasi Kitar Semula

Recognising these challenges, the National Biomass Action Plan 2023-2030 provides a framework to restructure this sector. However, concerted efforts from policymakers and industry players, including clearer regulatory directions, well-structured domestic pelletisation incentives and the establishment of long-term supply agreements will be crucial for stabilising costs, strengthening local supply chains and ensuring a more resilient and sustainable industry trajectory.

WTE projects represent a growing but vital component in Malaysia's energy transition as it requires cross-sector collaboration for effective implementation. Given the regulatory, technical and financial complexities, a clear and unified framework is essential to accelerate their development. As a result, negotiations are crucial in ensuring that all relevant aspects are thoroughly examined and carefully considered. As WTE adoption expands, clear policies and targeted incentives will be essential for integrating these projects into Malaysia's energy mix as a reliable and sustainable solution, supporting its long-term growth.

The energy transition demands strategic foresight, adaptability and strategic collaboration. Clear policy direction, strong partnerships and investments in resilient energy solutions will be critical in ensuring a balanced, secure and sustainable transition.

Q With digital transformation as a key driver of innovation and operational excellence, how is Malakoff integrating digital technologies into its strategies to achieve sustainable growth and competitive advantage?

Malakoff continues to make significant strides in driving digital transformation across the organisation, embedding technology and automation across our operations to enhance efficiency, security and overall user experience. More than just upgrading systems, our digital evolution is about empowering people, improving operational excellence and future-proofing Malakoff for long-term growth. By embedding technology at every level, we are creating a more connected, resilient and forward-looking organisation, positioned to capture opportunities in an evolving energy landscape.

Managing Director & Group Chief Executive Officer's Statement

At the same time, we upgraded our IT infrastructure, reinforcing security measures and ensuring seamless business continuity through modernised servers, firewalls and advanced network access controls. Recognising the growing landscape of cyber risks, we introduced robust cybersecurity awareness programmes to mitigate risks and enhance digital resilience proactively. These efforts enabled the smooth recertification of the ISO/IEC 27001:2022 standard, demonstrating our strong commitment to data protection.

Automation and analytics continue to play a pivotal role in optimising operational efficiency. By integrating data-driven decision-making, we have improved workplace efficiencies, enabling smarter decision-making and maximising resource management, which in turn has enhanced productivity and operational agility.

As part of our enterprise-wide transformation, we are currently upgrading our Enterprise Resource Planning system to a more cost-effective, agile platform tailored to evolving business needs. This upgrade covers core functions such as finance, billing, procurement, human resources, including plant and fleet maintenance, to optimise workflows and long-term scalability.

Q Talent remains critical for Malakoff's growth, especially as the energy sector transitions towards renewable solutions and advanced technologies. How is Malakoff cultivating a workforce equipped to drive innovation and sustain competitive advantage?

The success of our organisation is built on the mindset of continuous growth, commitment and the forward-thinking capabilities of our workforce. To capitalise on opportunities, we are strengthening leadership and technical expertise through cross-functional collaboration, ensuring our teams are equipped to break new ground in RE expansion, environmental solutions and high-efficiency thermal power operations.

Our Competency Dictionary integrates a structured approach to talent management, providing a clear roadmap for skills development. Through upskilling initiatives and leadership development programmes such as the Leadership Development Programme and Malakoff Coaching Programme, we are equipping our workforce with a full spectrum of skills, combining technical expertise with leadership capabilities. In short, we are building a strong pipeline of future-ready leaders. Coupled with digital integration, we are fostering a workforce that stays focused on driving innovation and sustaining our competitive edge.

To strengthen execution in Biomass Co-firing, we have conducted two rounds of comprehensive training programmes, equipping our technical teams and employees across various functions with a deeper understanding of process functions, safety protocols and operational challenges. By embedding hands-on knowledge and best practices into our workforce, we are ensuring a seamless transition as we progressively increase our biomass integration across our energy portfolio. This holistic approach fosters cross-functional awareness, enabling all employees to better understand the strategic importance of biomass in our energy transition efforts.

Real-world exposure is invaluable. Our operation and maintenance team's deployment to Bangladesh provided hands-on experience in managing two 1,167 MW CCPP projects, deepening our expertise in H-Class technology — an advantage as we integrate more advanced energy solutions. Likewise, our global partnerships enable us to exchange best practices and keep pace with industry advancements.

Bridging academia and industry is another key priority. Our collaboration with Universiti Teknikal MARA Sdn. Bhd. fosters real-world energy sector exposure while enabling our teams to access cutting-edge research and specialised training. These partnerships are instrumental in shaping the next generation of energy professionals and ensuring a steady pipeline of expertise into the industry.

We are also accelerating digital adoption across operations, automating processes and leveraging analytics to improve decision-making and optimise workforce efficiency. By integrating a digital-first mindset, we are preparing our employees to navigate an increasingly data-driven energy landscape.

Shaping the future of energy requires continuous learning, adaptability and a culture of innovation. I am committed to fostering an environment where capabilities are strengthened, ideas are encouraged and long-term expertise is built. With the right skills, experience and mindset, I have no doubt that we will accelerate Malaysia's energy transition and build a workforce that leads the industry forward.

Q With sustainability deeply embedded into Malakoff's core business pillars, how has the Group performed in driving impactful initiatives and achieving its ESG goals?

With 2030 fast approaching, the urgency of meeting Malaysia's sustainability targets has never been greater. Headwinds from climate change, energy security and environmental degradation are reshaping industries, businesses and societies alike, reinforcing the need to accelerate the transition to a low-carbon economy. At Malakoff, our commitment to "Enhancing Life, Enriching Communities" is central to this transition, ensuring that progress is not just measured in megawatts but in lasting environmental and social impact.

Managing Director & Group Chief Executive Officer's Statement

Our Sustainability Framework, introduced in 2022 as part of the Malakoff Strategic Transformation 2.0 is premised on the ESG pillars and the UN SDG framework to transition to a cleaner and lower-carbon energy mix organisation. We are committed to reducing GHG emissions intensity by 30% from our 2019 baseline by 2031 and achieving Net Zero Emissions by 2050, in line with the Malaysian Government's aspiration under the Twelfth Malaysia Plan (2021–2025) and National Energy Policy (2022–2040). With the NETR paving the way for this transformation journey, Malaysia has pledged to cut carbon intensity by 45% by 2030, achieve 70% RE capacity by 2050 and increase the national recycling rate to 40% by 2025. To this effect, Malakoff remains at the forefront of this transition, integrating sustainability across all business pillars to create long-term value for all its stakeholders while safeguarding the environment.

As part of our commitment to accelerating the transition to a cleaner, low-carbon energy mix, we continue to expand our RE portfolio. This year, we expanded our C&I solar portfolio, securing 22.1 MWp and installing 17.4 MWp across sites such as Senai Airport, Gas Malaysia, Pos Malaysia, UMW, Prolintas and the DRB-HICOM Group. We also introduced a 203 kWp BIPV carport solar system at MSUA, demonstrating an innovative approach to building a sustainable community. In addition, we expanded our solar capacity by 14.79 MW through the acquisition of ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd. Our continued investment in solar has led to a milestone achievement—increasing our C&I solar capacity to 60 MWp by the end of 2024, reinforcing our role in Malaysia's energy transition.

We are also driving sustainable waste management and currently have ten buy back centres; three in Putrajaya, five in Kuala Lumpur and two in Kuantan. These include Recovery Initiative Sustainable Eco-Facility Kuala Lumpur and Fasiliti Inovasi Kitar Semula (FIKS) in Putrajaya, both of which are also our material recovery facilities. We have successfully collected and managed 3,397 tonnes of waste per day, with the potential to manage a higher waste volume with our current contracts and infrastructure. Now that we have completed the acquisition of E-Idaman, we have increased our potential waste management volume capacity close to 5,200 tonnes per day. Our target is to handle 10,000 tonnes per day by 2031. RISE@KL alone processes 50 tonnes of waste daily. This initiative has gained strong traction, contributing to circular economy efforts and reducing environmental impact and reinforcing our dedication to a cleaner, more resilient future.

Fasiliti Inovasi Kitar Semula (FIKS)

However, sustainability is more than just reducing emissions. A truly circular economy demands effective and efficient resource management, coupled with a fundamental shift in consumption habits. Through our buy back centres, especially RISE@KL and FIKS, we continue to champion the principles of reduce, reuse and recycle, ensuring that waste is diverted from landfills and repurposed effectively.

As we move to a cleaner and lower-carbon energy mix while supporting the nation's power demand, balancing the energy trilemma of security, affordability and sustainability is vital in the journey towards sustainable development. At Malakoff, we will continue to expand the RE segment and embark on further initiatives under our Biomass Co-firing project. We continue to invest in SHP, LSS and clean energy projects to expand our footprint further.

We will also focus on treating waste as a source of energy and fostering a circular economy; both of which we foresee as potential business prospects and catalysts for growth at Malakoff.

In our journey to achieve Net Zero Emissions by 2050, our RE expansion, environmental solutions and operational efficiencies have already contributed to a 3.7% reduction in GHG emissions intensity over the past year. Our RE capacity to-date stands at 173 MW and we remain committed to increasing our investments in sustainable energy solutions to drive environmental progress and long-term growth.

Managing Director & Group Chief Executive Officer's Statement

We continued to carry out various programmes under our social impact pillar which is about fostering resilient communities. In 2024, Malakoff invested RM407,413 into community initiatives, directly benefitting 5,993 individuals through education, economic empowerment and environmental conservation programmes.

Q What are the most pressing global trends shaping the energy sector in 2025, and how is Malakoff positioning itself to lead in this transformative era? What key priorities define your vision for the year ahead?

The 2025 energy landscape is expected to undergo a profound change, shaped by the urgent drive towards decarbonisation, technological advancements and shifting regulatory frameworks. The global energy sector is at a critical inflection point—electricity demand is projected to grow by 25% in 2025, a dramatic increase from 2.5% in 2023. At the same time, intensifying geopolitical stability and the rise of cyber threats to energy infrastructure pose risks to energy security, requiring strong resilience measures.

Balancing the energy trilemma, namely affordability, reliability and sustainability, is becoming increasingly complex as energy demand rises and the industry adapts to evolving market conditions. Across Southeast Asia, the rapid expansion of the digital economy, particularly the proliferation of data centres, is significantly increasing electricity consumption. If left unaddressed, this could strain power grids, reinforcing the need for a more diversified and secure energy mix. Meanwhile, entering new energy markets in this region presents challenges, with intensifying competition in tariffs and fluctuations in conventional and solar project prices reshaping the region's energy landscape.

Turtle Conservation Programme in Segari, Perak

Malaysia's regulatory landscape is also evolving, with the planned introduction of a carbon tax in 2026, targeting the energy, iron and steel industries. Announced by the Prime Minister and Finance Minister, Datuk Seri Anwar Ibrahim in Malaysia's Budget 2025 on 18 October 2024, this initiative aims to encourage the adoption of low-carbon technologies and support the country's decarbonisation goals. Revenue generated from the tax will be channelled into green technology programmes and research.

However, the mechanism and formula have yet to be disclosed, making it challenging for us to assess its financial impact. It may be necessary for us to start factoring in potential carbon tax implications from 2026, thereby reinforcing the urgency to invest strategically in renewables, cleaner energy sources and emissions reduction initiatives to mitigate future cost pressures and regulatory risks. With these shifts on the horizon, accelerating Malaysia's energy transition is no longer an option but an imperative.

With only a few years remaining to achieve Malaysia's 2031 sustainability targets, decisive action is crucial. Balancing climate imperatives, energy security risks and mounting stakeholder expectations demands an accelerated transition to a low-carbon economy. Against this backdrop, Malakoff is positioning itself at the forefront of Malaysia's energy transformation. We view these challenges as opportunities to leverage our expertise, operational strength and financial resilience, turning these headwinds into catalysts for sustainable growth.

Expanding renewables remains central to Malakoff's growth trajectory. Investments in solar and SHP portfolios are gaining momentum. These include the development of 500 MW of solar capacity within the Albukhary Group of Companies and active plans to pursue new hydro projects. With sustainability at the core of this trajectory, discussions are underway with Tanjung Pelepas Sdn. Bhd. and Penang Port Sdn. Bhd. to explore RE solutions within the MMC group portfolio. We are also evaluating new opportunities in clean energy expansion, ensuring a strong pipeline of sustainable projects that align with government policies and market demand.

Managing Director & Group Chief Executive Officer's Statement

EFB Pellets

At the same time, securing a stable energy supply remains paramount. While renewables gain momentum, gas continues to play a stabilising force in Malaysia's energy transition. We are strengthening our position in the gas sector and aim to expand thermal capacity to 10,000 MW by 2031, ensuring future energy security while enabling the transition of aging coal plants to cleaner alternatives. To date, in Malaysia alone, our thermal generating capacity is 6,953 MW. This includes 3,100 MW from our plants in Tanjung Bin, Johor.

As part of this strategy, we are actively securing new CCGT plants to support power generation while balancing supply security with emissions reduction. Additionally, we are pursuing new projects and seeking extensions of expiring PPAs to provide critical baseload support while complementing the expansion of renewables.

Biomass Co-firing remains a key component in Malakoff's energy transition strategy. By continuously evaluating alternative biomass fuels, we are expanding our capabilities and accelerating their integration into our operations. Our goal is clear—to gradually increase co-firing ratios, ensuring a minimum of 15% readiness by 2027.

Waste management and the circular economy remain integral to our sustainability agenda. Our Environmental Solutions business is scaling up waste management and resource recovery efforts. We will continue to pursue our growth strategy for environmental solutions organically and through mergers and acquisitions. The need to take care of the environment is in our heart and we believe there are plenty of opportunities to see this business grow even further. Alam Flora as the leader in this space will be spearheading our growth strategy along with AFES in the environmental solutions business pillar.

We continue to enhance our O&M capabilities through strategic global partnerships, further strengthening efficiency, asset optimisation and operational resilience. As Malaysia moves towards regional energy integration, we are also exploring energy export opportunities to neighbouring markets.

We also remain open to strategic mergers and acquisitions across the green energy and environmental solutions businesses. By collaborating with local and international partners, these initiatives open pathways to enhance technical capabilities, facilitate technology transfer and unlock new growth opportunities.

At the core of our agenda is our unwavering commitment to sustainability. Aligned with Malaysia's NETR and global climate objectives, we continue to advance emissions reduction, resource efficiency and environmental stewardship. With strong government support, we aim to achieve the national target of 40% RE in the energy mix by 2035, cutting CO_2 emissions by 10 million tonnes annually.

As the energy sector undergoes rapid transformation, we remain steadfast in our goal, which is to lead Malaysia's energy transition while ensuring energy security, operational excellence and financial resilience. With a robust strategy, disciplined execution and a relentless focus on long-term value, we are shaping a more sustainable, secure and dynamic energy future.

Operating Landscape

VOLATILITY IN ENERGY COMMODITY PRICES

IMPACT

In 2024, the global coal market exhibited stability, with Indonesian sub-bituminous prices ranging between USD70/MT and USD80/MT and Newcastle bituminous benchmarks averaging between USD110/MT and USD150/MT.

This price consistency supported a steady trajectory for the Applicable Coal Price for Tanjung Bin Power Plant and Tanjung Bin Energy Power Plant, driving improved offtake levels and contributing to stronger financial performance, relative to the 2022/2023 period.

OUR RESPONSE
Sustained active engagement with key stakeholders to ensure effective management of sustainable energy consumption. We also focused optimising operational efficiency to drive higher performance and ensure plant resilience, resulting in a combined generation capacity of 5,342 MW.

OUTLOOK

Looking ahead, Malakoff's remains committed to diversifying its energy production portfolio, including investments in renewable energy (RE) sources, to better withstand the uncertainties in the global energy market. The continued volatility in energy commodity prices reflects the importance of strategic planning, operational flexibility and the pursuit of sustainable energy solutions in navigating the complexities of the energy sector.

ADDRESSING CLIMATE CHANGE

IMPACT

The National Policy on Climate Change 2.0 (NCCP), unveiled by the Ministry of Natural Resources and Environmental Sustainability on 30 September 2024 outlined Malaysia's strategic roadmap for transitioning to a low-carbon economy and strengthening climate resilience. This policy is in line with the nation's sustainable development agenda and international climate commitment.

Nevertheless, it has direct implications for Malakoff in the following areas:
- Emissions reduction target
- Transition to cleaner energy sources
- Compliance with stricter regulations
- Increased opportunities for green financing and collaboration

OUR RESPONSE
Malakoff is advancing its RE initiatives by emphasising solar, small hydropower plants (SHPs) and waste-to-energy projects as part of its Strategic Transformation 2.0 agenda. This approach aims to significantly enhance renewable capacity while aligning with Malaysia's decarbonisation goals, reflecting our commitment to supporting a sustainable energy framework.

In the thermal segment, the focus continues to be on scaling up biomass co-firing capabilities. Through continuous assessments of alternative biomass fuels, Malakoff has targeted incremental increases in co-firing ratios, targeting to achieve a minimum of 15% readiness by 2027. To realise this, operational reliability must be ensured, supported by stringent due diligence processes and scheduled maintenance outages. These efforts will improve facility stability and secure uninterrupted electricity supply for the nation's needs.

Operating Landscape

ADDRESSING CLIMATE CHANGE (CONTINUED)

We maintained a comprehensive approach to monitoring carbon emissions and non-GHG pollutants such as sulphur and nitrogen oxides across our plants and facilities. Since 2021, we have consistently reported on Scope 1 and Scope 2 emissions. In 2024, we extended our reporting framework to include Scope 3 emissions, specifically addressing Category 6 (Business Travel) and Category 7 (Employee Commuting).

OUTLOOK

As Malaysia progresses towards its 2050 Net Zero Emissions goal, the outlook remains positive. At Malakoff, we are committed to achieving our sustainability objectives, which include decreasing our greenhouse gas (GHG) emissions intensity to 30% by 2031, based on a 2019 baseline, and achieve a 15% to 20% recycling rate by 2025 through waste collected by Alam Flora. We are also committed to advancing a zero-waste circular economy. Our long-term goal is to realise Net Zero Emissions by 2050, aligning with both national and global environmental targets.

The NCCP and the National Energy Transition Roadmap (NETR) will remain central to Malakoff's strategy as we progress in tackling climate change.

DEMAND FOR RENEWABLE ENERGY

IMPACT

Transitioning to low emission RE is vital for decarbonising Malaysia's power sector. As outlined in the NETR, the Government is committed to unlocking economic opportunities through a low-carbon transition, setting ambitious targets to be achieved by 2050, as follows:

Key targets:
- Target 1: 70% RE installed capacity share by 2050
- Target 2: No new coal power plants

According to the Energy Commission's report on Peninsular Malaysia Generation Development (2021-2039), an additional 9,924 MW is required beyond 2030 to meet demand growth. This rising demand is driven by a surge in energy-intensive industries, particularly data centres, which are expected to consume over 5,000 MW by 2035, necessitating an expansion of power generation capacity.

OUR RESPONSE

Malakoff continues to strengthen its RE portfolio, with a total capacity of 173 MW across commercial and industrial (C&I) solar, large scale solar and small hydropower projects. In 2024, Malakoff Radiance Sdn. Bhd. (MRSB) secured 22.1 MWp of C&I solar projects, with 17.4 MWp installed, serving clients such as Senai Airport, Malaysia Flying Academy, UMW group of companies, Prolintas, Gas Malaysia, Pos Malaysia and the DRB-HICOM group of companies. MRSB's total secured portfolio stands at 60 MWp, comprising installed and commissioned and under construction solar projects.

Operating Landscape

DEMAND FOR RENEWABLE ENERGY (CONTINUED)

As hydropower remains integral to our RE strategy, we have made steady progress in constructing three run-of-the-river SHPs. Once operational, the Sungai Galas hydro project will generate an annual net energy output capable of offsetting 272,424 tonnes of CO_2 emissions.

We are pursuing and participating in bidding exercises for large scale solar power plants, launched by the Energy Commission of Malaysia.

To further reinforce our growth strategy, Malakoff has successfully acquired the remaining 51% equity stake in ZEC Solar Sdn. Bhd. (ZEC Solar) and 49% equity interest in TJZ Suria Sdn. Bhd. (TJZ Suria), resulting in both entities becoming our wholly-owned subsidiaries.

The continuous pursuit of new RE projects, including the acquisition of ZEC Solar and TJZ Suria will play a pivotal role in expanding our RE generation capacity.

OUTLOOK

We are on track to increase our RE generating capacity in 2025, with a strong focus on solar photovoltaic, in line with the Government's aspirations under the NETR. The Government is targeting a 14% compounded annual growth rate in solar from 2025 to 2050, with RE expected to contribute 27% of Malaysia's total installed capacity.

WORKFORCE CHALLENGES

IMPACT

As Malakoff continues to expand and adapt to the evolving energy landscape, human capital management remains a critical priority to support its growth and operational efficiency. Attracting and retaining top talent are essential for maintaining a competitive edge in the industry.

While significant investments have been made in recruitment and training programmes, sustaining a highly skilled workforce requires more than just hiring and development. The potential loss of experienced employees poses challenges to business continuity, institutional knowledge retention and overall workforce stability.

OUR RESPONSE

A positive workplace culture is key to employee satisfaction, motivation and retention. Malakoff strengthens engagement through initiatives such as Family Day, employee recognition programmes and wellness activities that foster belonging and drive motivation. Open communication channels, including feedback sessions and leadership dialogues, ensure transparency and inclusivity, while sports and corporate social responsibility programmes promote teamwork and collaboration.

To enhance talent retention, Malakoff has established a proactive employee relations framework to address workplace concerns, resolve conflicts and uphold fairness. Structured grievance mechanisms and regular employee surveys provide valuable insights, enabling targeted interventions to improve workplace satisfaction.

Workforce planning and succession strategies ensure business continuity by developing a strong talent pipeline. Collaborations with industry partners and educational institutions create career pathways and internship programmes, while enhanced employer branding attracts top talent and reinforces Malakoff's reputation as an employer of choice.

Operating Landscape

WORKFORCE CHALLENGES (CONTINUED)

Continuous learning and development are essential to sustaining a skilled workforce. Malakoff expands training programmes to upskill employees, offering leadership development, technical certifications and mentorship programmes that promote career growth and professional excellence.

Employee well-being remains a priority, with flexible work arrangements, wellness programmes and Employee Assistance Programmes fostering resilience and work-life balance. Mental health initiatives, along with welfare programmes such as hospitalisation support and staff donations, reinforce a compassionate and supportive work environment.

OUTLOOK

Malakoff remains committed to building a skilled, diverse and resilient workforce that drives operational excellence and long-term sustainability. The integration of Employee Relations functions within our broader workforce strategy ensures that engagement, retention and workplace satisfaction continue to improve.

Strengthening partnerships with educational institutions and industry players will create a continuous talent pipeline while ongoing leadership training and technical certifications will equip employees with future-ready skills. Through these efforts, Malakoff will remain agile, competitive and well-prepared to navigate future challenges and opportunities in the industry.

REGULATORY AND COMPLIANCE LANDSCAPE

IMPACT

Malaysia's regulatory landscape is shifting towards sustainability, with the NETR driving the transition to RE and emissions reduction in line with global targets. The plan sets clear goals to expand renewables, enhance energy efficiency and lower carbon intensity, ensuring long-term energy security and affordability. Businesses in energy, manufacturing and industry must adapt by adopting cleaner technologies, optimising energy use and participate in carbon reduction initiatives.

The establishment of the Ministry of Energy Transition and Water Transformation and the proposed carbon tax reflect a firm policy direction. Meanwhile, Bursa Malaysia's voluntary carbon market provides businesses with a platform to offset emissions and support national carbon neutrality efforts.

OUR RESPONSE

We reinforced our commitment to sustainability by securing financing linked to Environmental, Social and Governance principles and evaluating green bond opportunities for future projects. At the same time, we steadily shifted towards environmentally driven revenue streams, reducing reliance on coal-generated income.

To advance our environmental goals, we conducted feasibility studies and launched pilot projects to cut net emissions from coal plants while expanding our green solutions portfolio. Collaborating with off-takers and industry experts, we also worked on circular economy initiatives, driving a more holistic and future-focused approach to sustainability.

OUTLOOK

Malakoff remains committed to aligning with national sustainability goals, ensuring long-term resilience and growth. As the landscape evolves, we will adapt to regulatory shifts while maintaining our competitive edge. By reducing environmental impact and maximising resource efficiency, we aim to drive Malaysia's transition to a sustainable future.

Operating Landscape

DIGITALISATION AND TECHNOLOGICAL DEVELOPMENT

IMPACT

Global and local advancements in digitalisation and technology are reshaping industries, driving innovation, improving operational efficiency and enhancing customer experiences across various sectors. We have made significant strides in enhancing their operations through digital transformation initiatives.

A strong focus on strengthening IT infrastructure and reinforcing cybersecurity awareness has resulted in improved security measures and heightened compliance standards. This is evidenced by the successful recertification of the upgraded ISO/IEC 27001:2022 certification, which underscores the robustness of our security protocols.

Concurrently, the implementation of advanced tools has significantly improved customer experience and operational efficiency. These enhancements have provided deeper insights and streamlined user experiences.

The digitalisation efforts have modernised operations, elevated productivity and improved operational efficiency.

OUR RESPONSE

Significant strides have been made in digital transformation, enhancing data management and user engagement. Meanwhile, efforts to modernise IT infrastructure, included upgrading servers, firewalls and network access controls and conducting extensive cybersecurity awareness programmes. These measures have strengthened security and enhanced the overall efficiency of digital operations.

Positive strides have also been made in automating processes and adopting analytics, demonstrating our ongoing journey towards digitalising the workplace.

At the same time, work continues on transforming the Enterprise Resource Planning (ERP) system, with the aim of making it more fit-for-purpose, cost-effective, able to run simplified processes and support future business growth. This transformation spans critical areas such as finance, billing, procurement, human resources and plant and fleet maintenance, ensuring long-term operational success.

OUTLOOK

We are focused on transforming our ERP system and investing in Artificial Intelligence capabilities to enhance efficiency and drive the next phase of growth. Additionally, we have initiated a series of strategic initiatives to strengthen our digital ecosystem, focusing on deeper integration, collaborative business applications, building a comprehensive data retention strategy, enhanced data analytics capability, scalable infrastructure and reinforce cybersecurity and compliance.

Stakeholder Engagement

At Malakoff, we acknowledge our key stakeholders as those who influence or are affected by our operations. We actively engage with them to understand their expectations and address their concerns, as this is essential to our value creation process.

Frequency of Engagement: **A** Annually **P** Periodically **Q** Quarterly **R** On Request **O** Ongoing

EMPLOYEES

Why We Engage

- To assess the workplace environment and sentiment, identifying opportunities for continuous improvement
- To establish competitive compensation and benefits structures that attract, retain and nurture top talent
- To align expectations, set clear objectives, define goals and provide constructive feedback
- To cultivate a culture of recognition and appreciation, celebrating achievements to enhance morale
- To encourage collaboration and teamwork, fostering seamless idea exchange and alignment towards shared goals

How We Engage

- Townhalls ..... Q
- HR2U Day ..... Q
- Intranet ..... O
- Newsletter ..... P
- Performance Appraisals ..... O
- Malakoff Talent Pulse Survey ..... A
- Employee Engagement Survey ..... Q
- Hari Raya Gathering ..... A
- Long-Term Service Award ..... A

Value Created for Employees

- Offering attractive salaries and comprehensive benefits packages
- Continuously refining and improving employee reward initiatives
- Providing periodic feedback through a Balanced Scorecard approach
- Enabling career progression within a rewarding and meritocratic work environment
- Fostering teamwork and unity to achieve shared objectives
- Ensuring employees receive well-defined goals, objectives and constructive performance evaluations
- Boosting morale by acknowledging and appreciating employees' contributions and achievements

Value Created for Malakoff

- Enhancing employee engagement, reducing turnover and driving productivity
- A positive workplace cultivates better teamwork and business success
- Driving meaningful contributions that align with and support business strategy
- Promoting equity, diversity and inclusion to enrich workplace dynamics and innovation

Key Concerns Raised

- Career growth and advancement
- Work-life balance and flexibility
- Access to wellness and mental health support
- Acknowledging contributions to enhance motivation and engagement
- Transparent and consistent communication between management and employees

Risks

- Disengaged employees may seek opportunities elsewhere, leading to higher recruitment and training costs while disrupting workforce stability
- Reduced motivation and engagement can negatively impact efficiency, innovation and overall organisational performance
- Negative employee sentiment and dissatisfaction may damage Malakoff's employer brand, potentially affecting stakeholder confidence and the company's attractiveness to top talent

Our Responses

- Launched upskilling and reskilling initiatives to empower employees with relevant skills, fostering career growth and job satisfaction

Our Responses (continued)

- Introduced flexible working hours, allowing employees to clock in between 8:00 a.m. and 9:00 a.m., and clock out between 5:00 p.m. and 6:00 p.m. This initiative promotes a healthy work-life balance while ensuring business continuity
- Partnered with healthcare providers to offer mental health support, enhancing overall employee well-being and resilience
- Strengthened internal communication through management emails, newsletters and regular engagement sessions, keeping employees informed, engaged and aligned with organisational goals

Opportunities

- A strong employee engagement strategy enhances Malakoff's reputation as an employer of choice, making it easier to recruit and retain high-caliber professionals
- Motivated and engaged employees contribute fresh ideas and innovative solutions, fostering continuous improvement and organisational advancement
- Extending engagement initiatives to local communities reinforces Malakoff's commitment to social responsibility, enhancing stakeholder trust and collaboration

COMMUNITIES/GENERAL PUBLIC

Why We Engage

- Build credibility and gain community confidence
- Increase engagement in community programmes for greater impact
- Showcase the Group's businesses and their positive socioeconomic contributions
- Prioritise the well-being and development of local communities
- Respond to the growing demand for sustainable and environmentally friendly practices

How We Engage

- Engagement sessions with local communities ..... Q
- Corporate Social Responsibility (CSR) programmes ..... P
- Mainstream print and electronic media ..... O
- Social media – Facebook, Instagram, YouTube, LinkedIn, TikTok, X and company website ..... O
- Awareness/educational programmes related to Environmental, Social and Governance (ESG), energy and environmental solutions ..... O

Value Created for Communities/General Public

- Greater awareness on environmental issues and initiatives
- Provision for a sustainable and safe environment
- Incentives for recycling through reward points and cash

Value Created for Malakoff

- Strengthened reputation as a responsible and sustainable organisation
- Improved public understanding of Malakoff's environmental initiatives and long-term strategies
- Increased engagement in sustainability and environmental conservation
- Achieved higher recycling participation and greater tonnage of recyclable materials

Key Concerns Raised

- Environmental impact on our operations
- Quality of services provided
- Employment opportunities

Risks

- Potential backlash from the public and media
- Risk of inaccurate or misleading information reaching the public
- Risk of over-disclosure during community engagement, potentially leading to unmet expectations

Our Responses

- Engaged the public in sustainability initiatives
- Organised outreach programmes to build trust and relationships
- Increased awareness of recycling and waste recovery efforts

Our Responses (continued)

- Implemented continuous improvement initiatives
- Integrated electric vehicles, eco-friendly equipment and biodegradable materials
- Shared ongoing initiatives in green energy, recycling and waste management
- Offered jobs to support local communities

Opportunities

- Enhance environmental stewardship by investing in innovative green technologies and sustainable practices to further reduce operational impact
- Leverage partnerships with government and Non-Governmental Organisations to drive collaborative sustainability efforts and enhance social impact
- Increase public engagement and education on sustainability, fostering long-term behavioural change and stronger stakeholder trust

Stakeholder Engagement

SHAREHOLDERS/ANALYSTS/INVESTMENT COMMUNITY

Why We Engage

- Educate and raise awareness of the Group's business fundamentals to strengthen shareholder resilience and attract new or potential investors
- Communicate the Group's latest operational and financial performance, strategic direction, key initiatives and project roadmaps to ensure accurate market valuation and support sustainable growth
- Create long-term value by generating dividends and capital gains, reinforcing investor trust and commitment

How We Engage

- Quarterly analyst briefings ..... Q
- Conferences or summits hosted by research houses and financial institutions ..... P
- Site visits ..... R
- Group/One-to-one meetings with analysts/fund managers ..... O
- Annual General Meetings ..... A

Value Created for Shareholders/Analysts/Investment Communities

- Ensures investors have access to accurate and up-to-date information, enabling well-informed investment decisions
- Strengthens investor confidence through clear, consistent and transparent disclosures, fostering sustainable growth and value creation
- Gain insights into the Malakoff's progress and prospects
- Demonstrate Malakoff's commitment to sustainability by disclosing sustainability targets and enhancing its Environment, Social and Governance (ESG) score—from 2.8 in 2023 to 3.3 in 2024—based on the FTSE4Good Bursa Malaysia Index methodology

Value Created for Malakoff

- Strengthens two-way dialogue between Malakoff and the investment community, ensuring alignment on expectations and business direction
- Provides leadership with insights into investor sentiment, enabling strategic decision-making based on market expectations
- Positive feedback on Malakoff's energy transition efforts reinforces its commitment to sustainability and long-term relevance
- A strong sustainability commitment improves Malakoff's attractiveness to potential investors, positioning the company as a forward-thinking leader in the energy sector

Key Concerns Raised

- Malakoff's growth prospects and initiatives to secure new projects
- Impact of higher fuel margins and increased write down to net realisable value of coal provisions on Malakoff's earnings amid benchmark coal price volatility
- Introduction of Carbon Tax for the energy industry in 2026 and its potential impact on Malakoff's earnings
- Malakoff's ability to achieve key short-and long-term milestones on its path to Net Zero Emissions by 2050
- Dividend payout ratio as shareholders expect high yields

Risks

- Misinterpretation of financial data by analysts may lead to misguided investment decisions and affect market confidence
- Lack of clarity on Malakoff's values, strategies and financial fundamentals could result in incorrect assessments and poor investment choices
- Limited disclosure on the company's future plans and expansion strategies may create uncertainty among investors and stakeholders

Our Responses

- Consistently engaged with the investment community through online and physical platforms
- Actively explored opportunities to expand the renewable energy portfolio and secure new gas plants

Our Responses (continued)

- Hosted analysts and investors for plant and site visits to educate, raise awareness, and provide progress updates
- Continuously monitored coal inventories and engaged with key stakeholders
- Maintained a payout ratio of at least 70% of Profit After Tax and Minority Interests (PATMI) as per the company's dividend policy
- Maintained consistent communication on Malakoff's advancements in its ESG Roadmap, ensuring transparency and accountability in meeting sustainability targets

Opportunities

- Increase the frequency of direct interactions with the investment community to foster stronger relationships. This assists the investment community to gain deeper insights into Malakoff's performance while enabling Management to receive valuable feedback and perspectives from investors
- Leverage digital platforms and investor portals to ensure easy access to company updates, reports and strategic insights
- Raise awareness on Malakoff's sustainability agenda and its direct correlation with business growth and financial performance, enabling better-informed investment decisions
- Provide a broader scope of transparent reporting, ensuring stakeholders have a clear understanding of ESG initiatives and their impact on long-term value creation

Stakeholder Engagement

CUSTOMERS/CLIENTS

Why We Engage

- Foster trust and loyalty among clients and partners
- Enhance business opportunities and market presence
- Optimise service delivery to meet client expectations
- Develop targeted strategies to effectively address client needs and challenges

How We Engage

- Communication with sales personnel ..... P
- Site visits ..... P
- Sustainability collaboration ..... O
- Memorandum of Understanding signings ..... P
- Launches and informal events ..... O
- Company website and social media ..... O
- Local and international conferences ..... A

Value Created for Customers/Clients

- Provision for sustainable services using green equipment and Internet of Things (IoT)
- Technical experience and expertise
- High level of customer/client experience

Value Created for Malakoff

- Enhance reputation and drive business growth
- Foster long-term partnerships and customer retention
- Leverage client feedback to improve services and build credibility

Key Concerns Raised

- Customer/Client experience
- Sustainability initiatives
- Health, Safety and Environment (HSE)

Risks

- Shifts in legal frameworks and policies may impact marketing efforts and business strategies
- Rising costs could affect operations, pricing and overall profitability
- Misalignment in understanding the company's mission may lead to stakeholder disengagement
- Inaccurate or misleading information could erode trust and damage credibility

Our Responses

- Collaborated with various companies to enhance kerbside recycling, manage plastic and food waste and streamline public recycling efforts to promote waste reduction
- Explored diverse renewable energy solutions, including solar programmes such as the Corporate Green Power Programme, Self-Consumption and Net Energy Metering, as well as the development of Electric Vehicle charging stations and battery energy storage systems

Opportunities

- Utilise modern technology to oversee site activities efficiently
- Explore innovative developments in waste management and circular economy initiatives
- Enhance operational efficiency with environmentally friendly solutions
- Scale up sustainable energy initiatives to meet the growing demand for cleaner power solutions

Stakeholder Engagement

GOVERNMENT

Why We Engage

- Foster collaboration and trust with key authorities
- Gain insights into new policies, regulatory frameworks and compliance requirements
- Promote cooperative initiatives that drive mutual benefits and sustainable progress

How We Engage

- On-ground collaborations — P
- Face-to-face meetings — P
- Participation in Government/public programmes — P
- Corporate events — P

Value Created for the Government

- Strengthens economic development by attracting investments and fostering the expansion of clean and renewable energy industries
- Supports the expansion of cleaner gas-fired power plants, ensuring grid stability, energy security and a reliable supply of electricity
- Provides sustainable solutions to local waste challenges, improving urban cleanliness and reducing health risks
- Enable the government to leverage corporate expertise in achieving key national targets
- Support national sustainability goals through secure electricity supply and effective waste management

Value Created for Malakoff

- Strengthen credibility and foster long-term partnerships in sustainability-driven initiatives
- Showcase commitment to sustainability by aligning with national and global environmental goals

Key Concerns Raised

- Community opposition due to facility's proximity to residential areas
- Compliance with laws and regulations
- Management of environmental issues

Risks

- Being unprepared for sudden changes in government policies
- Increased expenses due to post-pandemic inflation

Our Responses

- Adhered to all government laws and industry standards
- Actively supported the government's long-term sustainability targets
- Promoted environmental responsibility through awareness programmes

Opportunities

- Contributing to economic growth through reliable energy and integrated waste management solutions
- Expanding operations in areas that align with the government's environmental and sustainability objectives

Stakeholder Engagement

RATING AGENCIES AND FINANCIAL INSTITUTIONS

Why We Engage

- Obtain funding for working capital, capital expenditure (CAPEX) and business expansion
- Achieve optimal ratings for new sukuk issuances and uphold strong ratings for existing sukuks

How We Engage

- Virtual and physical meetings — P
- Engagement sessions with rating agencies & financial institutions — O
- Surveys/Questionnaires on credit rating — P

Value Created for Rating Agencies and Financial Institutions

- Ensured the ability to meet loan and borrowing obligations, including principal, interest, and covenant compliance
- Complied with green and sustainable financing requirements

Value Created for Malakoff

- Successfully raised funds for business expansion and CAPEX needs
- Upheld strong ratings for existing sukuks while obtaining favourable ratings for new issuances
- Strengthened investor confidence and reputation through commitment to ESG principles

Key Concerns Raised

- Unscheduled outage affecting financial performance, insurance claims, Applicable Coal Price losses, repair costs, and credit rating stability
- Meeting financial covenants such as Finance Service Cover Ratio
- Ensuring liquidity for operations and future investments
- Strategic plans in response to expiring Power Purchase Agreements (PPAs)
- Progress towards achieving Net Zero Emissions by 2050

Risks

- Potential inability to meet financial institution covenants and repayment obligations
- Risk of losing favourable credit ratings

Our Responses

- Ensured adherence to all financial requirements, preserving the company's credit rating
- Managed liquidity effectively to sustain financial commitments
- Diversified business portfolio to offset potential revenue loss from expiring PPAs
- Continued executing initiatives aligned with Malakoff's Net Zero aspirations

Opportunities

- Strengthening sustainability efforts to improve Malakoff's market perception and facilitate access to new financing and refinancing at better rates

Stakeholder Engagement

CONTRACTORS AND VENDORS

Why We Engage

- Collaborate with contractors and vendors to maintain seamless operations and cost efficiency
- Strengthen oversight to minimise supply chain disruptions and manage contractor-related risks effectively

How We Engage

- Efficient procurement process — Q
- Vendor engagement sessions — A
- Face-to-face and online meetings — R
- Site visits — P
- Advertisements — P

Value Created for Contractors and Vendors

- Maintain high standards of integrity, transparency and ethical business conduct
- Provide updates on company policies and insights from regulatory bodies such as the Malaysian Anti-Corruption Commission
- Ensure impartial, confidential and integrity-driven business transactions

Value Created for Malakoff

- Secure reliable partners to uphold quality, safety, sustainability and cost efficiency
- Enhance management of complex supply chain relationships for seamless operations

Key Concerns Raised

- Supply chain disruptions
- Integrity and ethics in ensuring impartial and transparent procurement practices
- Increased cost of operations due to increased procurement costs
- Sourcing strategy and network enhancement

Risks

- Operational setbacks from unreliable suppliers
- Inefficient communication and coordination leading to delays
- Negative impact on Malakoff's image due to procurement-related issues

Our Responses

- Evaluated and monitored vendor capabilities to ensure quality and reliability
- Implemented Anti-Bribery Management Systems and a Vendor Code of Conduct to uphold transparency
- Facilitated knowledge-sharing sessions and collected vendor feedback
- Ensured vendors met quality and compliance standards before onboarding

Opportunities

- Enhancing servicing, maintenance and design to reduce operational costs
- Building a robust and scalable supply chain for long-term growth

Stakeholder Engagement

MEDIA

Why We Engage

- Leverage media to communicate precise and transparent updates to stakeholders and the public
- Strengthen Malakoff's presence and positioning in the industry
- Build trust and confidence among shareholders, stakeholders and the public

How We Engage

- Media engagement/networking sessions — Q
- Festival wishes — A
- Media events (casual and sporting events) — P
- Media advertorial and news coverage spots — R
- Awareness programme - Malakoff Amazing Hunt — A

Value Created for Media

- Provide accurate and timely disclosures to support responsible journalism
- Address media concerns with clarity and integrity
- Ensure stakeholders, shareholders and the public receive correct and reliable updates

Value Created for Malakoff

- Strengthen media presence and public awareness
- Build credibility and reinforce Malakoff's industry leadership
- Develop a strong media engagement strategy to manage perceptions and narratives

Key Concerns Raised

- Update on business portfolio/strategies
- ESG concerns
- Governance
- Leadership
- Business partnerships
- Financial performance

Risks

- Inaccurate reporting may misrepresent Malakoff's position and initiatives
- Negative comments and online narratives could impact public perception

Our Responses

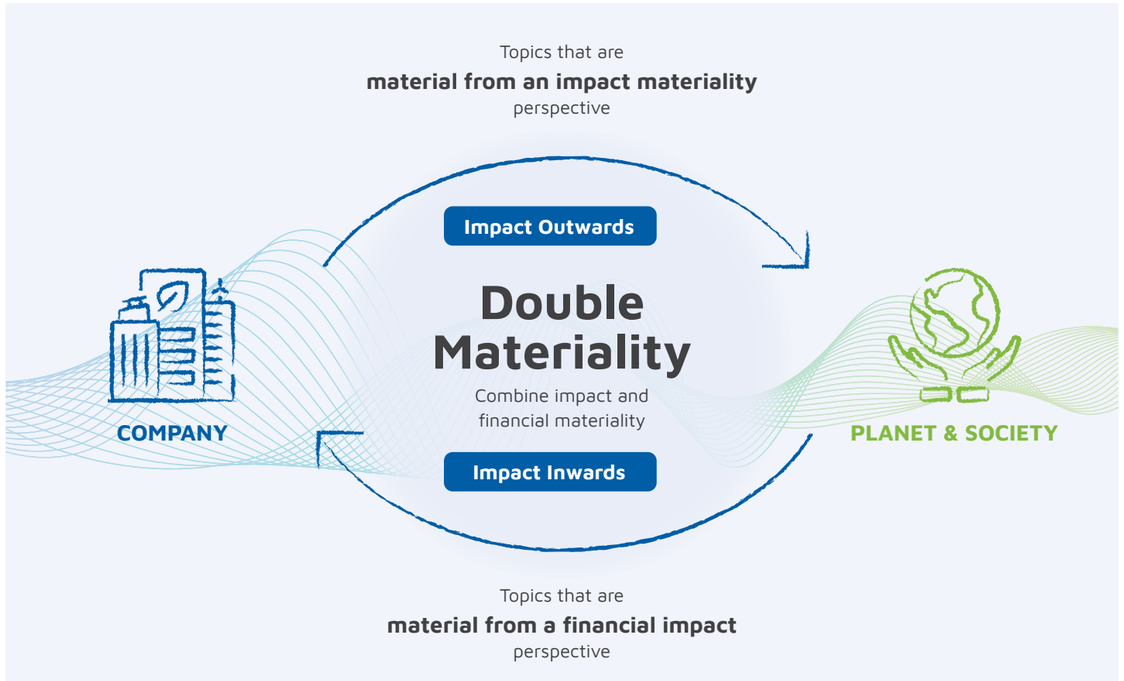
- Shared accurate and timely information with shareholders, stakeholders and the public
- Issued fact sheets, statements, press conferences and media briefings to ensure clarity
- Communicated current business strategies, financial and non-financial achievements, and collaborative initiatives

Opportunities

- Enhance engagement with key media members to facilitate the dissemination of accurate and timely information
- Provide insights and responses to media queries to ensure balanced and informed reporting

Matters Material to Value Creation

In 2024, Malakoff embarked on a double materiality assessment exercise (MAE). The previous MAE was undertaken in 2021 based on a single perspective, considering the impact of Malakoff's actions to the Group's financial, environment and society. In the recent MAE, we ascertain our material topics based on the following perspectives:



In essence, financial materiality is centred on the extent of the impact arising from a material topic on our financial, business and operational performance. This encompasses impacts; potential and actual to the business model, value chain and principal financial value creation strategies of the Group.

The impact materiality perspective is driven by how our financial, business and operational performance, including the business model and implemented strategies and practices have profound actual or potential impacts on the environment, society as well as other considerations such as the economy, nation-building aspirations and the UN SDGs.

The incorporation of the financial materiality perspective was a key justification for the reassessment of materiality in 2024. This approach enables us to not only identify material topics but also to establish related risks and opportunities associated with these topics. Subsequently, it guides the development of strategic and financially oriented disclosures in accordance with the National Sustainability Reporting Framework and International Financial Reporting Standards (IFRS) IFRS S1 and IFRS S2 in future reporting.

Malakoff's decision to conduct a new materiality assessment also aligns with the Bursa Malaysia's Sustainability Reporting Guide, which mandates that listed companies perform a comprehensive materiality assessment at least once every three years, or whenever there are significant changes to their business model or operating environment.

We have undertaken the following processes in carrying out our Materiality Assessment:

The selection of the topics for inclusion in the MAE was based on Bursa Malaysia' listing requirements where a listed issuer is required to disclose material topics, state how these topics are identified, prioritise the materiality of each topic in terms of its importance, and review as well as validate the process and outcome of the assessment. In framing the required material topics, we also referred to other global ESG frameworks including the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Carbon Disclosure Project (CPD) and International Financial Reporting Standards (IFRS), taking into consideration industry-specific material issues which are relevant to the Group. We also structured our selection of material topics based on the following criteria:

- Consideration of topics that are likely to be more material to financial, business and operational performance
- Topics that have emerged as material or potentially material with the implementation of new reporting standards
- Trends and developments in the external operating environment
- Considerations for stakeholders' views, perspectives, aspirations, needs and concerns
- Our existing business model and our continued journey of transformation towards sustaining and strengthening business resilience, competitive edge and ultimately value creation

Matters Material to Value Creation

The outcome from the MAE led to eight previously identified material topics being renamed and several new topics being introduced.

Note:
Topics represented by the grey circles above were the previous names disclosed in the 2023 Integrated Annual Reporting. Numbers in the grey circles represent the order of the material topics in the 2023 reporting. With the above changes, Employee Engagement and Well-Being, Economic Performance and Data Privacy and Security have been assimilated into the updated list of material topics.

The EIGHT new topics are:

- M5 Physical and Transition Climate Risks
- M9 Stakeholder Management and Engagement
- M8 GHG Emissions
- M4 Operational Excellence
- M13 Coal Ash Management
- M15 Asset Life Cycle and Integrity
- M18 Technology and Innovation
- M14 Grid Stability

The topics were categorised according to the ESG pillars: Environmental Social Governance

We developed a customised survey comprising various multiple and open-ended questions based on the topics to elicit responses from the participants i.e. our stakeholders. The survey was launched in early December 2024 and closed in mid-January 2025.

Both external and internal stakeholders provided responses that contributed to our preliminary findings on the extent of materiality for each topic. The feedback given by the stakeholders was assigned different weightage based on stakeholders' ranking as determined through the survey. The feedback was further refined and translated into meaningful findings for our deliberation at both the strategic working level and the Management Committee Members level, which primarily comprises our C-suites executives and ex officio.

Our participating internal stakeholders included the Board of Directors, Senior Management, Middle Management and Executive/Non-Executive Employees. External stakeholders who responded included representatives from regulatory bodies, suppliers, investors/shareholders, financiers, suppliers, non-governmental organisations and customers.

The final, approved MAE results indicated some degree of change in the prioritisation of of the material topics, aligned with the current industry's operating environment. Nevertheless, we also observed similarities with our 2021 MAE exercise, particularly in the ranking and prioritisation of the first four material topics, which were also considered highly material and ranked within the medium-highest quadrant in the 2021 MAE (refer to the materiality matrix below).

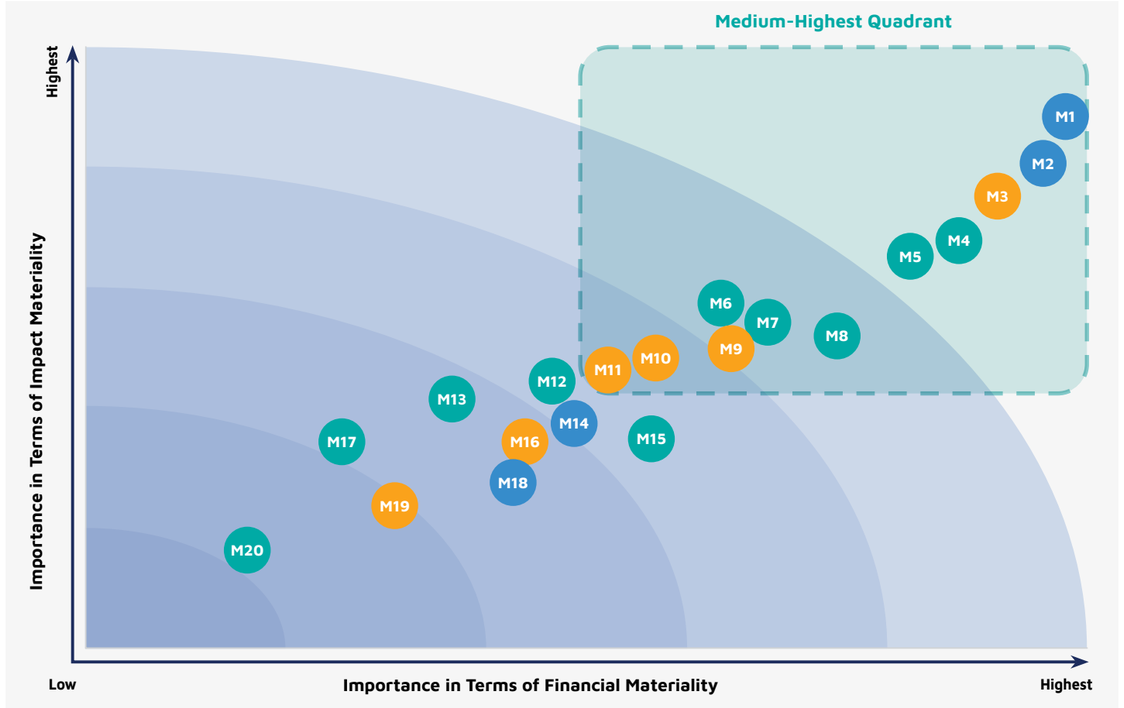
Matters Material to Value Creation

Top 11 Material Matters

- M1 Good Governance and Corporate Integrity
- M2 Regulatory Compliance
- M3 Occupational Safety and Health
- M4 Operational Excellence
- M5 Physical and Transition Climate Risks
- M6 Renewable Energy Transition
- M7 Energy Mix and Efficiency
- M8 GHG Emissions
- M9 Stakeholder Management and Engagement
- M10 Talent Management and Development
- M11 Human and Labour Rights

Supporting 9 Material Matters

- M12 Waste Management and Effluents
- M13 Coal Ash Management
- M14 Grid Stability
- M15 Asset Life Cycle and Integrity
- M16 Supply Chain Management
- M17 Water Management
- M18 Technology and Innovation
- M19 Community Impact
- M20 Biodiversity



Matters Material to Value Creation

Good Governance and Corporate Integrity and **Regulatory Compliance** have re-emerged as high-priority material matters in line with our commitment to strengthening our fundamentals, while driving for profitability and sustainability.

This reflects both our external and internal stakeholder consensus on the need for a well-managed operation with robust processes, controls and management approaches at both macro and specific levels. We prioritise these areas to enhance operational efficiency, sustain our competitive ability and uphold ethical conduct, anti-corruption measures and corporate integrity.

Similarly, **Occupational Safety and Health** (OSH) remains a high priority for us, as maintaining strong vigilance is essential to prevent disruptions and productivity losses at our sites due to safety incidents or regulatory actions.

Swift response is integral to maintaining our **Operational Excellence** and strategic agility. This is particularly crucial in ensuring a measured and successful management approach to regulatory changes, as well as the evolving demands of customers, financiers and investors.

We have also identified **GHG Emissions** as well as **Physical and Transition Climate Risks** as being significantly material to us. This is consistent with the Group's comparatively high emissions profile, potential level of asset exposure to climate risks and exposures to transition risks arising from policy change in the medium to long-term.

In response, we have undertaken various strategic measures to decarbonise including the development of a Group wide decarbonisation plan. Going forward, we will conduct climate risk assessments to determine the severity and likelihood of individual asset exposure to physical risks, along with the financial implication, if any.

The Group's strategy also includes a continued pivot towards RE adoption and generation, reinforcing the comparatively high positioning of **Renewable Energy Transition** and **Energy Mix and Efficiency** on the 2024 matrix.

The plans for renewable energy (RE) will involve financial planning, capital expenditure and structured provisions and allocations over a defined period. This supports our present management approach to incorporating financial considerations into asset management and operational efficiency.

Talent Management and Development remains our key priority, especially in balancing technological advancements with human expertise. Despite the increased reliance on automation, technology and digitalisation, the continued requirement for skilled, professional talent remains vital, including for the deployment of technology.

The MAE exercise has also reaffirmed that **Human and Labour Rights** remains highly material to us. Our employees are the backbone of our operations, and the energy sector accounts for 25% of Malaysia's total workforce.

The topics **Waste Management and Effluents**, **Asset Life Cycle and Integrity**, **Biodiversity**, **Coal Ash Management**, **Grid Stability**, **Technology and Innovation**, **Community Impact**, **Water Management** and **Supply Chain Management** hold varying levels of importance for us. While some, such as **Waste Management and Effluents**, **Asset Life Cycle and Integrity**, and **Grid Stability**, carry a medium to high level of impact and financial materiality, others, like **Biodiversity** and **Community Impact**, have relatively lower financial materiality but remain essential to our sustainability efforts.

These topics are integral to our commitment to environmental responsibility, operational resilience and ethical business practices, ensuring a well-rounded approach to long-term value creation.

Matters Material to Value Creation

M1 Good Governance and Corporate Integrity

Risks
The likelihood of poor or inadequate governance can potentially lead to corruption, unethical practices, lack of check and balances and internal controls and impact investor confidence and company reputation.

Opportunities
The likelihood of strong governance builds trust and attracts investors, identifies improvement areas across the business and enables effective execution of business strategies.

Our Commitment
Please refer to pages 183 to 187 for more information.

UN SDGs

M2 Regulatory Compliance

Risks
Fines and sanctions from non-compliance, temporary or permanent closure of operating sites, reputational loss, incurred financial costs for rectification, potential health and safety impacts for employees, workers and the local community.

Opportunities
Maintaining strong regulatory compliance enhances the company's reputation, fosters employee morale and productivity, ensures smooth operations and strengthens trust with regulatory bodies and community stakeholders, creating a stable and sustainable business environment.

Our Commitment
Please refer to pages 188 to 190 for more information.

UN SDGs

M3 Occupational Safety and Health

Risks
The extent of how workplace accidents can potentially disrupt operations, impact productivity and lead to legal impacts as well as higher insurance premiums.

Opportunities
Strong safety programmes help minimise occupational accidents and fatalities, reducing OSH-related operational disruptions while fostering employee confidence and morale. Additionally, a proactive safety culture can contribute to more competitive insurance premiums and overall cost savings.

Our Commitment
Please refer to pages 150 to 156 for more information.

UN SDGs

Matters Material to Value Creation

M4 Operational Excellence

Risks

Inability to achieve desired operational performance levels could result in more incidents of unplanned downtime, increased maintenance and other costs and reduced productivity.

Opportunities

Achieving set Key Performance Indicators (KPIs) reduces unplanned downtime, ensures optimal asset performance and increases the ability to maintain high availability of assets and to meet all performance KPIs.

Our Commitment

Please refer to pages 124 to 125 for more information.

UN SDGs

M5 Physical and Transition Climate Risks

Risks

Stricter climate policies and regulations can increase compliance costs and necessitate significant investments in low-carbon technologies.

Opportunities

Investing in research and development of clean energy technologies can create new business opportunities and enhance competitiveness.

Our Commitment

Please refer to pages 126 to 127 for more information.

UN SDGs

M6 Renewable Energy Transition

Risks

High upfront financial investments and various challenges in acquiring and developing renewable energy (RE) assets.

Opportunities

Ability to achieve decarbonisation targets, to reduce emissions and carbon tax exposure while also generating RE certificates and/or carbon credits and improving access to green financing.

Our Commitment

Please refer to pages 128 to 129 for more information.

UN SDGs

Matters Material to Value Creation

M7 Energy Mix and Efficiency

Risks

Fluctuations in energy prices, especially for fossil fuels, can impact operational costs and profitability and dependence on specific energy sources can lead to vulnerabilities if there are disruptions in supply chains.

Opportunities

Investing in RE sources can reduce carbon footprint, enhance sustainability and potentially lower long-term energy costs.

Our Commitment

Please refer to pages 130 to 133 for more information.

UN SDGs

M8 GHG Emissions

Risks

Higher carbon emissions may increase exposure to transitional risks such as carbon tax and affect access to financing.

Opportunities

Efforts to reduce emissions improves brand reputation and reduces potential carbon tax exposure and improves access to green financing and also potentially benefits local communities.

Our Commitment

Please refer to pages 134 to 137 for more information.

UN SDGs

M9 Stakeholder Management and Engagement

Risks

Lack of or inadequate strategic stakeholder engagement could lead to misunderstanding of stakeholders' concerns or mismatched expectations and priorities. Lack of stakeholder buy-in could result in incorrect or negative perceptions of the company.

Opportunities

Strong engagement enables mutual trust and understanding, fosters collaboration and long-term partnerships.

Our Commitment

Please refer to pages 157 to 159 for more information.

UN SDGs

Matters Material to Value Creation

M10 Talent Management and Development

Risks
Difficulty in attracting and retaining skilled professionals can lead to gaps in critical roles, affecting productivity and innovation.

Opportunities
Investing in continuous learning and development programmes can enhance employee skills, boost morale and improve overall performance.

Our Commitment
Please refer to pages 160 to 170 for more information.

UN SDGs

M11 Human and Labour Rights

Risks
A poor track record may lead to legal action, fines, reputational loss and the inability to hire and retain talent. Worker morale and productivity may also be affected.

Opportunities
Upholding human rights contributes to improved perceptions of being a fair and trusted employer, which then supports talent retention and morale and operational productivity.

Our Commitment
Please refer to pages 171 to 176 for more information.

UN SDGs

M12 Waste Management and Effluents

Risks
Poor management may lead to environmental pollution and social impacts resulting in fines and punitive measures as well as reputational damage.

Opportunities
Circular economy initiatives can lead to reduced cost, increased efficiency and new revenue streams. Additionally, good waste management practices can enhance regulatory compliance and strengthen stakeholder confidence.

Our Commitment
Please refer to pages 138 to 140 for more information.

UN SDGs

Matters Material to Value Creation

M13 Coal Ash Management

Risks
Improper management of coal ash can lead to contamination of soil and water resources, posing significant environmental and health risks.

Opportunities
Coal ash can be repurposed for various applications, such as in construction materials, which can generate additional revenue streams and reduce waste.

Our Commitment
Please refer to page 141 for more information.

UN SDGs

M14 Grid Stability

Risks
Inability to despatch and to sell power, which can impact revenues.

Opportunities
Ability to sell more power to the grid during high demand periods.

Our Commitment
Please refer to page 191 for more information.

UN SDGs

M15 Asset Life Cycle and Integrity

Risks
Poor asset management can lead to stranded assets over the medium and long-term.

Opportunities
The ability to extend asset lifecycle with planning or develop effective transition plans that would enable a more strategic and sustainable shift towards achieving improved cost management and reduced disruption to the business model and operations.

Our Commitment
Please refer to pages 142 to 143 for more information.

UN SDGs

Matters Material to Value Creation

M16 Supply Chain Management

Risks

The possibility that poor management of, or access to suppliers may disrupt availability, quality and pricing of materials. This may erode profit margins and delay the ability to meet customers' orders (product/service delivery) or completion of works/projects. Poor ESG compliance among suppliers may also lead to reputational risks for the Group.

Opportunities

The extent of potential to review and strengthen supply chains by progressively strengthening ESG compliance among suppliers and to develop improved resilience to market/supply shocks.

Our Commitment

Please refer to pages 177 to 178 for more information.

UN SDGs

M17 Water Management

Risks

The likelihood that reduced or disrupted access to water can lead to operational disruption or impact asset productivity.

Opportunities

The potential for further focus on efficient or sustainable water use towards reducing dependence on utility-sourced water and to develop more resilient business operations, while reducing cost.

Our Commitment

Please refer to pages 144 to 146 for more information.

UN SDGs

M18 Technology and Innovation

Risks

The likelihood of inappropriate adoption or implementation of technology, lower than expected Return On Investment on investments, fast changing nature of technology may render present adoption obsolete.

Opportunities

The likelihood or possibility that improvements in efficiency and productivity can lead to potential cost effectiveness, provide a competitive edge and reduce the dependence on manual labour.

Our Commitment

Please refer to pages 192 to 194 for more information.

UN SDGs

Matters Material to Value Creation

M19 Community Impact

Risks

Community dissatisfaction may result in fines, regulatory scrutiny, operational disruptions and reputational damage. Unresolved grievances can escalate into security threats such as protests, sabotage or vandalism, affecting business continuity and productivity.

Opportunities

Community engagement fosters trust, strengthens relationships with local populations and enhances social acceptance. This supports long-term operational viability, protects corporate reputation and reduces the risk of conflicts that could impact business sustainability.

Our Commitment

Please refer to pages 179 to 181 for more information.

UN SDGs

M20 Biodiversity

Risks

Negative impacts on biodiversity can harm Malakoff's reputation, leading to loss of stakeholder trust and potential boycotts.

Opportunities

Demonstrating a commitment to biodiversity can improve Malakoff's reputation and strengthen relationships with stakeholders.

Our Commitment

Please refer to pages 147 to 148 for more information.

UN SDGs

Value Creation Model

VISION

TO BE A LEADING GLOBAL ENERGY GENERATION AND ENVIRONMENTAL SOLUTIONS PLAYER, SHAPING A GREENER FUTURE THROUGH INNOVATION AND SUSTAINABILITY BEST PRACTICES

VALUE

INTEGRITY | TEAMWORK | INNOVATION | EXCELLENCE | HARMONY

MISSION

- We aspire to become the preferred employer of choice
- We deliver superior shareholder value
- We are sought after as a partner of choice
- We sustain best-in-class operating discipline
- We earn respect as a good corporate citizen

OUR CAPITALS... → ... ENABLE VALUE-ADDING ACTIVITIES THAT CREATE... → ... VALUE FOR OUR STAKEHOLDERS

INPUTS

FINANCIAL CAPITAL
- Cash Balance: RM2.21 billion*
- Market Capitalisation: RM4.13 billion
- Total Assets: RM19.01 billion
- Total Borrowings: RM7.77 billion

* *includes deposit placements classified as other investments*

MANUFACTURED CAPITAL
- Total RE Generating Capacity: 173 MW
- Total Thermal Generating Capacity: 6,953 MW
- Total Actual Solid Waste Management Volume: 3,397 tonnes/day
- Total Water Desalination Capacity: 472,975 m^3/day

HUMAN CAPITAL
- Total Number of Employees: 4,304
  - 84% Male | 16% Female
- Malaysia: 4,302
- Permanent Employees: 3,443
  - Male: 2,848 | Female: 595
- Non-Permanent Employees: 861
  - Male: 781 | Female: 80
- Total Investment in Employee Training:
  - Malakoff: RM1.34 million
  - Alam Flora: RM606,359

INTELLECTUAL CAPITAL
- Licensed to distribute up to 153.0 MW of electricity in KL Sentral
- Strong network with 10 global business partners
- Established brand equity over the past 49 years

SOCIAL & RELATIONSHIP CAPITAL
- Total No. of suppliers: 3,913
  - Local: 93.54% (Malakoff) | 100% (Alam Flora*)
- Total Customers: MUSB**: 3,630 AFES***: 280

NATURAL CAPITAL
- Energy consumption across operations: 61,218 GW
- 7,026.7 tonnes of recyclable materials collected
- Supplied 25% of national electricity demand
- Water consumption across operations: 2,617,707 m^3

* *Alam Flora Sdn. Bhd.*
** *Malakoff Utilities Sdn. Bhd.*
*** *Alam Flora Environmental Solutions Sdn. Bhd.*

MALAKOFF STRATEGIC TRANSFORMATION 2.0

5 Key Strategic Growth Pillars
- Thermal Power Generation
- Renewable Energy
- Environmental Solutions
- Water Desalination
- Strategic Bets

Key Enablers
- Selective International Expansion
- Operational Excellence
- Organisational Transformation
- Digitalisation

SUSTAINABILITY AGENDA

ENVIRONMENTAL

Transitioning to a Cleaner Energy and Circular Economy Future

- M4 Operational Excellence
- M5 Physical and Transition Climate Risks
- M6 Renewable Energy Transition
- M7 Energy Mix and Efficiency
- M8 GHG Emissions
- M12 Waste Management and Effluents
- M13 Coal Ash Management
- M15 Asset Life Cycle and Integrity
- M17 Water Management
- M20 Biodiversity

SOCIAL

Empowering Our People and Supporting Our Communities

- M3 Occupational Safety and Health
- M9 Stakeholder Management and Engagement
- M10 Talent Management and Development
- M11 Human and Labour Rights
- M16 Supply Chain Management
- M19 Community Impact

GOVERNANCE

Embedding Sustainable, Innovative Business Practices and Acting With Integrity

- M1 Good Governance and Corporate Integrity
- M2 Regulatory Compliance
- M14 Grid Stability
- M18 Technology and Innovation

KEY RISKS

KR1 KR2 KR3 KR4 KR5 KR6 KR7 KR8

Please refer to pages 72 to 76 for more information.

malakoff Energy
- Thermal Power Generation
- Operation and Maintenance (O&M)
- Project Management Services
- Electricity Distribution and District Cooling System

malakoff Environmental Solutions
- Environmental Solutions
- Water Desalination

malakoff Green Solutions
- Renewable Energy

MARKET TRENDS

- Volatility in Energy Commodity Prices
- Addressing Climate Change
- Demand For Renewable Energy
- Workforce Challenges
- Compliance and Regulatory Landscape
- Digitalisation and Technological Development
- Strengthening Infra and Security

OUTPUTS

19,675.6 GWh
total energy generated (TBPP, TBEPP, GB3, SEV & PPP and Solar)

International Power Generated:
12,775 GWh

Total waste managed by Alam Flora and AFES:
1,243,371 tonnes

Completed installation of
17.4 MWp
of commercial and industrial solar projects

Total GHG emissions based on equity approach for assets owned & operated by Malakoff in Malaysia (Scope 1, 2 and 3):
19.13 million
tCO_2e inclusive of Alam Flora's fuel and electricity consumption

TBPP Tanjung Bin Power Plant, Johor
TBEPP Tanjung Bin Energy Power Plant, Johor
GB3 GB3 Power Plant in Manjung, Perak
SEV SEV Power Plant in Segari, Perak
PPP Prai Power Plant, Penang

OUTCOMES

FINANCIAL CAPITAL
- Revenue: RM8,969.6 million (2023: RM9,067.0 million)
- PATMI/(LATMI): RM268.7 million (2023: (RM837.2 million))
- EBITDA: RM1,973.6 million (2023: RM664.1 million)
- Earnings/(Loss) Per Share: 4.44 sen (2023: (18.10 sen))
- Net Assets Per Share: RM0.92 (2023: RM0.92)
- Dividend Per Share: 4.40 sen (2023: 3.00 sen)

MANUFACTURED CAPITAL
- Net Energy Sold: 35,039 GWh (2023: 28,214 GWh)
- Total Waste Managed by Alam Flora: 1,243,371 (2023: 1,600,865 tonnes)
- Recycling Rate: 21.1% (2023: 18.9%)

HUMAN CAPITAL
- Lost Time Incident Rate (LTIR)
  Malakoff: 0.42
  Alam Flora: 1.16
  AFES: 0.26
- Total Training Hours:
  Malakoff: 26,814 hours
  Alam Flora: 41,872 hours
- Employee attrition rate: 8.8%

INTELLECTUAL CAPITAL
- Expansion of services in providing solar technologies to clients who are transitioning to cleaner energy sources
- Maintained 99% availability of our critical systems and recorded zero major cybersecurity incident
- ISO Certifications Achieved:
  - 9001: Quality - 14001: Environmental
  - 45001: OHSMS - 37001: ABMS
  - 27001: ISMS

SOCIAL & RELATIONSHIP CAPITAL
- Contribution to educational institutions: RM167,500 (2023: RM131,000)
- Community investment and development: RM239,913 inclusive of Alam Flora Group (2023: RM109,500)

NATURAL CAPITAL
- 3.7% YoY reduction in GHG Emissions intensity
- 67 GWh of clean energy generated, reducing carbon emissions by 51,879 tCO_2e from the operation of rooftop solar PV facillities and ZEC solar farm

STAKEHOLDERS

Underpinned By **OUR OVERARCHING GOVERNANCE**

Premised on the Shariah Principles, we commit to uphold the highest level of integrity in our everyday decisions and actions, in our efforts to uplift our communities and our nation.

Our Strategy

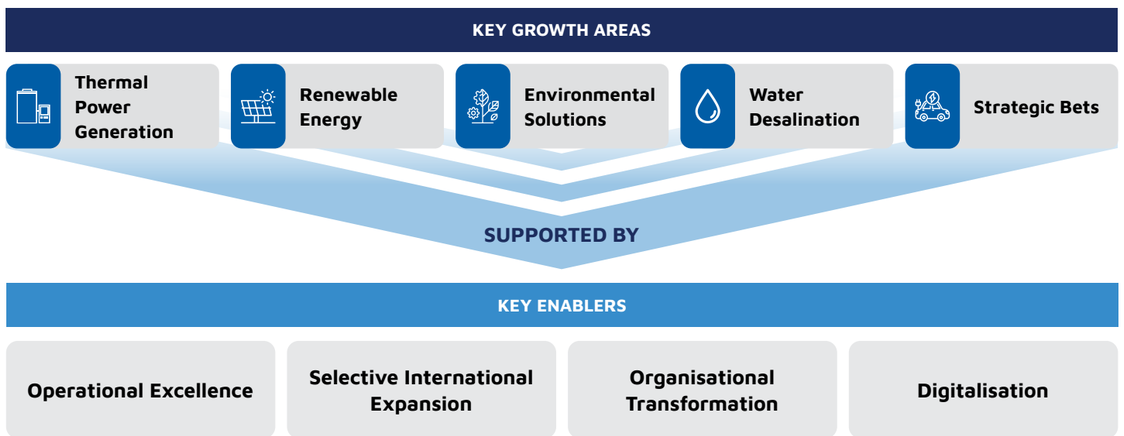
Malakoff Strategic Transformation 2.0 continues to drive the Group's efforts in integrating Environmental, Social and Governance (ESG) best practices into our Group. Anchored by our purpose of "Enhancing Life, Enriching Communities," this strategy focuses on diversifying and expanding our business portfolio, prioritising ESG materialities and delivering sustainable value. Our vision to be a leading global energy generation and environmental solutions player, shaping a greener future through innovation and sustainability practices, remains intact.

In 2024, we made strong progress in advancing our strategic goals, focusing on increasing investments in renewable energy (RE), enhancing environmental solutions solidifying our position as an energy solution provider and exploring commercially viable green opportunities. Our RE generation capacity stands at 173 MW to date, an increase of 496.6% compared to the 2021 baseline. Our waste management volume was 3,397 tonnes per day. With our current existing contracts and infrastructure, we have the potential to handle a higher capacity, showcasing our commitment to advance in the space of environmental solutions. Our maximum waste management capacity can reach close to 5,200 tonnes per day. This includes the 49% equity interest in E-Idaman Sdn. Bhd. (E-Idaman) on 28 February 2025. Our approach remains centred on generating positive sustainable shareholders' value from existing operations and future businesses by building a future-ready, ESG-driven portfolio through strategic and sustainable investments.

We continue to focus on creating positive value from our thermal power generation with plans to grow our gas portfolio in Malaysia. This is in line with our efforts to reduce carbon emissions intensity and to support the nation's demand for energy security, balancing our journey towards sustainability supporting the Government's sustainability aspirations. Being the largest independent power plant in Malaysia, our effective generation capacity in Malaysia currently stands at 5,342 MW.

In 2025, we will continue to deploy our Malakoff Strategic Transformation 2.0 while adopting a case-by-case approach towards international expansion as well as the water desalination business in the short term. We are charting our growth trajectory in the short to medium term on the domestic front, capitalising on potential opportunities in Malaysia with a stronger focus on RE, environmental solutions and thermal energy generation. The Group continues to strive for operational excellence across the board integrating it with other key enablers such as digital enablement and organisational transformation, with sustainability initiatives entrenched throughout the organisation.

To recap, Malakoff Strategic Transformation 2.0 comprises five strategic growth areas and is supported by the following four key enablers:



Strategic Pillar/ Focus Area	2031 Targets	2024 Initiatives	2024 Achievements	2025 Outlook & Priorities
Thermal Power Generation	10,000 MW	• Assessed potential gas plants in Peninsular Malaysia, with feasibility studies underway.	• Signed a new Power Purchase Agreement with Tenaga Nasional Berhad to extend the operations of the 350 MW Prai Power Plant's operations for one year, with an option for further extension. • Recognised for the second consecutive year as Enlit Asia Independent Power Plant of the Year Award (2024), a prestigious accolade in Southeast Asia's power and energy sector in Southeast Asia. • Partnered with China Northeast Electric Power Engineering & Services Co. Ltd. to supply technical manpower for its Combined-Cycle Power Plant (CCPP) projects in Bangladesh, marking our entry into H-class operation and maintenance and strengthening our expertise for Malaysia's growing CCPP demand.	• Continue providing energy solutions to meet rising demand from economic growth and influx of data centres expansion in Malaysia.
Renewable Energy	1,400 MW	• Entered into a conditional Share Sale and Purchase Agreement to acquire a 51% equity interest in ZEC Solar Sdn. Bhd. (ZEC Solar) and 49% in TJZ Suria Sdn. Bhd. (TJZ Suria), boosting Malakoff's effective RE capacity while optimising costs through resource synergies and economies of scale.	• Achieved 173 MW RE capacity. • Acquired 51% equity in ZEC Solar and 49% in TJZ Suria from Zelleco Engineering Sdn. Bhd., elevating Malakoff's effective capacity by 29 MW. • Commenced construction works for the three run-of-river Small Hydropower Plants, with Sungai Galas SHP projected to offset 272,424 tonnes of CO_2 annually. • Completed installation of 17.4 MWp of commercial and industrial solar projects.	• Completed the acquisition of ZEC Solar and TJZ Suria on 31 January 2025. • Continue to pursue Large Scale Solar opportunities in Malaysia through programs announced by the Government. • Pursue collaborations, explore emerging RE technologies and advocate for a smooth transition in targeted markets.

Our Strategy

Strategic Pillar/ Focus Area	2031 Targets	2024 Initiatives	2024 Achievements	2025 Outlook & Priorities
Environmental Solutions (Waste Handling)	10,000 tonnes per day	• Increased recycling rate by 2.2% from 2023 across operating markets. • Improved contributions from non-concession revenue. • Deployed a new fleet of 305 vehicles to enhance operational excellence at Alam Flora.	• Processed up to 50 tonnes of waste per day at the Recovery Initiative Sustainable Eco-Facility Kuala Lumpur in Batu Caves, Gombak. • Secured new leachate treatment plants operation and maintenance contracts, showcasing our capabilities in environmental solutions.	• Completed the acquisition of E-Idaman on 28 February 2025, strengthening our market presence in waste management. • Evaluate opportunities to expand concession business to other states in Peninsular Malaysia. • Assess collaboration opportunities in environmental solutions. • Identify technologies suited for managing Malaysian waste efficiently.
Water Desalination	1,000,000 m^3	• Maintained outstanding plant availability across all water desalination assets in the Middle East and North Africa (MENA) region. • Expanded our desalination portfolio through selective merger and acquisition and greenfield opportunities.	• Achieved zero Lost Time Injuries or Lost Time Accidents across Shuaibah Phase 3 IWPP, Shuaibah Phase 3 Expansion IWP, Al-Hidd IWPP and Al-Ghubrah IWP. • **Shuaibah IWPP** - Delivered over 40% of water demand during the Hajj period, in partnership with Shuaibah IWEP, achieving a Capacity Factor of 101%, surpassing operational benchmarks. - Successfully recertified for ISO 17025, ISO 22301 and ISO 20400, driving operational excellence, strengthening resilience and establishing a global standard for efficiency and sustainability. • **Al-Hidd IWPP** - Attained recertification for ISO 14001 and ISO 18001, reaffirming adherence to international environmental and occupational safety & health standards. - Secured the Royal Society for the Prevention of Accidents President's Award, an honour presented to organisations achieving 10–14 consecutive Gold Awards, underscoring sustained excellence in health and safety performance.	• Ensure stable demand and efficiency from our IWPs and IWPPs. • Identify investment opportunities that are aligned with Malakoff's strategy and goals, by investing in viable and efficient technologies for water production.

Our Strategy

Strategic Pillar/ Focus Area	2031 Targets	2024 Initiatives	2024 Achievements	2025 Outlook & Priorities
Strategic Bets		• Explore pyrolysis technologies through separate partnerships with Malaysian Nuclear Agency, converting plastic waste, and another partnership with Korean's City Oil Field Inc., to advance Pyrolysis technology for eco-friendly plastic waste treatment. • Collaborating with Korea Southeast Power Company's exploring best practises on improving operational excellence in power plants.	• Introduced electric vehicle charging infrastructure solutions, providing clients and potential clients with sustainable and efficient charging options. • Successfully increased and completed co-firing of biomass at Tanjung Bin Power Plant from 0.5% in 2022 to 2% in 2024.	• Optimise co-firing projects for maximum efficiency. • Explore energy storage solutions to enhance reliability and grid stability. • Continue deploying viable green technologies to drive Malakoff's sustainability and innovation agenda. • Advance co-firing initiatives, progressing to 15% by 2027 upon technical readiness.

Key Risks and Mitigation

Malakoff and its Group of Companies operate in sectors exposed to inherent and residue risks. Risk management is a part of our strategy, enabling us to safeguard operations, preserve stakeholder value and drive sustainable growth. While it may not be possible to eliminate the risks fully, we focus on effective management practices to mitigate their impact and strengthen shareholder returns.

For detailed information on Malakoff's risk management, please refer to the Risk Management and Internal Control section on pages 257 to 262.

KR1 HEALTH & SAFETY

Risk Trend: STABLE **Risk Impact: MODERATE**

Description and implication on value creation

Health and safety risks encompass potential workplace hazards that may lead to injuries, illnesses or fatalities among employees, including exposure to communicable diseases requiring prolonged recovery. These risks can result in significant financial losses, legal liabilities, disruptions to the value chain and damage to the organisation's reputation.

Response & Mitigation Actions

- Adhered to local and international health and safety standards.
- Implemented safety training and awareness programmes for all employees.
- Conducted regular risk assessments to identify, evaluate and mitigate workplace hazards effectively.
- Revised emergency response plans and conducted regular drills.

Opportunities Arising from this Risk

- Leverage a healthier, safer workplace to drive employee productivity, minimise disruptions and reduce absenteeism.
- Cultivate a strong safety culture to strengthen the company's brand and attract talent.
- Enhance workplace safety measures to improve employee morale and productivity.
- Ensure compliance with health and safety regulations to mitigate legal risks and reinforce the company's reputation as a responsible and ethical employer.
- Invest in advanced digital systems to proactively reduce health and safety risks.

Material Issue

M3 M4

Capitals

Stakeholders

Key Risks and Mitigation

KR2 TALENT MANAGEMENT

Risk Trend: STABLE **Risk Impact: MODERATE**

Description and implication on value creation

Talent management risks involve challenges in attracting, retaining and developing skilled employees, which may result in reduced productivity, increased recruitment costs and weakened organisational performance. The scarcity of highly skilled and competent talent poses a significant risk to Malakoff's ability to maintain operational excellence and pursue strategic objectives, especially in the expansion into renewable energy markets.

Response & Mitigation Actions

- Cultivated a culture of continuous learning and development through leadership programmes.
  - Expanded and refined leadership development initiatives such as the Leadership Development Programme for Managers and Executives to build a strong pipeline of future-ready leaders.
  - Strengthened succession planning at all leadership levels and for other key positions to ensure business continuity.
  - Invested in upskilling and reskilling programmes, including certifications such as Project Management Professional.
  - Implemented the Malakoff Coaching Programme, pairing graduates of the Leadership Development Programme for Managers & Executives with seasoned internal coaches to foster leadership capabilities.
  - Collaboration with Ministry of Human Resource Malaysia and partnered with Universiti Teknikal Malaysia, Campus British Malaysian Institute to establish a sustainable talent pipeline.
  - Engaged in career fairs to attract top talent for key roles.
- Aligned compensation and benefits packages with industry benchmarks to remain competitive.
- Conduct employee engagement surveys to address concerns proactively.

Opportunities Arising from this Risk

- Invest in talent development to enhance organisational capabilities and drive innovation.
- Empower and engage with skilled employees to fuel innovation and operational excellence.
- Reduce turnover to improve team stability and lower hiring costs.
- Build a robust internal talent pipeline to reduce reliance on external hiring and ensure leadership continuity through expanded Leadership Development Programmes.
- Position Malakoff as an employer of choice by enhancing career development initiatives, attracting top talent and fostering long-term professional growth.
- Collaborate with universities to align curricula with industry demands, equipping graduates with relevant skills.
- Strengthen Malakoff's employer brand through career fairs, attracting high-potential candidates and positioning the company as a preferred destination for emerging talent.

Material Issue

M4 M9 M10

Capitals

Stakeholders

Key Risks and Mitigation

KR3 CYBERSECURITY

Risk Trend: INCREASED **Risk Impact: MODERATE**

Description and implication on value creation

A resilient and secure digital infrastructure is essential to protect the company from potential cyber threats that could compromise our systems. Cyberattacks such as data breaches, ransomware and hacking attempts may result in significant financial losses, legal repercussions, operational disruptions and damage to the company's reputation.

Response & Mitigation Actions

- Deployed multi-layered cybersecurity measures, including encryption, firewalls and intrusion detection systems.
- Conducted regular vulnerability assessments and penetration testing.
- Implemented strict access control measures to limit access to sensitive data and systems to authorised personnel only.

Opportunities Arising from this Risk

- Strengthen the organisation's reputation as a secure and reliable entity.
- Enhance cybersecurity to build stakeholder trust and confidence.
- Manage risks proactively to improve resilience and ensure operational stability.

Material Issue

M18

Capitals

Stakeholders

KR4 POLICIES AND REGULATIONS

Risk Trend: INCREASED **Risk Impact: HIGH**

Description and implication on value creation

Our business operations span multiple areas, including energy production, waste management, employee health and safety, data security, carbon emissions, corporate governance, disclosures, tax compliance and other key functions governed by relevant policies and regulations. Non-compliance with these laws and regulations can result in legal repercussions, financial penalties, reputational damage and business disruptions.

Response & Mitigation Actions

- Conducted regular audits to ensure the organisation adheres to relevant laws, regulations and internal policies.
- Developed processes to monitor legislative changes and assess their impact on organisational policies and operations.
- Conducted comprehensive risk assessments to identify potential non-compliance to policies and regulations.

Opportunities Arising from this Risk

- Adapt to regulatory changes to position the company as an industry leader.
- Strengthen compliance efforts to enhance corporate governance and build stakeholder confidence.
- Encourage adopting more efficient practices and technologies that ensure regulatory compliance while enhancing productivity.

Material Issue

M1 M2 M4 M5

Capitals

Stakeholders

Key Risks and Mitigation

KR5 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Risk Trend: INCREASED **Risk Impact: HIGH**

Description and implication on value creation

The lack of robust ESG practices within the company may expose it to reputational, operational and financial risks. Environmental risks are critical with climate change increasing the urgency for energy producers to transition to sustainable fuel sources. Ineffective waste management practices contribute to environmental degradation.

Response & Mitigation Actions

- Developed a comprehensive ESG strategy aligned with stakeholder priorities and global standards.
- Collaborated with stakeholders to identify and proactively address key ESG concerns.
- Integrated ESG considerations into the organisation's overall strategy, ensuring alignment with environmental stewardship, social responsibility and strong governance practices.

Opportunities Arising from this Risk

- Attract investors and enhance market competitiveness by adopting strong ESG practices.
- Position Malakoff as a leader in waste reduction and segregation through enhanced waste management initiatives.
- Establish a roadmap to meet our carbon neutral and net zero carbon targets, thus contributing significantly to Malaysia achieving its Net Zero Emissions target by 2050.

Material Issue

M1 M5 M6 M8 M9 M12

Capitals

Stakeholders

KR6 EMERGENCE OF NEW TECHNOLOGIES

Risk Trend: STABLE **Risk Impact: MODERATE**

Description and implication on value creation

Rapid technological advancements may disrupt existing business models, creating competitive pressures and demanding substantial investments in new capabilities. Failure to adapt can result in obsolescence and loss of market relevance.

Response & Mitigation Actions

- Monitored technological advancements regularly and assessed their potential impact on the industry and the organisation.
- Established partnerships with technology providers and research institutions to gain insights and implement best practices.
- Invested continuously in emerging technologies to remain at the forefront of industry developments.

Opportunities Arising from this Risk

- Leverage advanced analytics and data-driven technologies for actionable insights, enabling informed decision-making and strategy development to improve business outcomes.
- Accelerate technology adoption to enhance operational efficiency and strengthen competitiveness.
- Integrate eco-friendly and sustainable technologies to align with environmental goals and strengthen the Company's sustainability reputation.

Material Issue

M4 M6 M18

Capitals

Stakeholders

Key Risks and Mitigation

KR7 CHALLENGES IN GETTING NEW BUSINESS

Risk Trend: INCREASED **Risk Impact: HIGH**

Description and implication on value creation

Challenges in acquiring new clients or entering emerging markets can impede revenue growth, erode competitive positioning and limit the company's ability to diversify its income stream. Enhancing business resilience and adaptability is essential to effectively managing disruptions, ensuring operational continuity and safeguarding the company's workforce, assets and equity while driving long-term growth.

Response & Mitigation Actions

- Conducted in-depth market research to identify new opportunities and anticipate emerging trends.
- Developed targeted marketing strategies to engage potential customers and capture market share.
- Evaluated export opportunities in the Middle East and ASEAN, leveraging our strong understanding of local cultures and business practices.

Opportunities Arising from this Risk

- Deliver sustainable returns for stakeholders to boost investor confidence and attract future investments.
- Strengthen stakeholder relationships, especially with existing customers to drive loyalty, unlock new business opportunities and enhance customer retention.
- Promote clean energy initiatives to elevate Malakoff's reputation and attract ESG-focused investors and customers.

Material Issue

M1 M4 M6 M9 M10 M18

Capitals

Stakeholders

KR8 FRAUDULENT, ILLEGAL OR UNETHICAL ACTS

Risk Trend: STABLE **Risk Impact: MODERATE**

Description and implication on value creation

Fraudulent or unethical conduct poses significant risks to organisational integrity, resulting in financial losses, legal consequences, reputational damage and heightened regulatory scrutiny. The company remains committed to addressing unethical practices, including the solicitation, offering or acceptance of undue gratification, to uphold its ethical standards and integrity.

Response & Mitigation Actions

- Delivered training and awareness programmes to educate employees on ethical practices and company policies regarding fraudulent, illegal and unethical acts.
- Strengthened the company's code of ethics and conduct, with strong support from the leadership.
- Fostered a culture of transparency by providing secure whistleblower channels and ensuring confidential reporting mechanisms.

Opportunities Arising from this Risk

- Cement Malakoff's reputation as an organisation dedicated to transparency and accountability.
- Create robust and efficient anti-corruption initiatives to safeguard and fortify the company's integrity.
- Implement systems and protocols to facilitate ongoing risk monitoring for fraud and corruption, enabling early detection and mitigating corruption risks.

Material Issue

M1 M2

Capitals

Stakeholders

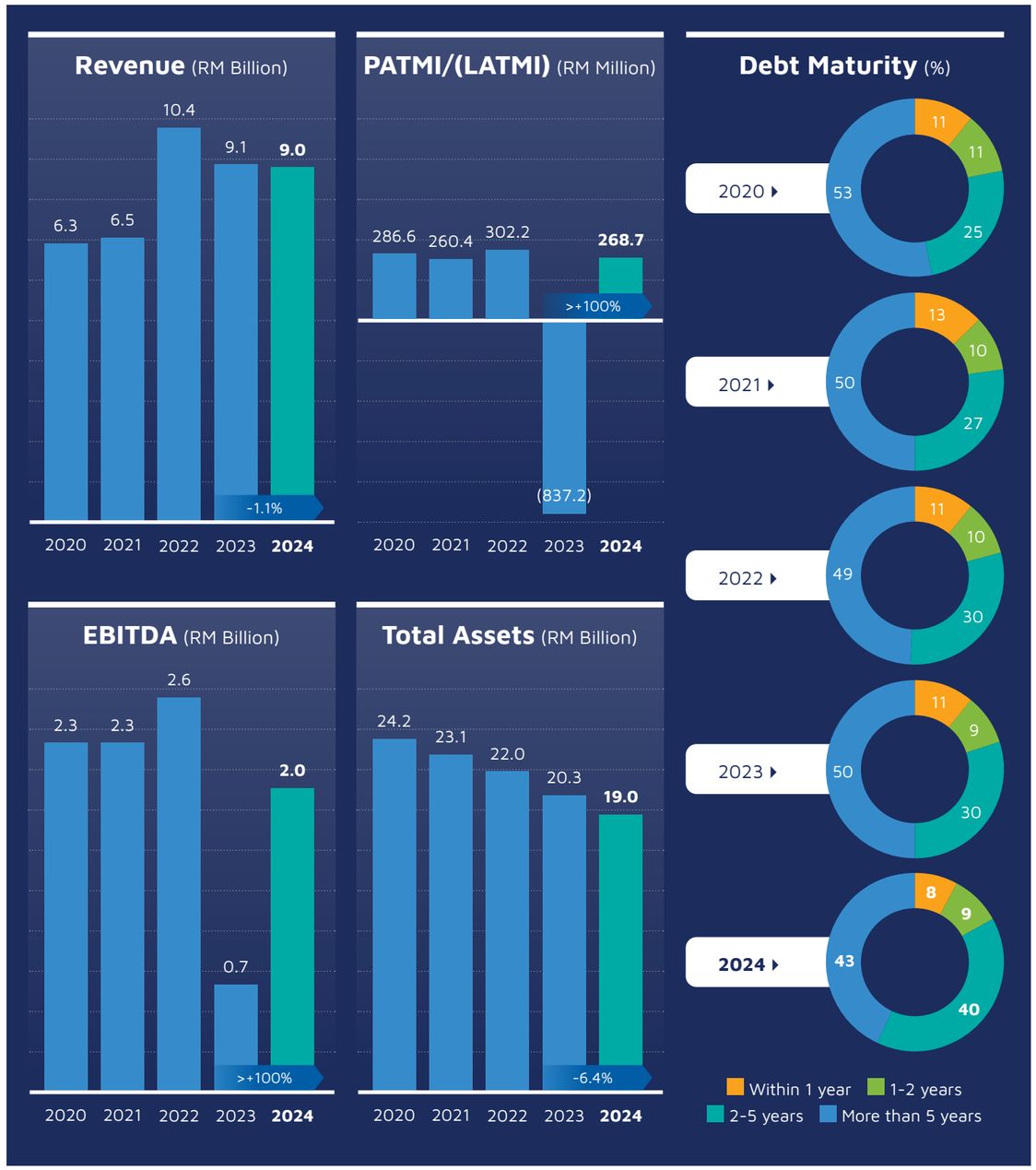
Financial Review

5-Year Financial Highlights

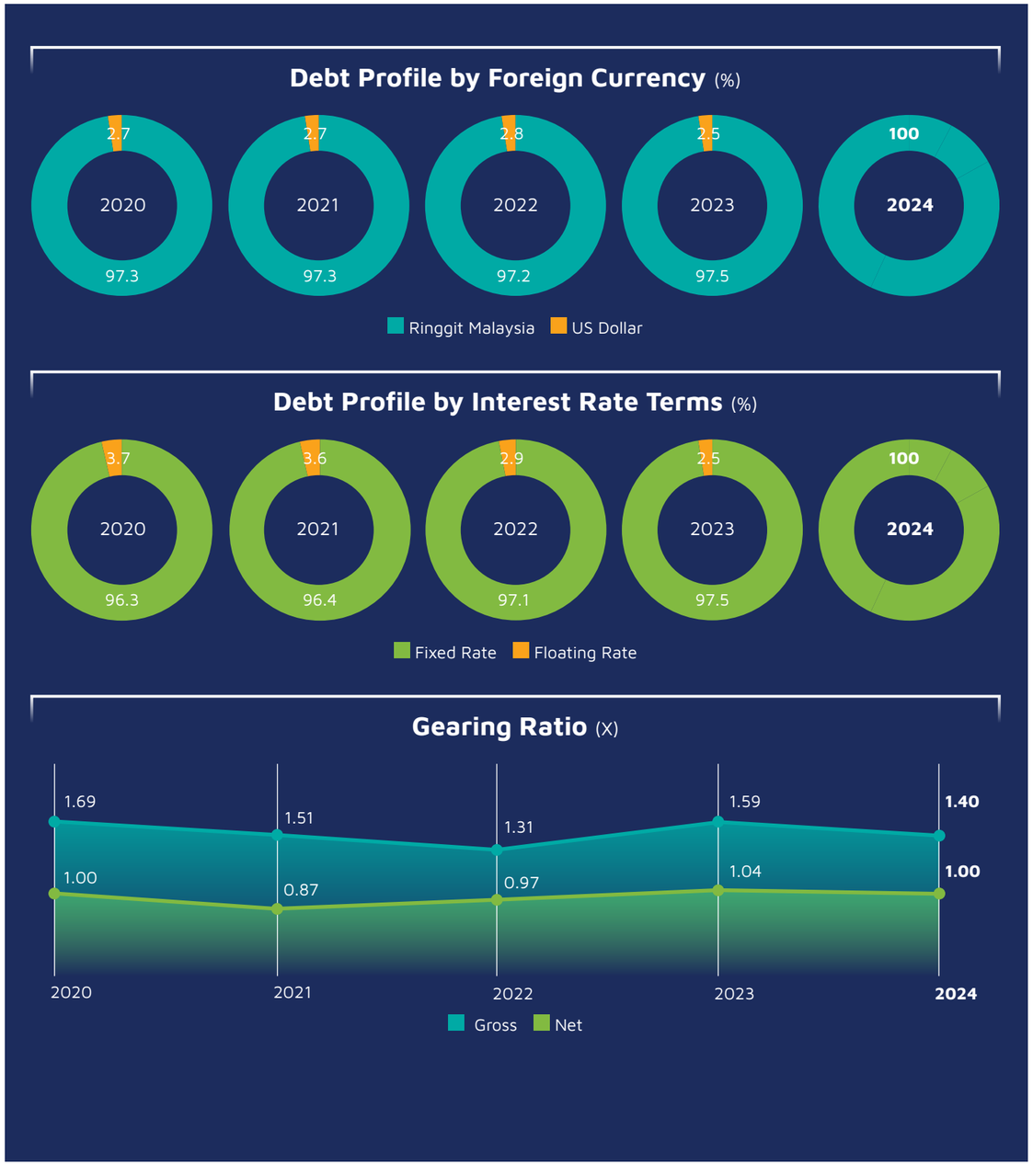
FINANCIAL STATISTICS

	Group				
	2024 RM'000	**2023 RM'000**	**2022 RM'000**	**2021 RM'000**	**2020 RM'000**
KEY OPERATING RESULTS					
Revenue	**8,969,567**	9,066,954	10,355,150	6,463,084	6,276,308
Results from Operating Activities	**784,179**	(97,285)	982,973	848,012	853,995
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	**1,973,588**	664,079	2,561,353	2,315,282	2,266,557
Profit/(Loss) Before Tax (PBT/(LBT))	**458,339**	(954,917)	736,771	469,567	444,599
Net Profit/(Loss) Attributable to Equity Holders of the Company (PATMI/(LATMI))	**268,686**	(837,160)	302,225	260,416	286,581
KEY BALANCE SHEET ITEMS					
Property, Plant and Equipment	**10,136,491**	10,454,238	10,956,764	11,555,382	12,391,428
Cash and Cash Equivalents	**1,375,368**	2,571,016	1,539,630	1,568,819	1,062,600
Other Investments (Deposit Placements with More Than 3 Months Maturity)	**831,192**	485,596	692,740	2,617,093	3,378,157
Total Assets	**19,012,687**	20,300,650	21,983,829	23,082,674	24,188,723
Total Borrowings	**7,768,174**	8,805,079	8,743,408	9,845,768	10,882,094
Total Liabilities	**13,468,850**	14,753,803	15,288,011	16,575,948	17,744,012
Share Capital	**5,693,055**	5,693,055	5,693,055	5,693,055	5,693,055
Accumulated Losses	**(1,404,914)**	(1,438,891)	(358,471)	(399,172)	(348,468)
Shareholders' Equity	**4,505,548**	4,489,745	5,561,073	5,395,038	5,307,909
SHARES INFORMATION					
Basic/Diluted Earnings/(Loss) Per Share (sen)[1]	**4.44**	(18.10)	5.22	4.36	4.90
Dividend (sen)	**4.40**[2]	3.00	5.25	5.10	5.10
Net Assets Per Share (RM)[3]	**0.92**	0.92	1.14	1.10	1.09
FINANCIAL RATIOS					
Return on Assets (%)	**1.41**	(4.12)	1.37	1.13	1.18
Return on Equity (%)	**5.96**	(18.65)	5.43	4.83	5.40
EBITDA Margin (%)	**22.00**	7.32	24.74	35.82	36.11
Gearing (x)	**1.40**	1.59	1.31	1.51	1.69
Net Gearing (x)	**1.00**	1.04	0.97	0.87	1.00

[1] The calculation of basic/diluted earnings/(loss) per ordinary share is based on the profit/(loss) attributable to equity holders after distribution on perpetual sukuk and a weighted average number of ordinary shares outstanding.
[2] Based on interim dividend paid of 2.23 sen and a final dividend of 2.17 sen in respect of financial year ended 31 December 2024.
[3] Based on number of ordinary shares of 4,886,961,300 in issue.



5-Year Financial Highlights



Group Quarterly Financial Performance

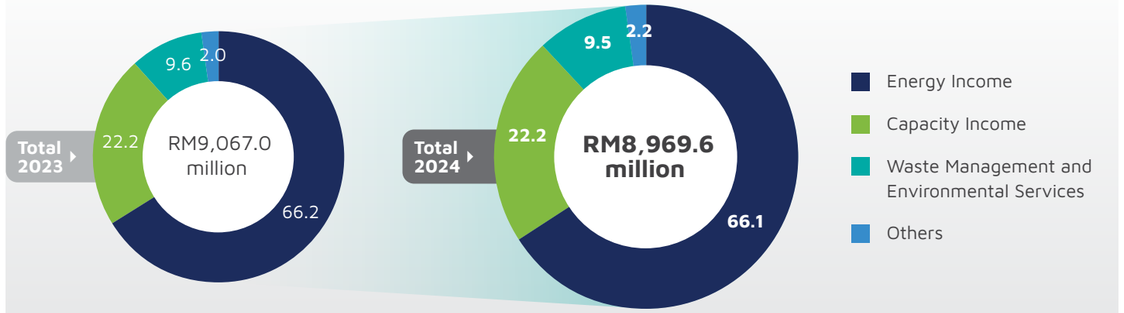
	FY2024				
	Q1	Q2	Q3	Q4	Year
Revenue	**2,280,113**	**2,307,786**	**2,219,156**	**2,162,512**	**8,969,567**
Results from operating activities	**209,474**	**232,310**	**215,041**	**127,354**	**784,179**
Profit before tax (PBT)	**119,778**	**139,493**	**144,165**	**54,903**	**458,339**
Net profit attributable to equity holders of the Company (PATMI)	**62,200**	**93,575**	**86,880**	**26,031**	**268,686**
Basic/Diluted earnings per share (sen)	**0.79**	**1.92**	**1.20**	**0.53**	**4.44**
Dividend per share (sen)	**-**	**2.23**	**-**	**2.17***	**4.40**

* Subsequent to the end of the current financial year, the Board of Directors has approved a final dividend of 2.17 sen per ordinary share on 4,886,961,300 ordinary shares in issue for the financial year ended 31 December 2024.

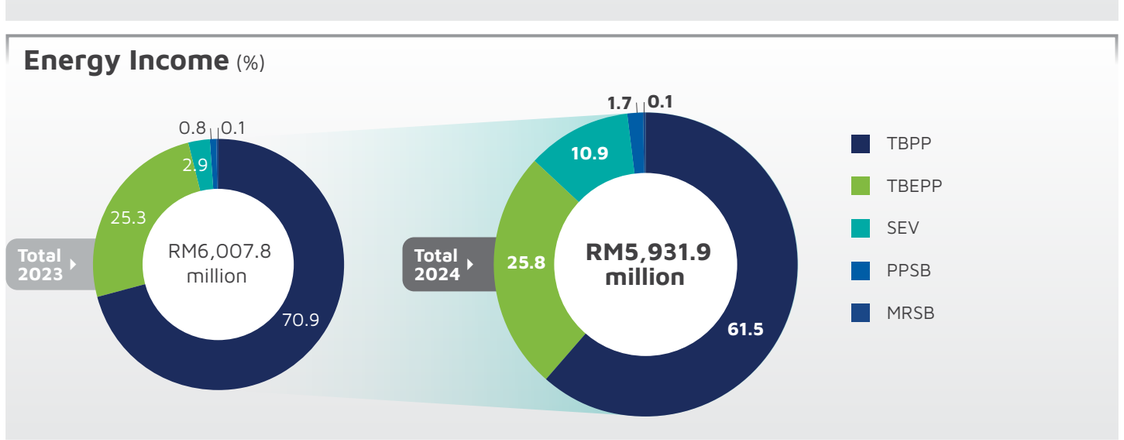
	FY2023				
	Q1	Q2	Q3	Q4	Year
Revenue	2,285,148	2,364,894	2,154,493	2,262,419	9,066,954
Results from operating activities	19,462	(359,000)	(21,573)	263,826	(97,285)
Loss before tax (LBT)	(84,437)	(453,739)	(106,955)	(309,786)	(954,917)
Net loss attributable to equity holders of the Company (LATMI)	(75,689)	(318,727)	(85,623)	(357,121)	(837,160)
Basic/Diluted loss per share (sen)	(2.03)	(6.52)	(2.24)	(7.31)	(18.10)
Dividend per share (sen)	-	1.50	-	1.50	3.00

Revenue Mix

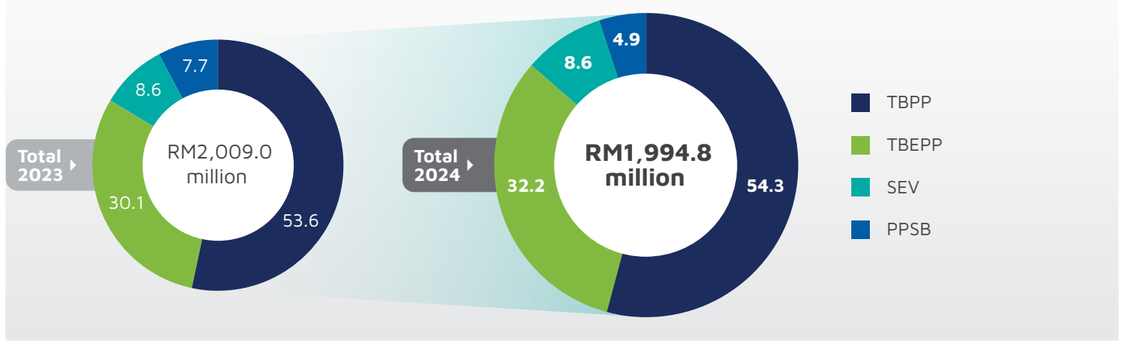
Total Revenue (%)



Energy Income (%)



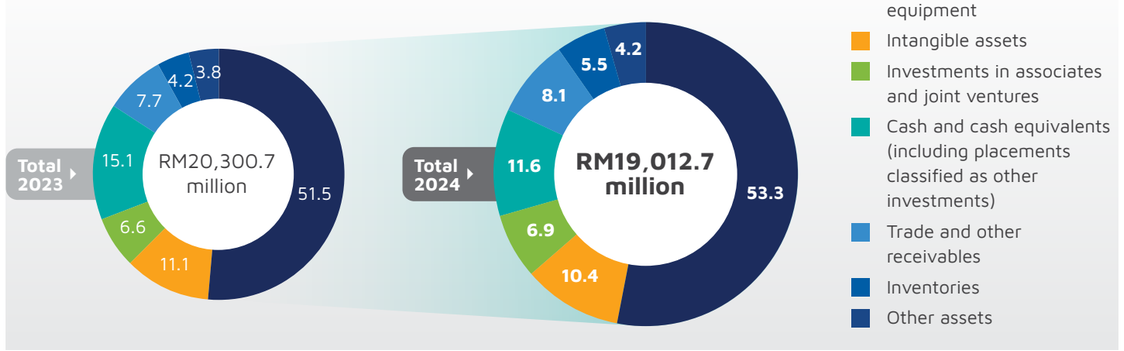
Capacity Income (%)



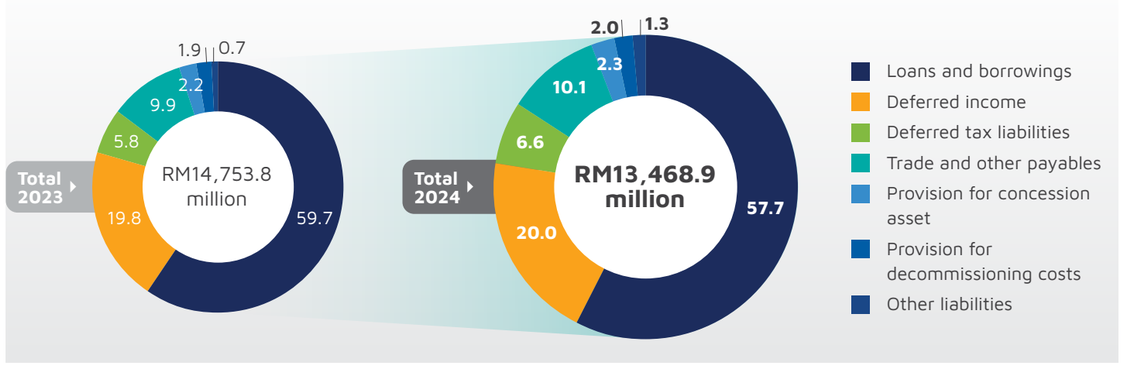
Notes:
TBPP Tanjung Bin Power Plant, Johor **TBEPP** Tanjung Bin Energy Power Plant, Johor **MRSB** Malakoff Radiance Sdn. Bhd. **SEV** SEV Power Plant in Segari, Perak **PPSB** Prai Power Plant, Penang

Simplified Group Statements of Financial Position

Total Assets (%)



Total Liabilities (%)



Investor Relations

FINANCIAL CALENDAR

23 February 2024

Announcement of the unaudited consolidated financial results for the fourth quarter and financial year ended 31 December 2023

25 March 2024

Notice of 18th Annual General Meeting (AGM) of Malakoff Corporation Berhad

25 March 2024

Notice of book closure for final dividend of 1.50 sen per ordinary share for the financial year ended 31 December 2023

25 April 2024

18th Annual General Meeting

29 May 2024

Announcement of the unaudited consolidated financial results for the first quarter and financial year ended 31 December 2024

28 August 2024

Announcement of the unaudited consolidated financial results for the second quarter and financial year ended 31 December 2024

28 August 2024

Notice of book closure for interim dividend of 2.23 sen per ordinary share for the financial year ending 31 December 2024

26 November 2024

Announcement of the unaudited consolidated financial results for the third quarter and financial year ended 31 December 2024

21 February 2025

Announcement of the unaudited consolidated financial results for the fourth quarter and financial year ended 31 December 2024

INVESTOR INFORMATION

Malakoff stands firm in our values, which is putting our stakeholders at the centre of our purpose. We remain fully committed to disseminating transparent and consistent information with clarity, equal access, accuracy, timeliness and comprehensiveness on continuous updates regarding the Malakoff's operations, financial performance, sustainability initiatives, key development progress, strategic direction and future plans. We custom-made our engagement strategic plans to meet key stakeholders' value expectations. Throughout the year, we actively engaged with investment communities and other stakeholders regularly in line with the recommendation of the Malaysian Code on Corporate Governance and other relevant regulatory bodies. This enabled us to better understand the stakeholders' changing needs and allow them to make informed investment decisions, resulting in the forging of strong relationships, maintaining the trust of the investment communities in Malakoff. Understanding investors' needs and wants is essential for a successful Investor Relations (IR) initiative. The team ensured that all queries and concerns were addressed as timely and comprehensively as possible, whilst providing access for external stakeholders, particularly the investment community, to our senior management when required.

In 2024, Malakoff proactively addressed investors' concerns by actively expanding its renewable energy (RE) portfolio and exploring new gas plant opportunities to strengthen growth prospects. Amid persistent fuel margin pressures and coal price volatility, the Group closely monitored coal inventories and maintained regular dialogue with key stakeholders to mitigate impacts. To prepare for the anticipated 2026 Carbon Tax, Malakoff increased investor engagement and transparency around sustainability initiatives, demonstrating clear progress on its ESG roadmap and net-zero milestones. Additionally, Malakoff upheld investors' confidence by maintaining a dividend payout ratio of at least 70% of PATMI, aligning with expectations for high-yield returns.

As an organisation that is committed to sustainability, we are committed to creating and preserving sustained values for all our stakeholders through our strategy and sustainability targets. It is also crucial to engage with stakeholders to ensure that they understand our objectives, goals and expectations, enabling them to make informed decisions.

The Sustainability, Research and Investor Relations (SRIR) team is an integral part of Malakoff's corporate governance initiatives. Our SRIR team supports the Managing Director and Group Chief Executive Officer as well as the Chief Financial Officer in their engagement efforts to cultivate strong relationships with shareholders, investors and other stakeholders. We pride ourselves on consistently maintaining direct and open communication with our stakeholders and keeping the market informed of all information which may have or could be expected to have a material impact on the value of our securities.

Mode of Engagement

18th Annual General Meeting

The main platform for communication between the Board and shareholders, offering shareholders the opportunity to seek clarification and gain deeper insights into the Group's financial performance and strategic direction.

Engagement Date	Audience	Meeting Type
25 April 2024	766 shareholders and proxies	Virtual

Investor Relations

Analyst Briefing

Our Quarterly Analyst Briefings have been conducted virtually throughout 2024:

Engagement Date	Audience	Meeting Type
Q1 2024 - 30 May 2024 Q2 2024 - 29 Aug 2024 Q3 2024 - 27 Nov 2024 Q4 2024 - 21 Feb 2025	Analysts and Fund Managers	Virtual

The briefings included the market prospect, financial results as well as the operational performance of that particular quarter, including a Question & Answer session for the investment community.

Investment Community Engagement

Throughout the year, we strengthened our engagement with the investment community through one-on-one and group meetings, both in-person and virtually. These sessions provided an opportunity to address investors' concerns wherever possible, reinforcing our commitment to delivering sustainable value to shareholders.

Engagement Date	Audience	Meeting Type
Through the Year	Shareholders, Analysts and Fund Managers	Physical and Virtual

Other Communication Channels

The Group recognises the significance of timely and effective communication with stakeholders to ensure they are informed about its latest financial performance and key business developments. Both financial and non-financial updates on the Group's progress are consistently shared with stakeholders through various channels, including:

Website	Email	Social Media
www.malakoff.com.my	ir@malakoff.com.my	LinkedIn: Malakoff Corporation Berhad Instagram, Facebook, TikTok: @malakoffcorp

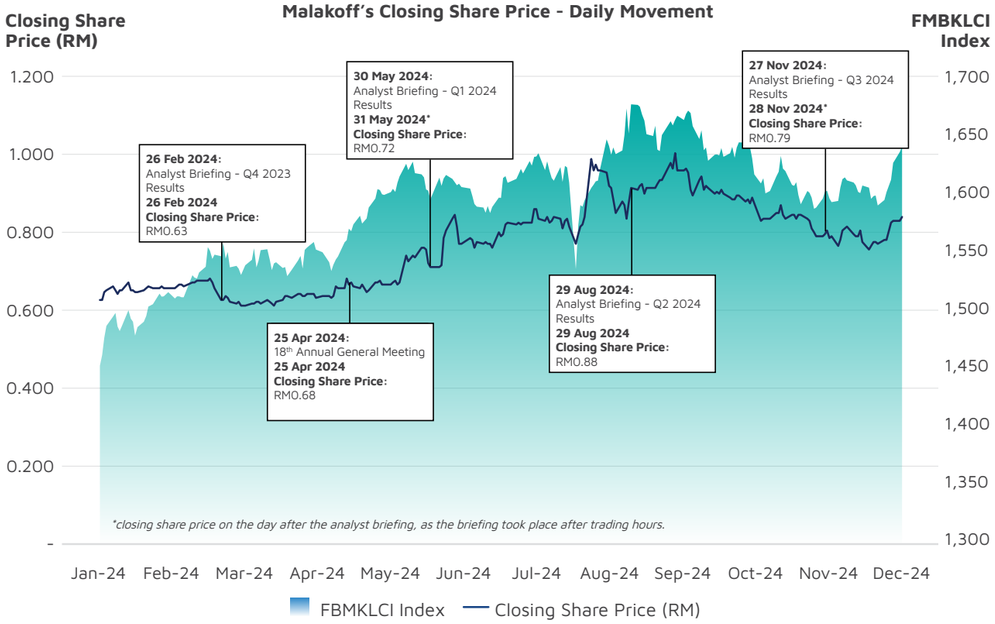
Investor Relations

Share Price Performance

Month	Highest Share Price for the Month (RM)	Lowest Share Price for the Month (RM)	Average Share Price for the Month (RM)	Closing Share Price for the Month (RM)	Monthly Average Volume Traded for the Month (million)	Total Volume Traded for the Month (million)	FTSE Bursa Malaysia KLCI (FBMKLCI) Index
Jan-24	0.68	0.63	0.65	0.66	2.37	49.79	1,512.98
Feb-24	0.69	0.63	0.66	0.64	1.71	32.50	1,551.44
Mar-24	0.64	0.62	0.62	0.64	1.32	26.47	1,536.07
Apr-24	0.69	0.64	0.65	0.67	1.64	32.85	1,575.97
May-24	0.77	0.65	0.70	0.72	3.53	74.04	1,596.68
Jun-24	0.85	0.72	0.78	0.77	5.92	106.60	1,590.09
Jul-24	0.87	0.80	0.83	0.84	5.16	113.45	1,625.57
Aug-24	1.00	0.78	0.89	0.92	12.07	265.45	1,678.80
Sep-24	1.01	0.90	0.94	0.94	11.60	231.97	1,648.91
Oct-24	0.95	0.84	0.89	0.84	2.97	65.45	1,601.88
Nov-24	0.88	0.79	0.83	0.80	2.01	42.30	1,594.29
Dec-24	0.85	0.76	0.80	0.85	3.72	78.07	1,642.33

Malakoff's Monthly Closing Share Price & Volume Traded

Investor Relations

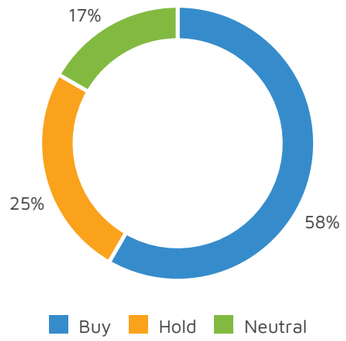


Research Coverage

No. of Research Houses

1. Affin Hwang Investment Bank Berhad
2. AmInvestment Bank Berhad
3. BIMB Securities Sdn. Bhd.
4. CGS-CIMB Securities Sdn. Bhd.
5. KAF Equities Sdn. Bhd.
6. Kenanga Investment Bank Berhad
7. Maybank Investment Bank Berhad
8. Public Investment Bank Berhad
9. RHB Investment Bank Berhad
10. TA Securities Holdings Berhad
11. UOB Kay Hian Securities (M) Sdn. Bhd.
12. Apex Securities Berhad

Summary of Analysts' Recommendations
As of 21 February 2025



The recommendations above were based on analysts' reports on Malakoff's financial results for the financial year ended 31 December 2024. The results were released on 21 February 2025.

BUSINESS REVIEW

malakoff Green Solutions

RENEWABLE ENERGY

Read more on pages 90 to 94.

Renewable Energy

WHO WE ARE AND WHAT WE DO

As Malaysia accelerates its renewable energy (RE) transition, Malakoff remains committed to expanding its clean energy portfolio. Malakoff Radiance Sdn. Bhd. (MRSB) supports this commitment by focusing on commercial and industrial (C&I) solar projects while the Group manages a broader RE portfolio, including large scale solar (LSS) and small hydro projects.

Our RE capacity of 173 MW reflects Malakoff's strategic focus on leveraging cutting-edge technologies and supportive regulatory frameworks to drive sustainable growth and contribute to Malaysia's energy transition. These initiatives align with Malaysia's National Energy Transition Roadmap and broader national policies, reinforcing our role in strengthening energy security and reducing carbon emissions.

Rooftop Solar Project at UMW Aerospace

Renewable Energy

KEY FOCUS AREAS

Commercial and Industrial (C&I) Solar	Large Scale Solar (LSS)	Renewable Energy Certificates (RECs)	Small Hydropower Plant (SHP)
Battery Energy Storage System (BESS)	Biogas	Biomass	Carbon-Free Mobility Infrastructure

BUSINESS ENVIRONMENT

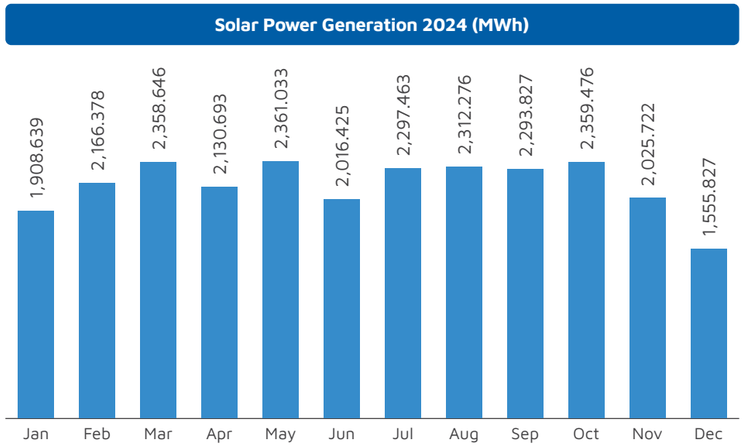
In 2024, the RE landscape saw significant momentum globally and regionally, driven by an escalating focus on sustainability and green energy adoption. Governments improved incentives and introduced progressive policies to encourage the shift toward renewables while businesses and consumers increasingly prioritised climate-conscious choices. Rising electricity costs bolstered the adoption of alternative energy solutions with solar power emerging as a preferred option for its scalability and cost-effectiveness.

The solar segment experienced significant growth, largely driven by increased investments from the commercial and industrial including residential sectors seeking to reduce energy costs and carbon footprints. This growth was further supported by the rising adoption of Building Integrated Photovoltaic System (BIPV) carport systems, which gained momentum as electric vehicle (EV) infrastructure and BESS expanded.

Technological advancements, including higher-efficiency solar panels, solar safety devices and improved energy storage solutions, further enhanced the competitiveness in the commercial and industrial solar landscape. Additionally, regulatory frameworks and government policies such as tax incentives and quota expansions under the Net Energy Metering scheme played a pivotal role in shaping market trends and driving wider adoption of solar solutions.

OPERATIONAL RESULTS FOR COMMERCIAL & INDUSTRIAL SOLAR

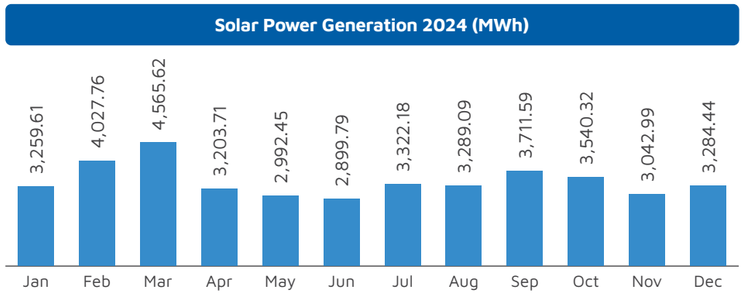
States	Size Capacity (kWp)
Perlis	42.18
Kedah	1,267.86
Penang	306.36
Selangor	19,449.54
Melaka	5,419.44
Johor	6,056.52
Pahang	4,924.84
WP KL	2,317.00
Total	**39,783.74**



Renewable Energy

OPERATIONAL RESULTS FOR LSS (ZEC SOLAR)

State	Size Capacity (MW)
Johor	29



PERFORMANCE REVIEW

Objectives	Initiatives	Progress/Outcomes
Revenue Enhancement	▸ Acquired the remaining equity interest in ZEC Solar Sdn. Bhd. (ZEC Solar) and TJZ Suria Sdn. Bhd. (TJZ Suria) ▸ Zec Solar owns and operates a 29 MW large-scale solar facility in Kota Tinggi, Johor, under a 21-year SPPA, while TJZ Suria provides operations and maintenance services to ZEC Solar	▸ Completed the acquisition of 51% equity interest in ZEC Solar and 49% equity interest in TJZ Suria, increasing Malakoff's total effective RE capacity to 148 MW
Delivery of Operational Excellence	▸ Integrated new solar assets seamlessly into the existing energy portfolio ▸ Implemented stringent quality control measures to optimise system reliability and performance ▸ Strengthened collaboration with key stakeholders to ensure compliance with regulatory and environmental standards	▸ As of 2024, MRSB has secured a C&I solar portfolio of 60 MWp. Of this, 39.8 MWp has been installed and commissioned, with the remaining capacity targeted for completion in 2025 ▸ Monitored system efficiency and reliability through the in-house operation and maintenance team

Renewable Energy

CHALLENGES AND MITIGATING ACTIONS

CHALLENGES	MITIGATING ACTIONS
Intensifying Competitive Landscape	▸ Enhanced cost optimisation strategies to offer more competitive pricing without compromising on quality ▸ Strengthened strategic partnerships with Engineering, Procurement, Construction and Commissioning contractors and technology providers to improve efficiency and value proposition ▸ Focused on differentiation through superior operation and maintenance services and performance guarantees
Expanding Market Presence	▸ Strengthened relationships with property developers and building owners to secure large-scale installations ▸ Prioritised improvements in solar panel efficiency and energy storage capabilities ▸ Expanded direct client engagement and marketing efforts to drive awareness of solar benefits ▸ Entered new market segments, including industrial and logistics hubs
Growth in BIPV Carport System	▸ Leveraged the increase in EV adoption by integrating EV charging solutions into BIPV solar carport designs ▸ Developed standardised modular designs to lower costs and enhance scalability ▸ Collaborated with government agencies and corporate clients to promote BIPV carports as part of sustainability initiatives
Adapting to the Shifting Regulatory and Policy Landscape	▸ Monitored policy changes and aligned incentives, policies and regulations accordingly ▸ Engaged actively with regulatory bodies and industry associations to provide input on policy frameworks ▸ Strengthened internal compliance processes to ensure seamless project execution within the regulatory framework ▸ Developed contingency strategies to mitigate risks from policy shifts
Market Saturation and Demand Fluctuations	▸ Public and Private Sector Partnerships - Strengthened collaborations with governments, municipalities and private enterprises seeking to adopt RE solutions - Leveraged policy incentives such as tax breaks, subsidies and RE targets for large-scale projects ▸ Market Segmentation - Focused on underserved or emerging niche markets such as commercial rooftops, community solar projects and off-grid applications to drive growth in a competitive landscape

Renewable Energy

KEY ACHIEVEMENTS

- Secured 22.1 MWp of C&I solar projects across various locations in Peninsular Malaysia consisting of rooftop solar projects and BIPV projects, with several installations completed and others scheduled for completion in 2025
- Won the Green Achievement Enterprises Awards at the third Solar Energy Storage Future Malaysia 2024

OUTLOOK

We are committed to achieving a net-zero future through cutting-edge innovations in clean energy. Malaysia's RE sector is poised for strong and sustained growth, driven by robust government policies, rapid technological advancements and increasing corporate and consumer demand for sustainable energy solutions.

Rooftop Solar Project at Syarikat Motosikal dan Enjin Nasional Sdn. Bhd. (Modenas)

Solar photovoltaic (PV) remains the fastest-growing RE source, supported by declining PV panel costs, advancements in BESS and improved efficiency. The introduction of the Corporate Green Power Programme, LSS initiatives and the Corporate Renewable Energy Supply Scheme are key enablers driving the expansion of Malaysia's solar industry. These mechanisms provide businesses with greater access to RE, supporting corporate sustainability commitments and accelerating the adoption of clean energy across industrial, commercial and residential sectors.

In addition, the growing emphasis on energy storage solutions and smart grid integration is enhancing grid stability, optimising energy consumption and supporting the long-term viability of RE deployment in Malaysia. The industry also benefits from strengthened safety regulations with Fire and Rescue Department of Malaysia issuing new safety guidelines in 2024 for solar PV systems. These guidelines play a crucial role in safeguarding solar PV assets for consumers and investors by ensuring compliance with stringent fire safety standards and risk mitigation measures.

By harnessing these advancements and a supportive policy framework, we remain committed to accelerating the nation's transition towards a cleaner, more sustainable energy future while contributing to Malaysia's RE and carbon reduction targets.

Environmental Solutions

WHO WE ARE AND WHAT WE DO

Malakoff Environmental Solutions is committed to creating a sustainable future by focusing on waste management, recycling and comprehensive environmental services that benefit communities and the planet. In 2024, it expanded its offerings to drive forward-thinking practices and innovative solutions that promote a greener tomorrow.

Alam Flora Sdn. Bhd. (Alam Flora) is a leading environmental management company in Malaysia, committed to helping communities manage and reduce waste with minimal environmental impact. As one of the largest concession holders under Malaysia's national solid waste management and public cleansing privatisation initiative, Alam Flora provides comprehensive waste management services across its concession areas, including the Federal Territories of Kuala Lumpur and Putrajaya, as well as the state of Pahang. Its wholly-owned subsidiary, Alam Flora Environmental Solutions (AFES) offers integrated environmental solutions designed to enhance quality of life and promote sustainable development goals. Backed by ISO 9001, 14001 and ISO 45001 certifications, AFES continuously innovates in areas such as Infrastructure Cleansing and Waste Solutions, Waste Management Facilities and Port Reception Facilities (PRF).

Genesis Facility Solutions complements our Environmental Business by specialising in facility and energy management. With tailored solutions that integrate cutting-edge technologies, data-driven insights and sustainable practices, Genesis helps clients reduce energy consumption, optimise asset performance, lower costs and minimise environmental impact.

We are committed to managing a waste volume of 10,000 tonnes per day by 2031, with a recycling rate of 15% to 20% by 2025. This demonstrates our commitment to responsible waste management and environmental stewardship, driving sustainable practices that contribute to a cleaner, greener Malaysia.

Environmental Solutions

KEY FOCUS AREAS

Circular Economy	Infrastructure Cleansing and Waste Solutions (ICWS)	Waste Management Facilities (WMF)	Expansion of Concession Business	Exploring Opportunities in Non-Concession Business
Marine Waste Management and Scheduled Waste Management	Facility Management	Quality Management	Energy Audits	Waste-To-Energy (WTE)

BUSINESS ENVIRONMENT

Alam Flora operates in a dynamic business environment, facing both external and operational challenges that impact its efficiency, sustainability and financial performance. One of the key external challenges is the increasing operational cost without a corresponding tariff increase by the government. Rising fuel prices, maintenance expenses and overall operational costs have also placed financial pressure on the company, making it difficult to sustain service quality without tariff adjustments.

Rising operational costs, evolving workforce dynamics and infrastructure constraints continue to challenge efficiency and sustainability efforts. At the same time, changing weather patterns and limited public awareness of waste segregation and recycling have contributed to higher landfill volumes and increased pollution risks. On the operational front, ageing assets and evolving industry regulations have affected service effectiveness, highlighting the need for continuous investment in technology, workforce development and innovation. To navigate these complexities, we continue to drive proactive engagement with stakeholders and policymakers to build a more resilient and sustainable operational ecosystem.

OPERATIONAL RESULTS

Plant	2024 (tonnes)	2023 (tonnes)	2022 (tonnes)
Domestic Waste Collected	1,174,600	1,142,600	1,118,300
Recycling Tonnage for Kuala Lumpur, Putrajaya and Pahang	7,026.7	6,108.9	5,324.1
Total Waste Handled	61,744.3	452,156.1	924,237.7

Environmental Solutions

WASTE HANDLED IN TRANSFER STATIONS, LANDFILLS AND INCINERATORS			
	2024 (tonnes)	**2023 (tonnes)**	**2022 (tonnes)**
Landfill	53,850.6	67,989.2	85,002.8
Kuala Lumpur Transfer Station (Contract expired on 14 June 2023)	-	372,830.6	798,309.7
Cameron Highlands Incinerator (Contract expired on 23 July 2023)	-	3,424.5	16,069.2
Pulau Pangkor Incinerator	4,990.1	5,107.9	4,938.1
Port Reception Facilities	2,903.5	2,803.9	3,527.9
Green Waste	-	-	16,390.0
Total	61,744.3	452,156.1	924,237.7

NON-INDUSTRIAL MATERIALS – RECYCLABLE ITEMS			
ITEMS	**2024 (tonnes)**	**2023 (tonnes)**	**2022 (tonnes)**
Paper	4,617.7	4,096.4	3,607.2
Aluminium	26.4	22.9	26.8
Metal	507.5	454.8	391.2
Plastic	842.4	811.0	662.4
Beverage Carton	34.2	20.9	18.9
E-Waste	124.2	31.8	32.9
Used Cooking Oil	424.0	229.7	149.3
Other	450.3	441.4	435.5
Total (tonne)	7,026.7	6,108.9	5,324.2

ELECTRICAL ENERGY REDUCTION	**2024**	**2023**	**2022**
Pos Mel Nasional under EMEER 2008 Regulation	66.5% reduction 8,626,349kWh=RM3.1mil	72.1% reduction 10,719,282kWh=RM3.8mil	70.9% reduction 10,276,077kWh=RM3.6mil
Senai International Airport under EMEER 2008 Regulation	9.7% reduction 499,110kWh=RM179k	10.2% reduction 507,726kWh=RM182k	14.9% reduction 694,464kWh=RM250k
Total Energy Savings (RM)	RM3.279mil	RM3.982mil	RM3.850mil

Environmental Solutions

PERFORMANCE REVIEW

Objectives	Initiatives	Progress/Outcomes
Business Expansion	▸ Appealed for third cycle tariff increase and requested concession contract extension beyond 2032	▸ Engaged with government officials through appeal letters ▸ Strategised with other concessions regarding proposed tariff increases and contract extensions ▸ Proposed service improvements through the latest technology and digitalisation
	▸ Supported co-firing initiatives by producing EFB pellets as fuel while exploring biomass business opportunities	▸ Established Build-Operate-Own agreement with revenue sharing
	▸ Participated in government tenders for operation and maintenance (O&M) of landfills as part of the strategy	▸ Developed a strategic plan to enter the O&M tender market, leveraging over 10 years of AFES' industry experience
	▸ Increased incoming recycling volume at AFES MRF ▸ Established onsite PRF at all MMC Ports to secure feedstock	▸ Implemented the new Separation at Source collection system ▸ Expanded recycling collection from commercial entities ▸ Established partnership with shipping liners ▸ Collaborated with government agencies to shape marine waste management frameworks ▸ Embraced digital transformation for operational efficiency
	▸ Expanded service offerings by implementing food waste collection and treatment through Anaerobic Digestion technology	▸ Collected food waste from markets in Putrajaya, supported by Putrajaya Corporation
	▸ Installed advanced sorting and processing technologies to improve operational efficiency and increase material recovery rates	▸ Upgraded recycling efficiency by introducing a sorting line, plastic shredder and press machine into existing processes

Environmental Solutions

PERFORMANCE REVIEW

Objectives	Initiatives	Progress/Outcomes
Business Expansion	▸ Partnered with MMC Engineering Sdn. Bhd. and Shanghai Tunnel Engineering Co. Ltd. to identify tunnel and bridge maintenance opportunities	▸ Identified potential projects for 2025-2027
	▸ Expanded asset management capabilities and entered the shopping mall facilities management sector	▸ Partnered with CA Cleaning for facility management solutions at CapitaLand Group malls ▸ Achieved Registered Electrical Energy Manager, Bosch SI and Service Technician Programme certifications
Enhance Sustainable Waste Management	▸ Continued progress of the Group's first WTE project	▸ Concluding the Concession Agreement between Ministry of Housing and Local Government and SWCorp ▸ Obtaining necessary approvals for the development of the facility
	▸ Partnered with local businesses and non-profit organisations to promote recycling efforts	▸ Extended the Nestlé and AFES Kerbside Collection Programme for another year ▸ Introduced incentives, including cash rewards and the "Scan n Score" programme to increase recycling efforts
	▸ Rolled out a food waste treatment initiative	▸ Implemented anaerobic digestion and mechanical composting to improve waste treatment capabilities
Strengthen Energy Audit Portfolio	▸ Expanded service portfolio to include the oil and gas industry ▸ Pursued the Explore Energy Audit Conditional Grant (EACG) by Sustainable Energy Development Authority	▸ Secured a three-year contract with Petronas Dagangan Berhad for operations in the Sabah and Sarawak regions, completing four of the 18 locations ▸ Completed the EACG for Senai International Airport

Environmental Solutions

CHALLENGES AND MITIGATING ACTIONS

CHALLENGES	MITIGATING ACTIONS
Cost Management	
Rising Operational Costs (Fuel, Maintenance and Labour)	▸ Eliminated non-value adding activities to reduce costs ▸ Consolidated procurement activities to ensure best pricing for products and services ▸ Invested in technology to increase operational efficiency
Increase in Minimum Wages	▸ Outsourced general worker recruitment to manage labour costs ▸ Launched productivity enhancement programmes through upskilling and reskilling initiatives
Contract Price Pressures	▸ Managed facility management costs post-pandemic to align with client budgets ▸ Established a dedicated department focused on cost reduction to enhance competitiveness in bidding
Operational Efficiency	
Ageing Vehicles and Infrastructure	▸ Alam Flora procured 308 new vehicles to be delivered by end of 2025 ▸ Enforced strict compliance with preventive maintenance for all vehicles ▸ Replaced bins as part of the third cycles bin programme ▸ Invested in Internet of Things and Robotics to reduce manual labour and improve operational efficiency ▸ Utilised Computerised Maintenance Management System to optimise daily operations
Labour and Manpower Issues (including supply and demand)	▸ Promoted Health and Wellness programmes for employees ▸ Implemented mentorship and knowledge transfer programmes for experienced workers to train new entrants ▸ Outsourced recruitment of general workers and collaborated with institutions to supply skilled workers

Environmental Solutions

CHALLENGES AND MITIGATING ACTIONS (CONTINUED)

CHALLENGES	MITIGATING ACTIONS
Operational Efficiency	
Contract Expiry of Incinerator of Cameron Highlands and KL Transfer Station	▸ Engaged in government tenders by adjusting contract pricing to align with the government's indicative price and meet targeted margins
Rising Costs of Chemicals and Machineries for the Leachate Treatment Plant (LTP) and Landfill	▸ Assessed new chemicals with similar efficacy for treating effluent from LTP ▸ Renegotiated rental terms with existing vendors and identified new suppliers near our facility/plant
Recycling and Waste Processing	
Feedstock Challenges and Waste Contamination	▸ Implemented semi-automated sorting to boost recovery rates ▸ Segregated materials at MRF based on collection source
Market Dynamics	
Fluctuating Market Prices for Recyclables	▸ Adjusted buyback prices in line with vendor purchase costs ▸ Enforced minimum tonnage requirements for customer collections ▸ Sourced new vendors to enhance competitiveness in material pricing

KEY ACHIEVEMENTS

- Secured the five-year O&M contracts for the LTPs at Jabor, Jerangau, Kuantan (500m³/day) and Ladang CEP, Simpang Renggam, Johor (300m³/day)
- Partnered in major events such as MotoGP 2024, KitaRun Putrajaya 2024, 7-Eleven Go Green, Malakoff's ENVIRUNMENT Carnival and the Kuala Lumpur Standard Chartered Marathon while collaborating with prominent hotels including Zenith, Dorsett, The Everly Hotel and MiCasa Hotel to enhance sustainability
- Achieved a remarkable 7,026.7 tonnes of material contribution in 2024, a 15% increase over 2023 despite market challenges
- Secured a four-year extension for Integrated Facility Management at Immigration, Customs, Quarantine & Security Complex
- Received the 2024 Special Achievement In GIS Award in San Diego, California, in recognition of Alam Flora's M Flora Telematics Systems project
- Won the 'Excellent Waste Management Recognition and Waste Reduction & Circularity Award' at Waste Management Association of Malaysia 2024

Environmental Solutions

OUTLOOK

Our focus is on strengthening our position as a leading provider of sustainable integrated waste solutions, driving the circular economy and promoting environmental sustainability across Malaysia. We are expanding our presence in the central and eastern regions, with key concessions in Selangor, Kelantan and Terengganu, while also enhancing our footprint in the commercial and industrial sectors.

We will diversify into the integrated scheduled waste operations and treatment solutions within the industrial and energy sectors across the northern and eastern regions. The development of our Sustainable Facility and Eco-Park Centre (SAFE) in Terengganu as well as PRF will drive sustainable waste management initiatives and contribute significantly to Malaysia's environmental goals.

In facility management, we will prioritise opportunities within the Group and focus on selective partnerships to penetrate the private and commercial sectors, a key part of our strategy for growth and operational excellence.

The Group remains committed to advancing its first WTE project in close collaboration with the Government and relevant authorities. Moving forward, efforts will focus on securing key approvals and strengthening stakeholder engagement to ensure smooth transition into the development phase.

Our participation in government tenders for waste management facilities will continue. We are also focused on implementing cost optimisation strategies for existing contracts, particularly at the Pangkor Incinerator and Belenggu Halt Sanitary Landfill, to ensure operational efficiency and maintain profitability. Additionally, we are piloting plant capacities through IWMF, including regional landfills, transfer stations and leachate treatment plants, to enhance the waste management process from collection to recovery.

We will continue to strengthen recycling efforts by enhancing waste collection across all sectors and expand material processing. Through strategic collaborations with international firms, local businesses and environmental organisations, we aim to broaden our impact. The Recyclink mobile application will streamline processes, enhance customer experience and drive business growth. Additionally, we will improve data tracking and waste treatment initiatives, reinforcing our commitment to sustainability.

Through Genesis Facility Solutions, we will continue to drive organic growth and secure new revenue streams. Expanding into the commercial sector is a key priority, in addition to strengthening our facility management capabilities, particularly within the power plan sector. We are exploring opportunities for mergers or acquisitions to complement and broaden our existing business portfolio.

Water Desalination

WHO WE ARE AND WHAT WE DO

The International & Investment Management department at Malakoff manages the Group's investments in Independent Water Plant (IWP) and Independent Water and Power Plants (IWPPs) across Saudi Arabia, Bahrain and Oman. These ventures, with a total effective capacity of 472,975 m^3 per day, have a significant role in our portfolio, supplying clean water to approximately 42.7 million people across the region. We drive Malakoff's business growth by leveraging strategic acquisitions and greenfield developments, fostering strategic partnerships and prioritising innovative solutions in target projects.

Name	Location	Gross Capacity (m^3)
Shuaibah Phase 3 IWPP (SIWPP)	Saudi Arabia	880,000
Shuaibah Phase 3 Expansion IWP (SIWEP)	Saudi Arabia	150,000
Al-Hidd IWPP	Bahrain	410,000
Al-Ghubrah IWP	Oman	191,000

Al-Ghubrah IWP

Water Desalination

KEY FOCUS AREAS

- Oversee overseas assets, ensuring investments align with business goals
- Explore new investment opportunities, focusing on those aligned with business objectives
- Drive global expansion by investing in renewable energy-powered desalination initiatives
- Build strategic alliances across the Middle East and North Africa (MENA) region to strengthen our presence in the water and power markets

BUSINESS ENVIRONMENT

The MENA desalination market has experienced rapid growth and innovation over the past few decades, driven by the region's acute water scarcity. With its arid climate and limited natural freshwater resources, desalination has become an essential solution for ensuring a reliable supply of potable water for both domestic and industrial needs.

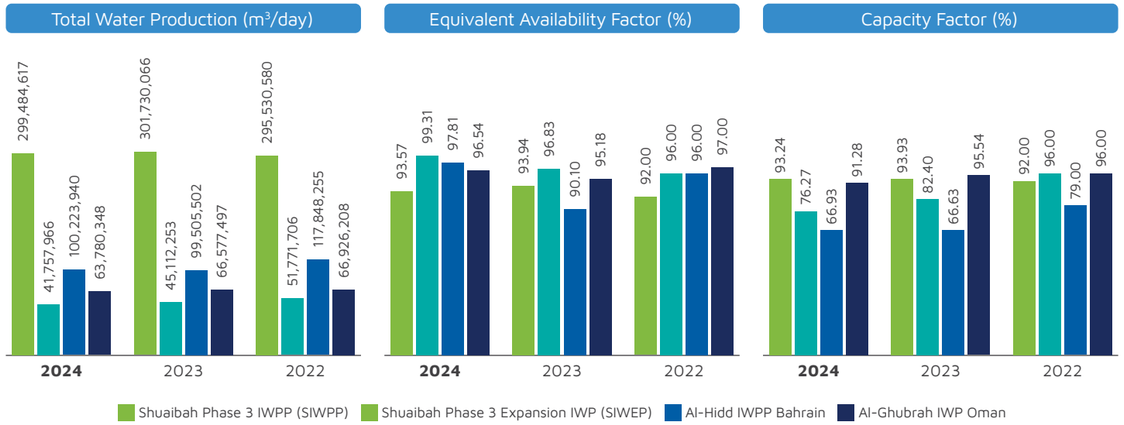
One of the primary challenges in desalination is energy consumption, prompting a shift towards energy-efficient technologies such as solar-powered reverse osmosis (RO) desalination. The integration of renewable energy in desalination projects is becoming a key market differentiator.

At the same time, geopolitical risks, including political instability, regional rivalries, terrorism, economic volatility and policy shifts require careful navigation and are closely monitored. We mitigate these risks through rigorous due diligence, political risk insurance and strategic partnerships to ensure business resilience.

The competitive landscape in the MENA desalination market is equally dynamic, with state-owned utilities and private sector companies, both local and international, playing key roles. Governments are also driving local participation to boost job creation and economic growth.

Nevertheless, we remain committed to go beyond our current achievements in the MENA desalination industry, continuously exploring new investment opportunities within and beyond the region.

OPERATIONAL RESULTS



Water Desalination

PERFORMANCE REVIEW

Objectives	Initiatives	Progress/Outcomes
Business Expansion	Explored strategic partnerships	▸ Forged strategic alliances with global industry players to collaborate on upcoming power and water projects
Cost Management	Increased operational efficiencies	▸ Optimised CAPEX project execution and implemented a systematic inventory reduction strategy based on utilisation rates

CHALLENGES AND MITIGATING ACTIONS

CHALLENGES	MITIGATING ACTIONS
Strong Competition from Leading Utilities, International Trading Companies and New Market Entrants	▸ Pursued strategic alliances with experienced partners to enhance our competitive edge ▸ Actively collaborated with local and global financial institutions and export credit agencies to secure support
Heightened Regulatory Oversight and Government Attention on SWRO Energy Efficiency and its Ecological Effects on Marine Ecosystems	▸ Strengthened internal policies to align with regulatory expectations and market best practices
Challenges in Expanding Into New Market Due to Political Instability, Policy Shifts and Uncertainties Specific to Each Region or Country	▸ Closely monitored energy policies and emerging opportunities across various markets ▸ Participated in ongoing discussions and forums with key stakeholders ▸ Focused on high-priority countries and regions, carefully evaluating risks in relation to potential returns

Water Desalination

KEY ACHIEVEMENTS

▸ Achieved zero Lost Time Injuries or Lost Time Accidents across Shuaibah Phase 3 IWPP, Shuaibah Phase 3 Expansion IWP, Al-Hidd IWPP and Al-Ghubrah IWP

Shuaibah IWPP

▸ Delivered over 40% of water demand during the Hajj period, in partnership with Shuaibah IWEP, achieving a Capacity Factor of 101%, surpassing operational benchmarks
▸ Secured ISO certifications such as ISO 17025, 22301 and 20400, driving operational excellence, strengthening resilience and establishing a global standard for efficiency and sustainability

Al-Hidd IWPP

▸ Attained recertification for ISO 14001 and ISO 18001
▸ Achieved the Royal Society for the Prevention of Accidents President's Award in 2024

OUTLOOK

The MENA region faces a widening supply-demand gap, driven by geopolitical instability, climate change and population growth. In response, governments are rolling out strategic initiatives to address these challenges.

As the industry adapts to these changes, there is a clear shift towards significant capital investment in energy-efficient technologies for water production, distribution and storage facilities. This is further supported by increasing collaborations with private investors to address the rising demand. Against this backdrop, the demand for services from our IWPs and IWPPs is expected to remain stable, with the potential for growth.

In 2025, we will remain focused on identifying investment opportunities that align with Malakoff's commercial and growth requirements, while optimising the efficiency of our existing facilities in our portfolio.

BUSINESS REVIEW

malakoff Energy

THERMAL POWER GENERATION

Read more on pages 109 to 114.

OPERATION AND MAINTENANCE (O&M)

Read more on pages 115 to 117.

PROJECT MANAGEMENT SERVICES

Read more on pages 118 to 120.

ELECTRICITY DISTRIBUTION AND DISTRICT COOLING SYSTEM

Read more on pages 121 to 122.

Thermal Power Generation

WHO WE ARE AND WHAT WE DO

Our thermal power generation consists of five thermal power plants in Malaysia with a combined generation capacity of 5,342 MW. Each facility supplies energy to Tenaga Nasional Berhad under the individual Power Purchase Agreements (PPAs). Beyond Malaysia, our portfolio includes international assets such as the Shuaibah Phase 3 Independent Water and Power Producer (IWPP) in Saudi Arabia and the Al-Hidd Independent Water and Power Producer (IWPP) in Bahrain.

As part of our commitment to a cleaner, more sustainable future, we are accelerating efforts to green our thermal plants, ensuring a responsible and balanced energy transition. In line with this, we have demonstrated the capability for a co-firing rate of up to 2% biomass at our 2,100 MW coal-fired Tanjung Bin Power Plant (TBPP). Our target is to reach a 15% co-firing ratio by 2027, significantly reducing the nation's carbon footprint, enhancing grid stability and aligning with Malaysia's commitment to a Just Energy Transition. However, scaling up requires a range of critical factors to ensure the success of this National Energy Transition Roadmap (NETR) project. A concerted effort from all stakeholders, including policymakers and industry players, will be essential in driving this initiative forward and realising its full potential.

Prai Power Plant

Thermal Power Generation

Plant	Location	Plant Type	Fuel Type	PPA	Generating Capacity (MW)	Effective Equity Participation	Effective Capacity (MW)
Prai Power Plant (PPP)	Penang	Combined-Cycle Gas Turbine (CCGT)	Gas	2024 (extended to 2025)	350	100.00%	350
SEV Power Plant (SEV)	Perak	CCGT	Gas	2027	1,303	93.75%	1,222
Kapar Power Plant (Kapar)	Selangor	Multi-Fuel	Gas/Coal/ Oil	2029	2,200	40.00%	880
Tanjung Bin Power Plant (TBPP)	Johor	Coal	Coal	2031	2,100	90.00%	1,890
Tanjung Bin Energy Power Plant (TBEPP)	Johor	Coal	Coal	2041	1,000	100.00%	1,000
Shuaibah Phase 3 IWPP	Saudi Arabia	Fuel	Light Crude Oil	2030	900	24.00%	216
Al-Hidd IWPP Bahrain	Bahrain	Open Cycle Gas Turbine (OCGT)/CCGT	Natural Gas	2027	929	40.00%	372
Total Effective Power Generation Capacity (MW)					8,782		5,930

KEY FOCUS AREAS

- Develop strategies for cost efficiency and risk mitigation to achieve performance goals
- Implement continuous process optimisations to boost plant operational effectiveness
- Collaborate with domestic and international partners to explore innovative technologies that enhance plant operations

BUSINESS ENVIRONMENT

In 2024, higher energy demand drove a year-on-year increase in power generation at our gas plant, demonstrating its essential role in meeting Malaysia's energy requirements. Meanwhile, the global coal market showed signs of stabilisation, with Indonesian sub-bituminous coal prices ranging between USD70/mt and USD80/mt, while Newcastle bituminous coal prices settling at USD110-USD150/mt.

The price stability translated into a more consistent Applicable Coal Price for TBP and TBE, a significant improvement from the volatility experienced in 2022 and 2023. Increased offtake, further supported by the unavailability of other major coal plants contributed positively to financial performance.

Thermal Power Generation

OPERATIONAL RESULTS

Plant	Capacity Factor, CF (%)					Availability Factor, AF (%)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
TBPP	75.87	70.61	67.29	72.19	86.36	86.07	88.31	86.69	93.92	94.63
TBEPP	84.80	73.76	62.74	66.2	80.54	93.44	80.54	84.93	90.41	97.54
SEV	20.65	4.59	1.82	2.23	7.68	92.83	97.81	94.37	94.82	95.51
GB3	-	-	4.73	6.49	9.63	-	-	96.16	96.46	95.90
PPP	33.03	18.01	17.21	12.43	19.62	95.16	93.60	95.33	92.73	80.34
Kapar	57.17	42.25	42.13	34.08	56.55	92.08	83.27	86.68	78.85	94.67
Shuaibah IWPP	91.94	94.20	93.00	88.00	88.00	91.34	93.70	92.00	88.00	89.00
Al-Hidd IWPP	62.25	59.40	70.00	72.00	71.00	98.10	86.70	94.00	93.00	94.00

Electricity Sold and Generated

Plant	Power Generated (GWh)					Electricity Sold (GWh)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
TBPP	14,699	13,693	13,118	14,104	16,767	13,995	12,990	12,424	13,279	15,931
TBEPP	7,829	6,766	5,486	6,117	7,460	7,449	6,462	5,192	5,800	7,074
SEV	2,457	535	217	263	905	2,363	524	211	257	879
GB3	-	-	277	376	559	-	-	268	364	542
Prai	818	576	537	390	614	799	563	525	381	603
Kapar	11,171	8,418	8,395	6,609	10,852	10,434	7,676	7,629	6,150	10,193
Shuaibah IWPP	7,248	7,425	7,315	6,925	6,924	7,248	7,425	7,315	6,925	6,924
Al-Hidd IWPP	5,079	4,832	5,708	5,850	5,775	5,079	4,832	5,708	5,850	5,775

Thermal Power Generation

PERFORMANCE REVIEW

In 2024, the Group advanced its decarbonisation agenda with the successful installation and commissioning of a 2% biomass co-firing system at TBPP. This milestone reinforces our commitment to cost efficiency and risk mitigation, ensuring a balanced transition towards cleaner energy without compromising operational stability.

As we focus on increasing biomass co-firing capacity, efforts are underway to evaluate alternative biomass fuels to gradually elevate co-firing capability, targeting a minimum of 15% co-firing readiness by 2027. At the same time, operational reliability remains a priority, supported by rigorous due diligence and planned maintenance outages. To strengthen execution, the Group has conducted comprehensive training programmes, equipping our employees with technical knowledge in biomass co-firing while enhancing their understanding of process risks and safety protocols. These enable them to manage operational challenges, assess hazards and adopt best practices in biomass handling and combustion.

In line with continuous process optimisations, we are also currently evaluating cutting-edge technologies and experiences from Japan and Europe in biomass handling, co-firing combustion systems and equipment optimisation to support the commercial phase. These efforts align with our broader strategy to drive efficiency while managing fuel variability and cost factors.

The achievement of this biomass co-firing hinges on securing the necessary funding, constant supply of biomass fuel and establishing a fuel cost pass-through mechanism, ensuring the long-term financial sustainability of biomass integration. Our ultimate goal is to achieve 15% biomass co-firing capability by 2027, reinforcing our commitment to reducing emissions while maintaining system resilience.

In addition to co-firing initiatives, the Group remains focused on optimising operational efficiency at TBEPP. Ongoing efforts are being made to improve the technical heat rate with rigorous maintenance practices in place to drive higher performance and ensure the plant's long-term reliability.

The Group has also secured an extension of the PPA for the Prai Power Plant (PPP) following the presentation of a comprehensive financial model assessment in our tender submission. The one-year extension, effective 6 September 2024, sets the foundation for potential further extensions, subject to regulatory approval.

By integrating structured training, advanced technology and robust process enhancements, we are future-proofing our assets and positioning the Group as a leader in Malaysia's clean energy transformation.

Lumut Power Plant

Thermal Power Generation

CHALLENGES AND MITIGATING ACTIONS

CHALLENGES	MITIGATING ACTIONS
Maximise Value by the Strategic Closure of PPP Assets	▸ Extended the PPP PPA with a one-year term until 5 September 2025, with an option for further extension, subject to electricity demand, supply and the Energy Commission's planning ▸ Streamlined workforce planning and relocation processes ▸ Optimised strategies to manage operations and maintenance before PPA expiration ▸ Investigated options for disposing of surplus assets and inventories through sale or lease ▸ Formed a dedicated task force to ensure effective management of asset and inventory disposal
Achieve On-Time Execution of All Scheduled Outages	▸ Coordinated with the Grid System Operator and key stakeholders to optimise planned outages ▸ Developed efficient schedules for outages ▸ Held daily meetings for quick issue resolution and escalation, as needed
Ensure Plant Reliability and Performance to Secure PPA Extension	▸ Executed enhanced borescope inspection with OEM ▸ Secured renewal of Certificate of Fitness for extension ▸ Completed pre-COD shutdown activities ▸ Assessed and restocked essential spare parts inventory ▸ Evaluated and extended key service agreements ▸ Conducted pit stop maintenance during brief outages ▸ Initiated corrosion control programme
Manage Manpower Turnover and Shortages Before PPA Extension	▸ Facilitated internal staff reassignment and new recruitment ▸ Implemented staff training and development initiatives
Handling High Cyclic Operations	▸ Executed strategies to ensure successful startup of Gas Turbine and Steam Turbine

Thermal Power Generation

KEY ACHIEVEMENTS

- Recognised as a key player in Malaysia's NETR, driving Biomass Co-firing at the 2,100 MW TBPP, a central project within NETR's Catalyst Projects
- Launched the Biomass Co-firing Project, officiated by Deputy Prime Minister and Minister of Energy Transition and Water Transformation, Yang Amat Berhormat Dato' Sri Haji Fadillah Haji Yusof, marking a significant milestone in Malaysia's transition towards sustainable energy
- Effectively initiated a phased plan to achieve a 15% biomass co-firing capacity by 2027, ensuring technical readiness
- Exceeded 2023 energy generation levels in 2024, driven by higher demand from the offtaker throughout the year
- Increased net energy sold from 28,215 GWh in 2023 to 35,040 GWh in 2024, raising our contribution percentage from 21% to 25%

OUTLOOK

In 2024, we expect a modestly improved outlook, focusing on initiatives aligned with sustainability while exploring the potential for combined-cycle gas turbines and solar projects on Malakoff-owned or Group land.

We are also focused on expanding our biomass co-firing, evaluating alternative fuels and increasing co-firing ratios to achieve 15% readiness by 2027 under the NETR. Government support will be crucial in realising this goal by providing policy direction, regulatory frameworks, support mechanisms and financial incentives to address challenges such as feedstock adequacy and security, price volatility and supply chain efficiency. Public-private collaboration will also be essential for scaling up co-firing capability, securing funding and integrating alternative fuels at sensible prices.

At the same time, comprehensive due diligence and planned maintenance outages will ensure the ongoing reliability of our plants and their continuous contribution to the national energy supply, reinforcing Malaysia's long-term energy security and decarbonisation aspiration.

Operation and Maintenance

WHO WE ARE AND WHAT WE DO

Malakoff Technical Solutions Sdn. Bhd. (MTSSB), a wholly-owned subsidiary of Malakoff, specialises in delivering operation and maintenance (O&M) solutions to internal and external clients across various industries. Our portfolio includes notable names such as Kapar Energy Ventures Sdn. Bhd. (KEV), Jimah O&M Sdn. Bhd. (Jimah EDRA), Malaysia Marine and Heavy Engineering Holdings Berhad (MMHE), Petroleum Sarawak Berhad (PETROS) and China Northeast Electric Power & Engineering Services Co. Ltd. (NEPCS), serving both domestic and international markets.

Our core expertise encompasses technical advisory for due diligence in power plant assessments, deployment of skilled technical personnel for O&M activities, specialised training programmes, repair and replacement services and non-destructive testing (NDT) solutions.

Operation and Maintenance

Operation and Maintenance

KEY FOCUS AREAS

Pursue O&M opportunities for a greenfield Combined-Cycle Gas Turbine (CCGT) power plant project by showcasing our key expertise and capabilities across various sub-services such as maintenance, repair and overhaul (MRO), technical advisory studies and tailored technical training programmes for clients

Strengthen marketing efforts for MRO services within the power generation and oil and gas sectors

BUSINESS ENVIRONMENT

In the O&M segment, demand for value-added offerings such as technical advisory and technical training services has grown steadily. MTSSB aims to establish long-term partnerships with the various plant owners by leveraging our technical expertise. In this regard, Malakoff has entered Bangladesh's energy sector, supplying technical manpower for Combined Cycle Power Plant projects. However, political uncertainties in the country present obstacles to securing new O&M contracts in the region.

For the MRO segment, the market continues to focus on services requiring swift execution, rapid response and niche technical capabilities. Additionally, MTSSB's ongoing NDT service contract with a key oil and gas client serves as a strategic foothold for exploring domestic projects and strengthening our presence in the oil and gas sector. A key challenge is ensuring prompt quotation processes and rapid client responses to capitalise on emerging opportunities.

PERFORMANCE REVIEW

Objectives	Initiatives	Progress/Outcomes
Operational Efficiencies	▸ Strengthened core operations and expanded market presence ▸ Fostered robust relationships with clients	▸ Secured repeat orders from a long-standing client, demonstrating trust in our services
Business Expansion	▸ Broadened service portfolio and diversified clientele ▸ Forged strategic alliances with key players to sustain market competitiveness ▸ Pursued new opportunities actively through ongoing engagement with current and prospective customers	▸ Secured a contract to supply skilled O&M personnel for the operation and maintenance of a CCGT power plant in Bangladesh ▸ Obtained a contract to conduct classroom and on-the-job training for CCGT power plant operations ▸ Identified potential opportunities to provide specialised maintenance training for CCGT power plants

Operation and Maintenance

CHALLENGES AND MITIGATING ACTIONS

CHALLENGES	MITIGATING ACTIONS
Employee Assignment Impacted by Civil Unrest in the Host Country	▸ Maintained close communication with employees, clients and the Malaysian Embassy in the impacted region to address challenges arising from civil unrest ▸ Actively monitored the evolving situation to ensure timely responses and safeguard operations
Loss of Skilled Personnel Affecting MTSSB's Ability to Maintain Certification With the Energy Commission	▸ Addressed shortage of specialised manpower affecting MTSSB's certification with the Energy Commission by deploying Malakoff personnel to leverage their expertise

KEY ACHIEVEMENTS

- Secured repeat purchase orders for coal unloader bucket elevator maintenance and repair, along with extended NDT service agreements from a key client
- Received consistent purchase orders for Quality Control and NDT services at Malakoff's coal power plants during scheduled and forced outages
- Awarded contract for supplying critical technical personnel to support CCGT power plants in Bangladesh
- Expanded market presence in East Malaysia by securing:
  - Operator training contract for a greenfield CCGT power plant;
  - Technical consulting contract for plant assessment services; and
  - Finalised contract terms and conditions for maintenance training agreements

OUTLOOK

We will continue strengthening our position for continued growth by maintaining strong relationships with existing clients. This approach aims to secure larger-scale contracts and additional O&M services in the future. However, there are challenges in sourcing and deploying qualified personnel for the various geographical locations.

Concurrently, we are enhancing our presence in the power and oil and gas sectors by actively identifying MRO opportunities. A key challenge, however, is ensuring timely responses to client requests while offering competitive pricing, without compromising the high service standards that our clients rely on. We remain focused on carefully managing the planning and execution of maintenance strategies for clients to further strengthen our reputation in the industry.

Project Management Services

WHO WE ARE AND WHAT WE DO

Malakoff Engineering Sdn. Bhd. (MESB), which leads our in-house Project Management Services division, provides tailored solutions for internal projects. Backed by over 25 years of experience and a proven track record, we specialise in the development, construction and commissioning of thermal and Combined Cycle Gas Turbine (CCGT) plants. Our portfolio also includes Large Scale Solar (LSS), Rooftop Solar (RTS) and managing decommissioning and demolition projects. We are expanding into innovative projects in waste-to-energy (WTE), Biomass co-firing, Small Hydropower Projects (SHP) and Battery Energy Storage Systems (BESS).

Project Management Services

Project Management Services

KEY FOCUS AREAS

Development of the WTE project	Build Development of the CCGT plant in Port Dickson	Manage and deliver RTS projects
Execute the Biomass co-firing project at Tanjung Bin Coal Fired Power Plant	Deliver the Small Hydropower project in Kelantan	Co-lead Malakoff's first venture into the BESS

BUSINESS ENVIRONMENT

In July 2024, MESB completed the demolition of an Open Cycle Gas Turbine (OCGT) plant. We achieved significant progress in developing a new CCGT plant and completed RTS projects at Toyota Assembly Services Sdn. Bhd. and Senai International Airport.

We successfully completed the 2% biomass co-firing initiative at the Tanjung Bin Power Plant, marking a step forward in our commitment to sustainable energy transition. However, progress remains constrained by the lack of a well-defined policy framework to support this initiative, along with the absence of a clear fuel-pass through mechanism. These challenges highlight the need for greater regulatory clarity to unlock the potential of biomass co-firing in driving cleaner energy solutions.

PERFORMANCE REVIEW

Initiatives	Progress/Outcomes
Ensure the Timely cCompletion of the RTS Project by Malakoff Radiance Sdn. Bhd. (MRSB)	▸ Completed the RTS projects at Toyota Assembly Service Sdn. Bhd. and Senai International Airport on schedule
Ensure On-Time Demolition of the Port Dickson Power Plant	▸ Completed the demolition project at Port Dickson OCGT plant to make way for new CCGT plant

Project Management Services

CHALLENGES AND MITIGATING ACTIONS

CHALLENGES	MITIGATING ACTIONS
Uncertainties Regarding the Progress and Initiation of Large-Scale Power Plant Projects	▸ Offered assistance and deployed team members to assist project development teams for WTE, CCGT and BESS
Decline in New Project Management Agreement and Manpower Service Agreement	▸ Deployed workforce support to the O&M teams at Tanjung Bin Power Plant and Tanjung Bin Energy Power Plant during scheduled plant outages ▸ Offered manpower and technical expertise for critical CAPEX projects, including the development of RTS and CCGT projects

KEY ACHIEVEMENTS

- Successfully delivered the project management services for the RTS project and Port Dickson Power Plant demolition project on schedule

OUTLOOK

We are committed to securing new Project Management contracts through Project Management Agreements for upcoming CCGT developments and WTE as well as BESS initiatives. With our deep industry expertise, we will continue to optimise operations and implement sustainable strategies that drive meaningful progress.

Electricity Distribution and District Cooling System

WHO WE ARE AND WHAT WE DO

Malakoff Utilities Sdn. Bhd., a fully owned subsidiary of Malakoff, plays a significant role in electricity distribution and district cooling in Malaysia. We exclusively supply power to the 72-acre Kuala Lumpur Sentral, with a licensed capacity of up to 153 MW and operate a district cooling plant that serves 10 buildings within the commercial and residential transit hub, offering greater energy efficiency compared to conventional cooling systems.

Electricity Distribution and District Cooling System – MUSB

KEY FOCUS AREAS

- Enhance the reliability of our Electricity Distribution Network System (EDS)
- Refine payment collection processes to boost efficiency
- Continuously enhance the Condition of Supply agreement and customer charter

BUSINESS ENVIRONMENT

In 2024, electricity demand experienced a 7% improvement compared to the previous year, while demand for chilled water remained steady. However, the overall consumption for year 2024 has yet to reach the pre-pandemic levels seen in year 2019.

PERFORMANCE REVIEW

Objectives	Initiatives	Progress/Outcomes
Safety Manhours	▸ Ensure Zero Loss Time Injury	▸ Achieved 1,000,000 safe manhours in October 2024
Financial Stability and Sustainable Returns to Stakeholders	▸ Drive cost saving initiatives	▸ Increased Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and Profit Before Tax (PBT) ▸ Enhanced dividend distribution
Operational Efficiencies	▸ Enhanced EDS reliability	▸ Implemented changes to the power supply sources from Tenaga Nasional Berhad (TNB) into the KL Sentral area ▸ Commenced the installation of an additional 33kV power cable within the KL Sentral area
Billing and Credit Control	▸ Streamline payment collection for greater efficiency	▸ Tracked payment collections to ensure aging remains within the targeted parameters ▸ Settled long outstanding amounts due from customers

Business Review

Electricity Distribution and District Cooling System

CHALLENGES AND MITIGATING ACTIONS

CHALLENGES	MITIGATING ACTIONS
Secure Additional Power Supply from TNB to Meet Increased Load Demands	▸ Coordinated with TNB to ensure an additional 33 kV power supply from PMU Menara 118
Address the Government's Imposition of an Additional Imbalance Cost Pass-Through (ICPT) for DCS	▸ Implemented ICPT mechanism for DCS customers
Manage the Rise in Maintenance Costs Driven by Increased Raw Material Prices	▸ Undertook extensive cost-reduction initiatives to effectively manage maintenance expenditures

KEY ACHIEVEMENTS

- Delivered outstanding operational performance and reliability in electricity and chilled water supply, maintaining zero major breakdowns in plant equipment
- Secured 96% in the Customer Satisfaction Index, reflecting strong service quality

OUTLOOK

The Government's redevelopment of Sentral Station, in collaboration with the Ministry of Transport, Unit Kerjasama Awam Swasta and Malaysian Resources Corporation Berhad, is expected to drive higher demand for utilities in KL Sentral from 2025 onwards. In response, we will optimise the district cooling plant's efficiency and improve the reliability of electricity distribution. On the customer service front, we will plan to implement the SmartApp to enable cashless transactions and communication to improve customer convenience and experience in the future.

M4 – Operational Excellence

Why It Is Important

Operational excellence is an approach aimed at enhancing organisational performance to achieve better deliverables and provide greater value. Malakoff understands that operational excellence is essential for ensuring efficiency, reliability and cost effectiveness across all business segments. As the energy industry evolves, staying competitive requires more than just maintaining performance. It requires continuous improvements, strong governance and the right use of technology to enhance productivity while meeting regulatory and environmental standards. A strong focus on operational excellence allows us to maximise asset value, improve service delivery and build long-term business resilience.

We are fully aware that failing to meet desired operational performance can lead to challenges such as increased unplanned downtime, higher maintenance costs and reduced productivity. However, by achieving our Key Performance Indicators (KPIs), we not only reduce downtime but also enhance asset performance and maintain a high availability of assets, which strengthens the long-term resilience and sustainability of our operations.

To this end, we are committed to working towards maximising our asset value by improving process efficiencies, adopting digital solutions and strengthening performance management systems. These efforts help us manage risks, make better use of resources and ensure our assets operate reliably and efficiently.

Our Approach

At Malakoff, our approach to operational excellence is driven by the following principles:

Process Optimisation ensures that operations run smoothly and efficiently. Refining workflows, reducing waste and improving system integration help us enhance productivity while keeping costs under control.

Technology Integration allows real-time monitoring, automation and data driven decision making. Digital solutions improve oversight, strengthen risk management and enable proactive interventions to sustain peak performance.

Risk and Compliance Management ensures that operations meet regulatory requirements, safety standards and internal governance frameworks. A clear compliance approach helps manage risks effectively while maintaining operational integrity and environmental responsibility.

Performance Monitoring enables continuous tracking of key operational metrics to improve efficiency and reliability. Regular assessments allow us to identify inefficiencies, enhance asset performance and ensure operations remain competitive in a changing industry landscape.

Business Process Improvement ensures a systematic approach to help the Group to achieve operational excellence by continuously analysing and optimising business processes, including keeping policies and procedures updated in adherence to standards and regulatory requirements.

For additional information, kindly refer to Business Review on pages 89 to 122.

In addition to these, certain aspects of our operations have met the standards required for ISO certification, namely ISO 14001:2015 Environmental Management Systems, ISO 9001:2015 Quality Management Systems and ISO 45001:2018 Occupational Safety and Health Management Systems.

Furthermore, Malakoff's Environmental Policy, which is aligned with the Malaysian Environmental Quality Act 1974 and other relevant regulations, continues to guide us in our operations. The Policy is accessible to all employees on our intranet.

Our Initiatives

In 2024, various initiatives were carried out at Malakoff's operations:

*For **Malakoff Green Solutions**, please refer to pages 89 to 94.*

*For **Malakoff Environmental Solutions**, please refer to pages 95 to 107.*

*For **Malakoff Energy**, please refer to pages 108 to 122.*

M4 – Operational Excellence

Our Achievements

Malakoff Green Solutions

Strengthened our alignment with Malaysia's low-carbon agenda and sustainability commitments through the expansion of our renewable energy (RE) capacity, which is currently at 173 MW from 153 MW in 2023. The expansion of our RE capacity directly supports the nation's transition to a greener energy mix.

For more information on our operational overview and achievements at Malakoff Green Solutions, please refer to pages 89 to 94.

Malakoff Environmental Solutions

Recorded a 21% recycling rate, a 2% increase from the previous year. This progress reflects our commitment to sustainability and continuous improvements in waste management. Furthermore, with the completion of the E-Idaman acquisition, our waste management capacity grew close to 5,200 TPD, enhancing our ability to manage waste more effectively.

On 17 October 2024, Alam Flora launched its upgraded waste management fleet to enhance operational efficiency and improve service quality. The introduction of new compactors marks one of the most significant fleet upgrades to date. Equipped with a dual-function bin lifter designed to meet European Standard EN 1501-05, the new compactors enable more efficient waste collection, allowing for faster and more reliable services while increasing coverage within a shorter timeframe.

For more information on our operational overview and achievements at Malakoff Environmental Solutions, please refer to pages 95 to 107.

Malakoff Energy

Advanced biomass co-firing at the 2,100 MW Tanjung Bin Power Plant (TBPP), a key project under the Malaysia's National Energy Transition Roadmap (NETR) Catalyst Projects. We also optimised planned outages and improved plant efficiencies, which increased net energy sold from 28,215 GWh in 2023 to 35,040 GWh in 2024. This strengthened our role in the NETR and raised our contribution to the Peninsular Malaysia's power grid from 21% to 25%.

Additionally, with the implementation of all efforts for operational excellence, all Malakoff Energy's plants, including TBPP, Tanjung Bin Energy Power Plant (TBEPP), Segari Power Plant (SEV) and Prai Power Plant (PPP), recorded zero non-compliance with environmental laws and regulations in 2024.

For more information on our operational overview and achievements at Malakoff Energy, please refer to pages 108 to 122.

Going Forward

As we look ahead, Malakoff remains focused on achieving operational excellence across our three core businesses: Malakoff Green Solutions, Malakoff Environmental Solutions and Malakoff Energy. We aim to enhance efficiency, sustainability and overall performance by leveraging advanced technologies and continuous improvements in our operations.

In Malakoff Green Solutions, we will expand our portfolio of RE projects to support our organisation's vision of transitioning to a low-carbon economy. We will strengthen waste management efforts and improve recycling rates through Malakoff Environmental Solutions to contribute to a cleaner and healthier environment. In Malakoff Energy, we will continue optimising asset performance to maintain high availability and reliability. Achieving set KPIs will also help reduce unplanned downtime, enhance operational efficiency and ensure a stable and sustainable electricity supply.

M5 – Physical and Transition Climate Risks

Why It Is Important

Climate change poses significant risks to our operations, assets and the communities we serve. Physical risks, such as extreme weather events and rising sea levels, can disrupt our infrastructure and supply chains. Transition risks, including regulatory changes and shifts in market preferences towards low-carbon solutions, can impact our business model and financial performance.

Moreover, Malaysia's climate risk projections further highlight the urgency of this approach. Between 1970 and 2013, the country experienced a surface mean temperature increase of 0.14°C–0.25°C per decade, with average temperatures expected to rise by 3.11°C by the 2090s under high emissions scenarios. Additionally, precipitation patterns are anticipated to become more intense, particularly in East Malaysia, leading to more frequent and severe flooding events. Sea levels are also projected to rise between 0.4 and 0.7 metres by the end of the century, posing significant threats to coastal infrastructure and communities[1].

For Malakoff, understanding and mitigating physical and transition climate risks is essential to build our resilience against future climate impacts, ensuring the company's long-term viability and success. These projections underscore the need for comprehensive risk management strategies to mitigate both physical and transition climate risks. By integrating climate risk assessments into our strategic planning, we aim to build resilience against future climate impacts and ensure Malakoff's long-term viability and success.

[1] *Source: Climate Risk Country Profile - Malaysia 2021, World Bank Group*

Our Approach

We recognise the significant impacts that climate change can have on our operations and we are focused on addressing both physical and transition climate risks. By identifying and addressing these risks, we can develop strategies that reduce the likelihood of disruptions and protect our long-term operations.

Our Board Risk and Investment Committee (BRIC) oversees the Group's risk oversight responsibilities, followed by the Management Risk Committee, which assists BRIC in its functions. At the plant operational level, our risks are managed through the Plant Risk Committee (refer to Statement on Risk Management and Internal Control, pages 257 to 262 of this Integrated Annual Report). The Group will continue to monitor the risks associated with this material topic.

Decarbonisation Pathway

- We continuously track, manage and record our GHG emissions to better understand our carbon footprint and mitigate climate change impacts. Through robust data collection and reporting mechanisms, we aim to identify emission hotspots and implement targeted reduction strategies.

  Refer to GHG Emissions at pages 134 to 137 for our emissions management-related initiatives.

- We utilise monitoring systems to track, manage and optimise our operational efficiency by monitoring energy consumption and carbon emissions.

  Refer to Business Review Malakoff Energy at pages 108 to 122 for further details on the initiative.

Accelerating RE Growth

- We are dedicated to rapidly expanding our RE initiatives to increase our green energy capacity and significantly lower our carbon footprint. Additionally, we actively engage in strategic partnerships with industry leaders and policymakers to accelerate RE adoption while setting clear carbon reduction milestones to monitor and track progress.

  Refer to Business Review Malakoff Green Solutions at pages 89 to 94 for further details on the initiative.

M5 – Physical and Transition Climate Risks

Enabling the Transition to a Holistic Circular Economy

- We are committed to advancing our environmental solutions by implementing innovative waste management practices and enhancing recycling rates and programmes. We also enhance recycling rates through community-based programmes and incentives while optimising resource management, such as water usage and material recovery. By continuously monitoring and improving our circular economy performance, we aim to support a more sustainable future.

  Refer to Business Review Malakoff Environmental Solutions at pages 95 to 107 for further details on the initiative.

Our Achievements

At this juncture, we recognise the importance of further strengthening our climate resilience and transitioning to a low-carbon future. Below are some notable achievements:

Decarbonisation Pathway

- Enhanced our reporting disclosures to meet the latest requirements through the commencement of tracking and reporting of Scope 3 emissions for Business Travel and Employee Commuting.

  Refer to GHG Emissions at pages 134 to 137 for more details on this achievement.

0.81 tCO_2e/MWh **2023** ➤ **0.78** tCO_2e/MWh **2024**

- Reduced our emissions intensity from 0.81 tCO_2e/MWh in 2023 to 0.78 tCO_2e/MWh in 2024, alongside a 33% reduction in electricity consumption at plants during the same reporting year.

  Refer to GHG Emissions at pages 134 to 137 and Energy Mix and Efficiency at pages 130 to 133 for more details on this achievement.

Accelerating RE Growth

- Reached a total RE capacity of **173 MW as of 2024**, with plans to increase our capacity to 1,400 MW by 2031.

  Refer to Business Review Malakoff Green Solutions at pages 89 to 94 for more details on this achievement.

Enabling the Transition to a Holistic Circular Economy

- Achieved a recycling rate of 21% as of the end of 2024, exceeding the Group's initial target of achieving 15% to 20% recycling rate by 2025.

  Refer to Business Review Malakoff Environmental Solutions at pages 95 to 107 for more details on this achievement.

Going Forward

We will continuously monitor climate policies and emerging market trends. Integrating sustainability into our business practices enables us to strive for operational efficiency while embracing innovation to develop solutions and technologies that support sustainability goals.

Additionally, we plan to explore climate-related scenario analysis in the future, to align ourselves with the latest reporting requirements of IFRS S2 Climate-related Disclosures. Through this effort, we aspire to create long-term value for our stakeholders and contribute positively to Malaysia's and global climate goals.

M6 – Renewable Energy Transition

Why It Is Important

RE is central to our long-term strategy, aligning with Malaysia's low-carbon agenda and sustainability commitments. Guided by the NETR and the Malaysia Renewable Energy Roadmap (MyRER), we are accelerating our energy transition to meet the growing demand for cleaner energy solutions, driven by shifting investor priorities.

We remain committed to expanding our RE assets, envisioning a future with reduced reliance on fossil fuels that contributes to long-term stability. This strategic focus supports sustainable growth and paves the way for a resilient, low-carbon energy landscape for generations to come.

Our Approach

Our RE initiatives are guided by MyRER, aligning with the national target of achieving 31% renewable energy capacity by 2025 and 40% by 2035. These efforts are further reinforced by our Sustainability Strategy and Framework, which focuses on climate action and resource efficiency, ensuring that our RE projects contribute to reducing greenhouse gas (GHG) emissions.

In addition, as part of our commitment to advancing Malaysia's energy transition, we play a key role in the NETR through our involvement in biomass projects. We are working towards Malakoff's target of achieving 1,400 MW of RE capacity by 2031. This ambition underscores our commitment to accelerating the shift towards cleaner energy solutions.

Our Initiatives

In 2024, Malakoff made significant progress in strengthening its position within the energy sector:

Strengthening RE Initiatives

Malakoff expanded its RE footprint by securing 22.1 MWp of commercial and industrial solar projects across various locations in Peninsular Malaysia. Additionally, the company actively participated in Malaysia's Large Scale Solar (LSS) bidding, contributing to the nation's RE goals by developing utility-scale solar farms.

In addition, Malakoff has completed its acquisition of ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd. on 31 January 2025, strengthening its clean energy portfolio. With the completion of the acquisition, the Group's RE generating capacity has risen up to 173 MW.

Despite the challenges of acquiring and developing RE assets, we continue to capitalise on opportunities for sustainable growth. Our strategic investments not only mitigate financial risks associated with fuel price fluctuations and carbon tax volatility but also enhance long-term financial resilience.

Strategic Partnerships and Technological Advancements

The company pursued strategic partnerships with state and private entities to enhance RE capacities, including joint ventures in biomass, hydro and waste-to-energy (WTE) projects. In parallel, Malakoff invested in technology and research and development, exploring Battery Energy Storage Systems to complement RE installations and enhance grid reliability. We also continue our efforts to modernise existing power plants, integrating RE technologies to improve operational efficiency.

M6 – Renewable Energy Transition

Supporting Malaysia's Energy Transition

Demonstrating its commitment to Malaysia's sustainable energy transition, Malakoff launched a biomass co-firing project at TBPP, aligning with the NETR. We completed the construction and commissioning of 2% biomass co-firing system in Q1 2024. Building on this, Malakoff plans to increase the biomass co-firing capacity from 2% to 5% in 2025, with the goal of reaching at least 15% by 2027.

Expanding International Collaborations

Malakoff strengthened its global presence by signing a Memorandum of Understanding with Korea Electric Power Corporation. This partnership facilitates the adoption of best practices and new technologies in energy generation, ensuring Malakoff remains at the forefront of innovation.

Community-Centric Renewable Energy Projects

Malakoff's RE expansion also reached local communities, as seen in its December 2024 solar initiative at Masjid Saidina Umar Alkhattab in Bukit Damansara, Kuala Lumpur. This project reflects Malakoff's dedication to enriching communities through sustainable energy solutions, integrating RE into everyday life.

Our Achievements

We are steadily progressing towards our target of achieving 1,400 MW of RE capacity by 2031. Since 2019, we have impressively grown our RE capacity from 29 MW to 153 MW in 2023.

2019 **(29 MW)** → 2023 **(153 MW)** → 2024 **(173 MW)**

This momentum has continued into 2024, where we have reached a generating capacity of 173 MW, marking a 13% increase from 2023.

Current RE Capacity Breakdown

Our RE portfolio consists of the following:

Project	Location	RE Type	Generating Capacity (MW)
Commercial & Industrial Solar	Across Peninsular Malaysia	Solar	60
ZEC Solar	Johor	Large Scale Solar (LSS)	29
RP Hydro	Kelantan	Small Hydropower Plant (SHP)	84
Total Generating Capacity (MW)			**173**

With these advancements, we are strengthening our alignment with Malaysia's low-carbon agenda and sustainability commitments. The expansion of our RE capacity directly supports the nation's transition to a greener energy mix by integrating RE across various locations, diversifying energy sources and enhancing resilience in the renewable sector. Additionally, our investment in biomass co-firing technology underscores our proactive approach to decarbonisation and reinforces our role in driving sustainable energy solutions.

Going Forward

We remain dedicated to prioritising sustainable practices and innovation in RE, advancing towards a cleaner, more resilient energy future for Malaysia. As we aim to increase our RE capacity to 1,400 MW by 2031, we will continue engaging stakeholders, championing policy advancements and embracing innovative technologies.

M7 – Energy Mix and Efficiency

Why It Is Important

Malakoff aims to achieve net-zero emissions by 2050, and we are committed to advancing our sustainability goals through a diversified energy mix and enhanced operational efficiency.

Our approach involves integrating various RE sources across our power generation plants, reducing our carbon footprint and reliance on a single fuel source, while also strengthening our energy security. In addition to generating electricity from a diverse mix of energy sources, we prioritise optimising electricity consumption at our plants and operations.

By implementing energy-efficient technologies and practices, we aim to minimise energy waste and improve our overall operational performance. These efforts are crucial in supporting our long-term sustainability objectives and demonstrating our dedication to environmental stewardship.

Our Approach

Understanding Our Energy Consumption Data

Malakoff applies the Equity Share Approach in tracking and monitoring our energy consumption. This method accounts for energy consumption from operations based on our share of equity in each operation.

The following entities and the energy mix are included in our current energy consumption data:

Tanjung Bin Power Plant (TBPP)	Coal, Light Fuel Oil (LFO), Biomass, Import Electricity, Vehicle Fuel Consumption
Tanjung Bin Energy (TBEPP)	Coal, LFO, Import Electricity, Vehicle Fuel Consumption
Prai Power Plant (PPP)	Natural Gas, Distillate, Import Electricity, Vehicle Fuel Consumption
Segari Power Plant (SEV)	Natural Gas, Distillate, Import Electricity, Vehicle Fuel Consumption
Alam Flora Sdn. Bhd. (AFSB)	Import Electricity, Vehicle Fuel Consumption
Alam Flora Environmental Solutions (AFES)	Import Electricity, Vehicle Fuel Consumption
Corporate Offices (KLHQ, MUSB)	Import Electricity, Vehicle Fuel Consumption

Monitoring our energy consumption is crucial for achieving cost savings by identifying inefficiencies and implementing corrective measures to reduce unnecessary expenditures. It also plays an essential role in reducing environmental impact, contributing to lower carbon emissions.

In addition, effective energy monitoring ensures compliance with evolving regulations related to energy efficiency and environmental standards. This practice further helps in optimising operations across the Group. In 2024, our internal audit team has conducted a data assurance review for our energy consumption data, ensuring the accuracy and reliability of the reported figures.

M7 – Energy Mix and Efficiency

Our Initiatives

Energy Consumption Data

Across our plants, facilities and corporate offices including our headquarters, we have tracked fuel and electricity consumption as follows:

Type of Energy	Unit	2022	2023	2024
FUEL (NON-RENEWABLE) [1]				
Coal	GJ	159,686,552	175,985,986	194,197,212
LFO	GJ	341,245	303,094	233,338
Natural Gas	GJ	6,768,646	8,045,802	24,800,253
Distillate	GJ	955,861	698,463	421,499
Vehicle Fuel Consumption	GJ	213,952	186,324	161,297
Total Fuel (Non-Renewable)	GJ	167,966,256	185,219,669	219,813,599
Total Fuel (Non-Renewable) [4]	**MW**	**46,694,619**	**51,491,068**	**61,108,180**
FUEL (RENEWABLE) [1]				
Biomass[2]	GJ	N/A	N/A	84,801
Total Fuel (Renewable) [4]	**MW**	**N/A**	**N/A**	**23,575**
Total Fuel Consumption (Non-Renewable & Renewable)	**GJ**	**167,966,256**	**185,219,669**	**219,898,400**
	MW	**46,694,619**	**51,491,068**	**61,131,755**
ELECTRICITY CONSUMPTION (PLANTS)				
GB3[3]	MW	4,351	N/A	N/A
SEV	MW	12,755	13,146	7,988
PPP	MW	23,946	23,087	16,977
TBP	MW	26,627	23,216	15,968
TBE	MW	8,517	8,812	5,111
Total Import Electricity (Plants)	**MW**	**76,195**	**68,261**	**46,044**
ELECTRICITY CONSUMPTION (OFFICES)				
Corporate Offices	MW	42,563	37,430	39,886
Total Import Electricity (Offices)	**MW**	**42,563**	**37,430**	**39,886**
Total Electricity Consumption	**MW**	**118,759**	**105,691**	**85,930**
GRAND TOTAL ENERGY CONSUMPTION	**MW**	**46,813,378**	**51,596,759**	**61,217,685**

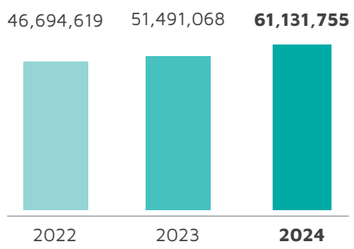
Note:
[1] For FY2024 reporting, units used for Fuel (non-renewable and renewable) were converted to gigajoule or GJ.
[2] Biomass consumption recorded was for the pilot phase of 2% biomass co-firing at TBPP in 2024.
[3] Data for GB3 only available for FY2022. The GB3 Power Plant in Lumut, Perak, officially ceased operations on 30 December 2022, following the expiry of its 21-year Power Purchase Agreement (PPA) with TNB.
[4] Total of Fuel Consumption (non-renewable and renewable) was converted to MW to comply with Bursa Malaysia's reporting requirements. For the unit of measurement to be in MW, we have converted GJ into MW at a rate of 1 GJ to 0.278 MW.

M7 – Energy Mix and Efficiency

Our Achievements

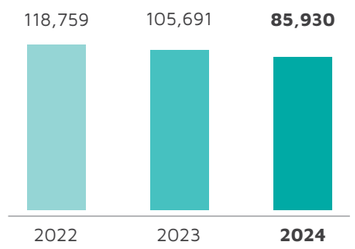
Total Fuel Consumption (MW)

Total Fuel Consumption (Non-Renewable & Renewable)



Total Electricity Consumption (MW)

Total Electricity Consumption



In 2024, our total fuel consumption increased by 19%, primarily due to a higher demand for electricity from the national grid. This surge in electricity demand required greater fuel usage to generate the necessary power, reflecting the expanding energy needs of our operations. Despite the increase in fuel consumption, we achieved a significant reduction in our emissions intensity, lowering it from 0.81 tCO_2e/MWh in FY2023 to 0.78 tCO_2e/MWh in 2024. Additionally, the higher gross energy produced highlighted our operational efficiency and effective utilisation of available energy sources. We also included biomass in our inventory, demonstrating our commitment to scaling up our renewable sources and ensuring more efficient and sustainable energy production.

For more details on our gross energy produced and emissions intensity, please refer to the GHG Emissions section on pages 134 to 137.

Our total electricity consumption showed a decreasing trend in 2024 due to the expiry of the GB3 Power Plant in Perak as well as significant improvements in electricity conservation initiatives at SEV, PPP, TBPP and TBEP. These conservation efforts are a crucial step in reducing our carbon footprint and demonstrating our commitment to more sustainable operations. We will continue striving to optimise our energy use, implement energy-efficient practices and maintain our operational effectiveness, ensuring that our environmental impact remains minimal.

M7 – Energy Mix and Efficiency

Malakoff's Biomass Co-firing: Reducing Coal Dependence

In May 2024, Malakoff took a pioneering step in Malaysia's energy transition with the successful launch of its Biomass Co-firing Project at its 2,100 MW TBPP in Johor. As a key component of the NETR, the project integrates biomass co-firing alongside coal, progressively increasing biomass utilisation to reduce coal consumption in the power sector. At 2% biomass co-firing, the project reduces CO_2 emissions by approximately 755,000 tonnes per year. With full-phase implementation of 15% biomass co-firing with coal, the project is estimated to offset a significant amount of carbon dioxide equivalent (CO_2e) emissions, comparable to the impact of nearly 142 million matured trees planted.

This shift not only brings substantial environmental benefits but also enhances agricultural waste management and strengthens the local economy. Aligned with Malaysia's commitment to a Just Energy Transition, it also promotes an equitable shift to a greener economy, inclusive opportunities, meaningful employment and addressing the Energy Trilemma of security, sustainability and affordability. In recognition of this milestone, Malakoff received the Forward Faster Sustainability Award in the category of Pioneer Sustainable Development Action Recognition from the United Nations Global Compact Network Malaysia & Brunei (UNGCMYB). This recognition is a testament to our efforts in championing this project and our commitment to the energy transition.

Going Forward

To drive industry progress, we prioritise active collaboration with stakeholders, particularly authorities and regulators responsible for fuel supply in the power sector, to enhance the sustainable management of energy consumption.

Biomass co-firing presents a promising future alternative renewable fuel for us, reducing our reliance on fossil fuels. We are committed to increasing our biomass co-firing capacity to 5% in 2025, with a target of at least 15% by 2027.

Additionally, we continuously ensure that our business assets and operations are at optimal level to remain adaptable to evolving dispatch patterns, enabling efficient and responsive power generation.

M8 – GHG Emissions

Why It Is Important

The energy sector remains the largest contributor to climate change, with CO_2 emissions from fuel combustion being a major driver. Despite global efforts to curb emissions, they continue to rise at an unsustainable rate.

Malaysia accounts for 0.7% of global CO_2 emissions from combustible fuels, with total emissions reaching 241.142 $MtCO_2$ in 2022.[1] Over the past two decades, emissions from fuel combustion in Malaysia have surged by 110% (2000-2022), reflecting the nation's growing energy demands and reliance on fossil fuels.[2] This context underscores the urgent need for proactive climate action, particularly within the energy sector.

Malakoff, as the country's major industry player, has an opportunity to make a significant impact by advancing to sustainable energy solutions, reducing its carbon footprint and aligning with both national and global climate commitments. As the largest Independent Power Producer in Malaysia, we remain steadfast in our commitment to reducing GHG emissions through continuous investments in renewable energy projects and energy efficiency measures.

Our efforts extend beyond managing climate-related risks. Tracking and disclosing our emissions actively and transparently contributes to a sustainable future and demonstrates our commitment to environmental stewardship. These initiatives reflect our dedication to reducing our carbon footprint and fostering a culture of sustainability within our organisation.

[1] [2] Source: The International Energy Agency (IEA) https://www.iea.org/countries/malaysia/emissions

Our Approach

Understanding Our Carbon Emissions

Organisational Boundaries

Malakoff's approach to measuring and managing our GHG emissions was guided by the GHG Protocol and Bursa Malaysia, ensuring that our methods are comprehensive and aligned with the internationally recognised standards and local regulatory requirements.

Malakoff applies the Equity Share Approach to define the boundaries of our GHG Inventory. This method accounts for GHG emissions from operations based on our share of equity in each operation, reflecting our economic interest and aligning with our percentage of ownership. Malakoff includes entities in which we hold an ownership stake of 51% or more. The following entities are included in our current GHG Inventory:

- **Tanjung Bin Power Plant Sdn. Bhd. (TBP)**
- **Tanjung Bin Energy Sdn. Bhd. (TBE)**
- **Segari Power Plant Sdn. Bhd. (SEV)**
- **Prai Power Sdn. Bhd. (PPP)**
- **Alam Flora Sdn. Bhd. (AFSB)**
- **Alam Flora Environmental Solutions Sdn. Bhd. (AFES)**

Operational Boundaries

The following are the categories of GHG emissions tracked:

Scope 1 Direct Emissions	Scope 2 Indirect Emissions	Scope 3 Indirect Emissions
• Coal • LFO • Natural Gas • Distillate • Vehicle Fuel Consumption	• Purchased Electricity – Plants – Corporate Offices	• Business Travel • Employee Commuting

We began tracking and disclosing Scope 1 and 2 emissions in our 2021 report, with data dating back to the baseline year of 2019. In 2024, we have started tracking our Scope 3 emissions, starting with Business Travel and Employee Commuting.

M8 – GHG Emissions

Our Initiatives

Carbon Emissions Data Summary

Carbon Emissions	Unit	2022	2023	2024
SCOPE 1				
Coal[1]	tCO_2e	16,369,457	16,170,474	17,748,870
LFO[1]	tCO_2e	23,556	17,910	17,668
Natural Gas[2]	tCO_2e	342,081	237,142	1,253,397
Distillate[2]	tCO_2e	66,684	38,070	31,915
Vehicle Fuel Consumption[3]	tCO_2e	15,008	13,063	11,303
Biomass[4]	tCO_2e	N/A	N/A	155
Total Scope 1	**tCO_2e**	**16,816,786**	**16,476,659**	**19,063,308**
SCOPE 2				
Import Electricity (Plants)[5]	tCO_2e	57,756	51,742	35,638
Import Electricity (Corporate offices)[5]	tCO_2e	32,263	28,372	30,872
Total Scope 2	**tCO_2e**	**90,019**	**80,114**	**66,510**
SCOPE 3				
Business Travel[6]	tCO_2e	N/A	N/A	769
Employee Commuting[6]	tCO_2e	N/A	N/A	352
Total Scope 3	**tCO_2e**	**N/A**	**N/A**	**1,121**
Biogenic CO_2 Emissions[7]		N/A	N/A	8,056
Total Scope 1+2+3 (Absolute Emissions)	**tCO_2e**	**16,906,805**	**16,556,773**	**19,130,939**
Emissions Offset for Scope 2[8]	**tCO_2e**	**6,940**	**9,484**	**10,018**
Net Emissions[9]	**tCO_2e**	**16,882,669**	**16,532,551**	**19,106,214**
Gross Energy Produced	**MWh**	**18,565,504**	**20,510,169**	**24,537,892**
Emissions Intensity[10]	**tCO_2e/MWh**	**0.91**	**0.81**	**0.78**

Notes:

[1] Coal and LFO consumptions were recorded at TBPP and TBEPP. Please refer to page 131 for total from energy consumption at TBPP and TBEPP.

[2] Natural gas consumptions were recorded at PPP and SEV. Please refer to page 131 for total energy consumption at PPP and SEV.

[3] Vehicle fuel consumption included AFSB's fleets. However, AFSB's fleet portion is excluded from the net emissions calculation in this inventory. Please refer to page 131 for total vehicle fuel consumption.

[4] Biomass consumption recorded was for the testing period of 2% biomass co-firing at TBPP in 2024.

[5] Scope 2 import electricity's emissions for 2024 were calculated using the latest 2022 Grid Emissions Factor in Peninsular Malaysia of 0.774 tCO_2e/MWh which was published on 25 November 2024.

[6] Tracking of Scope 3 Business Travel and Employee Commuting only started in 2024. We are using emissions conversion factors 2024 from United Kingdom's Department for Environment, Food and Rural Affairs.

[7] The biogenic CO_2 emissions for biomass is zero-rated under the GHG Protocol methodology. Biogenic CO_2 emissions are reported separately as "outside of scope" and not included in the total absolute emissions.

[8] Emissions offset for Scope 2 were from rooftop solar's 50% green attributes.

[9] We exclude specific emissions from the Alam Flora Group to accurately calculate the emissions intensity for our energy business.

[10] Emissions Intensity recorded during baseline year 2019 was 0.76 tCO_2e/MWh.

M8 – GHG Emissions

For 2024, we have expanded our internal assurance to include emissions management, ensuring a more integrated approach to managing our carbon footprint. We also incorporate data assurance to strengthen the credibility of our reported data.

Non-GHG emissions, in mg/m³

Plant	Unit	2022		2023		2024	
		SOx	NOx	SOx	NOx	SOx	NOx
SEV	Unit 11	0.00	0.31	0.00	7.59	0.00	11.63
	Unit 12	0.00	0.00	0.00	1.14	0.00	6.57
	Unit 13	0.00	0.75	0.00	7.46	0.00	20.61
	Unit 21	3.42	0.38	0.79	2.08	0.00	6.66
	Unit 22	0.00	0.00	0.00	0.74	2.22	2.38
	Unit 23	0.00	0.60	0.00	1.95	0.00	17.94
PPP	-	5.75	21.29	1.79	14.28	3.50	19.9
TBPP	U10	186.88	196.45	270.71	276.71	297.05	176.01
	U20	281.35	208.97	366.67	412.13	303.66	198.63
	U30	291.89	280.32	155.39	150.00	178.31	257.5
TBEPP	-	193.92	128.55	247.58	169.99	268.12	166.35

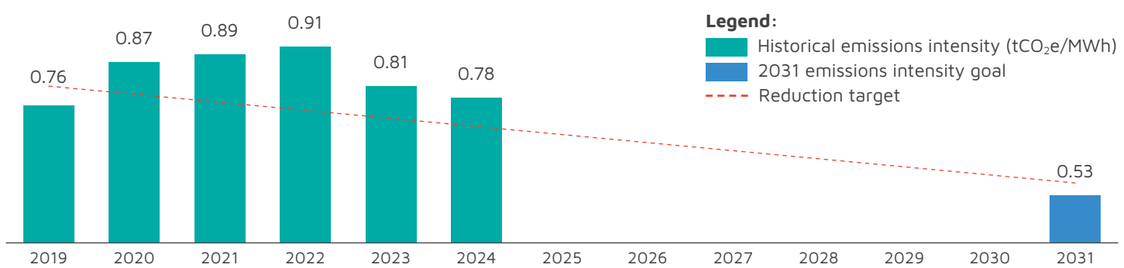
The non-GHG emissions data recorded above are daily averages for 2024. Throughout the year, we have diligently monitored our non-GHG emissions. We are pleased to report that all emissions levels have remained within the allowable limits, demonstrating our commitment to environmental compliance and sustainability.

Our Achievements

In 2024, we have made a significant improvement in reducing our emissions intensity, which has improved from 0.81 tCO_2e/MWh in FY2023 to 0.78 tCO_2e/MWh. This metric, which measures the amount of GHG emissions produced per unit of energy generated, reflects our commitment to more efficient and sustainable energy production.

This achievement underscores our commitment to our decarbonisation pathway initiative towards net zero by 2050, which focuses on enhancing the efficiency of our power plants and expanding our RE portfolio.

Historical versus 2031 Goal Emissions Intensity (tCO_2e/MWh)



M8 – GHG Emissions

Although our emissions intensity remains 0.02 tCO_2e/MWh above the baseline year, we are more determined than ever to advance our decarbonisation initiatives. We are focused on further improving the efficiency of our power plants and expanding our RE portfolio to achieve our long-term sustainability goals.

Going Forward

Through a series of consistent efforts in energy efficiency, RE adoption and operational optimisation, we are making significant progress towards our target of reducing our emissions intensity by 30% by 2031. The key drivers propelling us forward in this journey towards net zero include:

Enhancing power plants efficiency through continuous improvements

Scaling up biomass co-firing project to at least 15% by 2027

Accelerating our growth in RE portfolio, including rooftop solar, large scale solar, small hydro and WTE solutions

Upholding our commitment to no new coal investments

Advancing our tree planting programme, with each tree absorbing approximately 21 kg of CO_2 annually

Additionally, we are committed to continuously improving our efforts to reduce GHG emissions. This involves implementing advanced technologies and practices to enhance the efficiency of our operations and minimise our environmental impact. We will also rigorously monitor our GHG emissions to ensure accurate and transparent reporting. By regularly assessing our performance and making necessary adjustments, we aim to achieve our sustainability goals and contribute positively to global climate change mitigation efforts.

M12 – Waste Management and Effluents

Why It Is Important

Effective waste management and the proper handling of effluents are crucial to minimising our environmental impact and promoting community well-being. We acknowledge the risks associated with poor waste management, including environmental pollution, adverse effects on public health, fines, punitive measures and reputational damage.

As such, we remain dedicated to mitigating our environmental impact through sustainable practices, optimising resource efficiency and supporting the long-term health of ecosystems. Additionally, adopting circular economy initiatives enables us to tap into cost-saving opportunities, enhance efficiency and explore new revenue streams while maintaining compliance and fostering stakeholder trust.

Our Approach

Waste Management at Our Operations

We remain committed to managing waste generated from our operations in compliance with the Environmental Quality Act 1974. Our waste management efforts are focused on scheduled waste across all our plants and are guided by the Group's Environmental Policy and procedures. At our facilities, we produce a considerable volume of both scheduled and unscheduled waste. In managing scheduled waste, we engage licensed contractors for disposal at prescribed premises, ensuring full compliance with Department of Environment (DOE) regulations. This includes ensuring that all the scheduled waste maintenance sites utilised by TBPP, TBEPP, PPP and SEV meet the Environmental Quality Act (Scheduled Waste) Regulations 2005. To continuously improve our scheduled waste management practices, we conduct regular internal audits and site inspections.

Scheduled Waste

We continue to manage our scheduled waste, including fly ash, bottom ash, used oil and chemicals from the power plant and incinerators, in strict accordance with our Scheduled Waste Management Policy. This policy provides a framework for maintaining consistent and best-practice approaches across the Group.

Furthermore, we ensure that our scheduled waste is safely stored at designated maintenance sites until it is collected by licensed contractors for proper disposal, in full compliance with the DOE regulations. This process is monitored through the DOE's Electronic Scheduled Waste Information System, ensuring transparency, accountability and adherence to regulatory requirements.

At TBPP and TBEPP, we utilise life cycle assessment to analyse and evaluate potential alternatives for reducing, reusing and recycling waste. Licensed domestic contractors collect internally generated scheduled waste, such as used lube oil, distillates and contaminated solid waste, which is then directed to dedicated disposal methods including incineration, landfill, physical chemical treatment and solidification.

Unscheduled Waste

Our plants produce metal and rubber waste, which are gathered in scrapyards and are responsibly disposed of by licensed contractors. In our offices, we encourage recycling among employees through strategic placements of recycling bins.

M12 – Waste Management and Effluents

Our Initiatives

Waste Generated at Our Operations

In 2024, we recorded the following levels of scheduled waste (SW) across our plants and depots:

Plant	Scheduled waste by composition (tonnes)		
	Total waste generated	Waste diverted from disposal	Waste directed to disposal
TBPP[1]	180.0	0.0	180.0
TBEPP[2]	19.9	0.0	19.9
SEV[3]	15.4	2.9	12.5
PPP[4]	23.0	20.0	3.0
AFSB[5]	47.3	31.5	15.8
Total	285.6	54.4	231.2

Scheduled Waste Codes

SW1 Metal & Metal-Bearing Wastes	**SW102** | **SW104** | **SW109** | **SW110**
SW2 Wastes Containing Principally Inorganic Constituents	**SW204**
SW3 Wastes Containing Principally Organic Constituents	**SW305** | **SW306** | **SW307** | **SW312** | **SW325**
SW4 Wastes Containing Either Organic or Inorganic Constituents	**SW409** | **SW410** | **SW417** | **SW421** | **SW429**

Note:

[1] *Scheduled wastes at TBPP include SW102, SW109, SW110, SW204, SW305, SW306, SW307, SW312, SW325, SW409, SW410, SW417, SW421, SW429*

[2] *Scheduled wastes at TBEPP include SW102, SW109, SW204, SW305, SW307, SW409, SW410, SW429*

[3] *Scheduled wastes at SEV include SW102, SW110, SW305, SW307, SW312, SW409, SW410, SW417, SW429*

[4] *Scheduled wastes at PPP include SW102, SW109, SW305, SW307, SW409, SW410, SW429*

[5] *Scheduled wastes at AFSB include SW102, SW305, SW409, SW410*

At TBPP and TBEPP, we have third-party offtake agreements with three companies to recycle the ash generated from Tanjung Bin Complex into construction material such as sand replacement, which is a common practice in Europe and Japan. We have recycled bottom ash and fly ash generated from TBPP and TBEPP as follows:

Plant	FY2022 (tonnes)	FY2023 (tonnes)	FY2024 (tonnes)
TBPP	311,353	413,247	485,898
TBEPP	87,289	84,395	95,409
Total	398,642	497,642	581,307

TBPP and TBEPP implemented the cradle-to-cradle life cycle process. In 2024, TBPP and TBEPP diverted 581,307 tonnes of bottom ash and fly ash from landfill, and managed to increase our recycling tonnage of fly ash and bottom ash by 17% from 2023. This is a testament of our continued commitment to efficient coal ash and waste management at our operations.

M12 – Waste Management and Effluents

Effluents Management at Malakoff Environmental Solutions

Leachate, a liquid that passes through a landfill and extracts dissolved and suspended matter, poses a significant threat to surface water and groundwater. It forms when precipitation infiltrates the landfill and from moisture present in the waste during decomposition. Additionally, leachate emits an unpleasant odour and negatively impacts public health and well-being.

As the operator of an incinerator on Pangkor Island, we have adopted advanced technology that achieves zero leachate discharge. Our incineration process treats and reuses the leachate in the flue gas cooling process within the water quenching system. The treated leachate from our treatment plant is then utilised as one of the water sources to lower the flue gas temperature from approximately 850°C-1,000°C to around 200°C after combustion. This approach not only ensures zero leachate discharge but also supports the local community by mitigating the environmental impact associated with municipal solid waste.

Our Achievements

Won the Excellent Waste Management Recognition and Waste Reduction and Circularity Award at the Waste Management Association of Malaysia Conference and Exhibition 2024, in recognition of Alam Flora's outstanding contributions to sustainable waste management practices

54.4 tonnes or 19%
scheduled waste from our operations diverted from landfill

581,307 tonnes
fly ash and bottom ash diverted from landfill

Zero leachate discharge
for incinerator

Going Forward

As we move forward, Malakoff remains resolute in our commitment to effective waste management and effluent control. The data on scheduled waste and recycled ash reflects our progress and dedication to minimising environmental impact. We will continue to enhance our waste management practices, increase recycling rates and ensure the safe disposal of all waste materials.

Our ongoing initiatives in waste management and effluent control are integral to achieving our sustainability goals and reinforcing our role as a responsible corporate citizen. With innovative technologies and best practices, we aim to further reduce waste generation and improve resource efficiency. Through these efforts, we strive to meet regulatory requirements, implement industry best practices, protect our natural resources and contribute to the well-being of our communities.

M13 – Coal Ash Management

Why It Is Important

At Malakoff, responsible coal ash management is crucial to our environmental stewardship. Improper handling of coal ash can lead to soil and water contamination, posing significant environmental and health risks. To mitigate these risks, we adhere to stringent safety and regulatory standards.

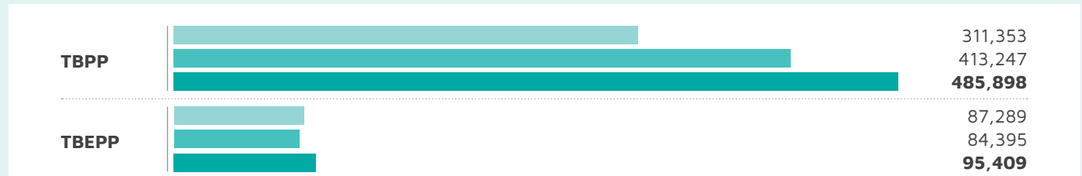
However, coal ash also presents opportunities for repurposing, such as in the production of construction materials like cement and concrete. This not only reduces waste by diverting it from landfills, but also generates additional revenue streams.

Our Approach

We are guided by DOE's Environmental Quality (Scheduled Waste) Regulations 2005 and our in-house guideline in managing our coal ash generated from the power plants.

Our Initiatives & Achievements

At TBPP and TBEPP, we have third-party offtake agreements with three (3) companies to recycle the ash generated from the Tanjung Bin Complex into construction material such as sand replacement, which is a common practice in Europe and Japan. We have recycled bottom ash and fly ash generated from TBPP and TBEPP as follows:



TBPP and TBEPP implemented the cradle-to-cradle life cycle process. In 2024, TBPP and TBEPP diverted 581,307 tonnes of bottom ash and fly ash from landfill, and managed to increase our recycling tonnage of fly ash and bottom ash by 17% from 2023. This is a testament of our continued commitment to efficient coal ash and waste management at our operations.

The information and data above are also reflected in Waste Management and Effluents section on pages 138 to 140.

Going Forward

Going forward, Malakoff remains committed to enhancing our coal ash management practices to ensure environmental safety and sustainability. We will continue to adhere to stringent regulatory standards and implement best practices for the safe handling, storage and disposal of coal ash. Additionally, we will continue to actively explore innovative opportunities for repurposing coal ash in construction materials and other applications, turning waste into valuable resources.

M15 – Asset Life Cycle and Integrity

Why It Is Important

At Malakoff, we believe proper management of power plant assets is essential for sustaining efficiency and extending their lifespan. A well-structured life cycle management approach ensures assets operate effectively while maintaining their integrity from installation to decommissioning. A structured approach also supports transition planning, allowing for a more strategic and sustainable shift in operations.

Poor asset management can lead to stranded assets over time, increasing financial and operational risks. Therefore, we are committed to strengthening our asset management practices via proper planning to extend asset life cycle, improve cost management and minimise disruptions while ensuring long-term business sustainability.

Our Approach

Our approach is centred around ensuring the operational reliability of our plants by implementing due diligence measures and planned maintenance outages. To this end, each power plant has a dedicated maintenance team responsible for managing and overseeing critical assets. These teams follow a structured maintenance strategy that combines predictive and preventive measures to detect and address potential issues before they escalate. When unexpected equipment failures occur, corrective maintenance is carried out promptly to restore operations and maintain asset integrity.

Our Initiatives & Achievements

To illustrate our dedication to preserve our assets at its best condition, we have successfully extended three of our power plants' PPA – Port Dickson Power Plant from 2016 to 2019, SEV Power Plant for another 10 years from 2017 to 2027 and PPP for a year from 2024 to 2025 with an option for another one-year extension.

All the extensions above go beyond the original 21-year PPA term. For Port Dickson Power Plant, we successfully decommissioned the facility and sold the plant's assets to a buyer from Nigeria in 2021, showcasing that the assets were well maintained and continued to be operational even after its three-year extension. Additionally, we have successfully maintained and operated our GB3 Power Plant located in Perak for its full PPA term from 2001 to 2022. Its assets are currently under preservation while awaiting a decision on the next course of action.

This achievement highlights our ability to effectively manage and sustain our assets beyond their expected operational lifespan, ensuring continued efficiency, reliability and value for all stakeholders while supporting the stability of the energy supply.

M15 – Asset Life Cycle and Integrity

The following are the power plants under Malakoff's operations:

Prai Power Plant, Penang

SEV Power Plant, Perak

Tanjung Bin Power Plant, Johor

Tanjung Bin Energy Power Plant, Johor

For more information about our assets please refer to Business Review: Malakoff Energy on pages 108 to 122.

M17 – Water Management

Why It Is Important

In a world increasingly impacted by climate change, water security has become a critical factor in ensuring business continuity. The risk of reduced or disrupted access to water can lead to significant operational disruptions and impact the productivity of our assets.

To mitigate these risks, we focus on efficient and sustainable water use practices. Our focus on sustainable water management and innovative solutions allows us to reduce dependency on utility-sourced water, enhance resilience and lower costs, ensuring the long-term success of our business.

Our Approach

Water remains a vital resource for Malakoff, playing a key role in the seamless operation of our core business areas, from electricity generation to waste management and district cooling. We are guided by the National Water Resources Policy and Environmental Quality Act 1974 to manage our water sustainably and responsibly.

At our power plants, raw water is essential for replenishing steam and water losses, ensuring the consistent generation of electricity. It also serves various operational and administrative functions. In addition, we utilise seawater in our cooling systems to support efficient plant performance.

To secure a reliable supply of this crucial resource, we source our raw water from Pembekalan Air Pulau Pinang, Syarikat Air Johor and Lembaga Air Perak, ensuring uninterrupted operation of our power plants.

- Producing steam to rotate turbines for power generation
- Supporting day-to-day operations in balance of plant areas, including office usage and housekeeping activities
- Operating firefighting system
- Replenishing ash pond water to suppress fly ash in storage yards
- Suppressing dust in coal yards
- Operating water cannons to prevent clinker formation in boilers at TBPP

In 2024, key initiatives were undertaken to enhance water conservation and system efficiency, reflecting our consistent commitment to sustainability. These measures collectively demonstrate our cohesive strategy to integrate water conservation into daily operations, ensuring resource optimisation and long-term sustainability.

M17 – Water Management

Our Initiatives

Water Management at our Power Plants

We employed continuous monitoring of raw water at TBPP by installing flow meters at submerged chain conveyer and blow-down tank. This ensured that daily consumption remained within normal thresholds and allowed for the identification of faults or defects in the systems. We also monitored condensate water make-up at TBPP. Through this monitoring system, swift corrective actions were taken whenever deviations occurred, minimising water wastage and maintained operational balance.

Meanwhile, our efforts at TBEPP centred on reducing the frequency of flue gas desulfurisation gas gas heater washing, which contributed to a significant reduction in our water consumption. Similarly, the PPP focused on optimising auxiliary boiler operations to conserve water and improve overall system efficiency. At SEV, improvements in heat recover steam generator water blowdown operations effectively reduced water usage while maintaining operational reliability.

Another key aspect of our monitoring efforts is seawater monitoring. We monitor seawater at the intake and release points in our plants, ensuring that the water temperature remains below 40°C. This is crucial to prevent any negative impact on marine life and to maintain a sustainable balance in the surrounding ecosystems.

Furthermore, through Malakoff Environmental Solutions, we incorporate rainwater harvesting systems for housekeeping and landscaping purposes as well as implementing leachate waste treatment systems to reduce raw water consumption in incinerators for temperature control.

Throughout 2024, we recorded a total of 2,617,707 m³ or 2,618 megalitres of water consumed. The table below shows water consumption across our plants:

Plants and Operations Raw Water Consumption (m³)

	2024	2023	2022
SEV	**249,632**	110,216*	112,993
GB3	**N/A**	N/A	25
PPP	**144,671**	155,785	133,312
TBPP	**1,345,614**	1,365,408*	1,416,281
TBEPP	**522,194**	405, 410	322,651
MUSB	**240,325**	217,490	235,244
Alam Flora	**76,760**	89,704*	59,040*
AFES	**38,511**	25,888*	61,609*

**Figures have been restated to reflect consumptions based on equity approach.*

In 2024, we observed a 10% increase in water consumption compared to 2023, driven by our expanded activities and enhanced productivity. While higher water usage is a natural consequence of our growth, it also reflects our commitment to operational excellence and efficiency.

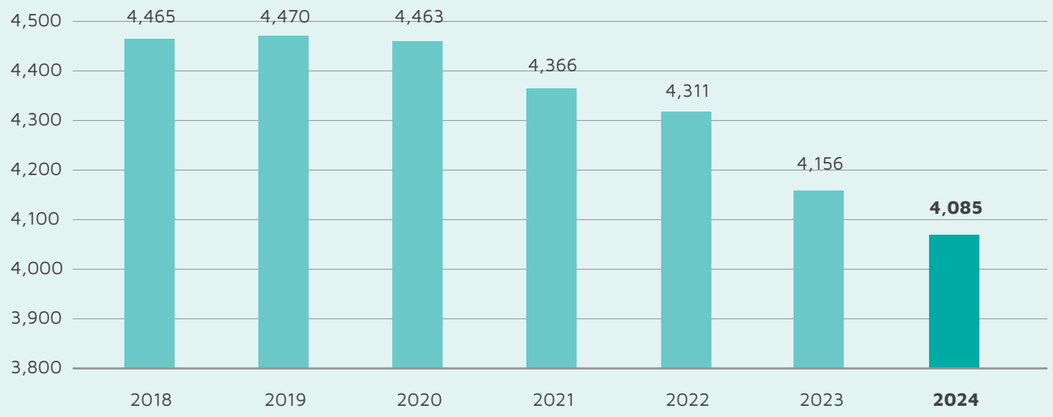
M17 – Water Management

Our Achievements

The installation of flow meters at TBPP successfully optimised water consumption, with average daily consumption in 2023 and 2024 recorded as lower than in previous years.

Water Consumption Optimisation Initiative at TBPP

Average Daily Consumption 2018-2024 (m^3)



Going Forward

As we continue to ramp up our operations, we are using this opportunity to enhance and refine our water management practices. By focusing on sustainable water use and innovative conservation strategies, we aim to reduce our dependence on utility-sourced water and develop more resilient operations. This proactive approach not only supports our sustainability goals but also ensures the long-term viability of our business. Moving forward, we remain committed to optimising our water management to achieve greater efficiency and environmental stewardship.

M20 – Biodiversity

Why It Is Important

For Malakoff, biodiversity protection is not just an environmental responsibility but a strategic business priority. As our operations depend on seawater for cooling, we are committed to minimising our ecological footprint. This allows us to safeguard our reputation, opens doors to valuable partnerships to enhance our reputation and build stronger relationships with stakeholders.

Our Approach

Malakoff prioritises environmental protection and preservation through our Environmental Policy, which is in line with the Environmental Quality Act 1974.

Our Initiatives

Environmental Monitoring at Our Operations

We also conduct environmental monitoring across our plants as shown in the table below, which are usually carried out by third-party consultants:

SEV	PPP	TBPP / TBEPP
Environmental Monitoring Report	**Marine Ecology Monitoring Report**	**Marine Ecology Monitoring Report**
• Involves sampling for water analysis • Includes ecology of turtle monitoring, which is conducted by the Department of Fisheries Malaysia in Perak (JPNP), with statistical data shared with SEV	**Marine Ecology** • Consists of phytoplankton, zooplankton, macrobenthos and fishes	**Marine Ecology** • Comprises both physical (sediment quality) and biological (phytoplankton, zooplankton, macrobenthos, fisheries and mangrove) components **Mangroves** • Monitors the natural environment - mangroves (crabs, mammals, gastropods) and marine fishes

Our marine ecology monitoring is carried out quarterly or biannually to assess the health of the marine environment.

Another key aspect of our monitoring efforts is seawater monitoring. We monitor seawater at the intake and release points in our plants, ensuring that the water temperature remains below 40°C. This is crucial to preventing any negative impact on marine life and to maintaining a sustainable balance in the surrounding ecosystems.

Beach Clean Up & Save Our Sea Programme in Lumut, Perak

Since 2011, we have been partnering with the JPNP and Jabatan Taman Laut Malaysia to implement the Save Our Sea programme. Spearheading activities such as beach clean-ups and coral conservation, the initiatives have seen the active participation of local communities, authorities and tertiary students, all working together to improve marine biodiversity in the surrounding areas. Malakoff's Beach Clean-Up & Save Our Sea Programme is aligned with SDG 14: Life Below Water, which emphasises the conservation and sustainable use of oceans, seas and marine resources.

M20 – Biodiversity

Beyond its environmental contributions, the initiative strengthened community engagement and heightened environmental awareness. The collaboration between Malakoff, JPNP, My Komuniti Perikanan, Maahad Dakwah Dar Al-Abrar and Kolej Perikanan Sultan Nazrin Muizzuddin Shah fostered communal bonds and inspired continued stewardship of natural resources. These partnerships are vital for ensuring the long-term preservation of Malaysia's coastal environments.

As part of the initiative, Malakoff contributed RM5,000 to the Segari Turtle Conservation & Information Centre, enhancing its support for local marine conservation efforts. Other activities included a 5R (Reduce, Reuse, Recycle, Refuse, Repurpose) talk by Alam Flora and a fun "senamrobik" (aerobics) session, ensuring participants remained engaged and motivated throughout the programme.

Saya Sayang Bumi Beach Plogging Programme in Kuantan, Pahang

The 2024 "Saya Sayang Bumi — Beach Plogging" programme, organised by Alam Flora at Pantai Pelindung, Kuantan, effectively raised environmental awareness and promoted responsible waste disposal. The event featured plogging, a combination of jogging and litter collection, which not only encourages civic duty and environmental consciousness but also offers health benefits to participants. By integrating waste disposal practices into recreational activities, the initiative helps create a safer and greener environment while fostering a caring attitude towards natural resources.

Alam Flora's efforts are in line with the government's goal of reducing recyclable waste sent to landfills by 2025 and support the SDG 11: Sustainable Cities and Communities, reflecting the Group's ongoing commitment to environmental management and sustainable community solutions. Additionally, Alam Flora has organised numerous cleanup programmes, successfully collecting over 150 tonnes of waste through more than 300 events in Kuantan.

Our Achievements

In 2024, Beach Clean Up & Save Our Sea Programme achieved a significant environmental milestone, where more than 300 volunteers, including 20 Malakoff employees collected 1,327 kg of waste from the shores of Segari and Teluk Senangin in Lumut, Perak. This large-scale removal of debris plays a critical role in reducing pollution and safeguarding marine ecosystems, ultimately protecting wildlife from its harmful effects.

The plogging event saw the involvement of around 150 participants from local communities, Unitar College, University College of Yayasan Pahang, Alam Flora and the Solid Waste Management and Public Cleansing Corporation. Additionally, the Pahang State Forestry Department has contributed 20 trees as part of a coastal tree planting programme for environmental preservation.

Going Forward

We will continue to uphold our Environmental Policy and our environmental monitoring initiatives, while also continue cultivating strong partnerships with the local communities through outreach programmes. Similarly, we will strive to instil the value of biodiversity preservation, empowering individuals to contribute meaningfully to a sustainable and resilient future.

M3 – Occupational Safety and Health

Why It Is Important

Occupational Safety and Health (OSH) remain critical to us at Malakoff because it keeps our employees and contractors safe while minimising disruptions to our daily operations. It enables us to reduce downtime caused by accidents and injuries, which improves overall operational efficiency. Additionally, our focus on OSH helps create a sustainable, safe and conducive work environment for both our people and contractors, enabling them to return home safely after work.

Our Approach

We are committed to upholding the principles set out in the Occupational Safety and Health (Amendment) Act 2022 (Act A1648) (OSHA 2022). Our operations have attained the ISO 45001:2018 Occupational Health and Safety Management Systems certification, ensuring the highest standards are maintained across our businesses. This enables us to continuously improve our OSH performance, minimise the risk of work-related injuries and create a secure work environment for employees, workers and contractors.

OSH Management System

We continue to maintain our OSH Management System to protect our people and ensure compliance to legal requirements and internationally recognised standards. Central to our system is the integration of best practices in risk management, such as hazard identification, risk assessment and the application of risk control measures, all aligned with ISO 45001.

The scope of safety implementation covers all employees, as outlined under Part VI General Duties and Rights of Employees of the OSHA 2022, specifically Section 2024, which mandates employees to take reasonable care for their own safety and health, as well as that of others. Both our employees and contractors are covered by our OSH Management System, as shown in the table below:

	Employees		Workers who are not employees but whose work is controlled by the organisation	
	Number	%	Number	%
Covered by an OSH Management System based	910	100	6,661 (In-house contractors and other contractors, including outage contractors)	100

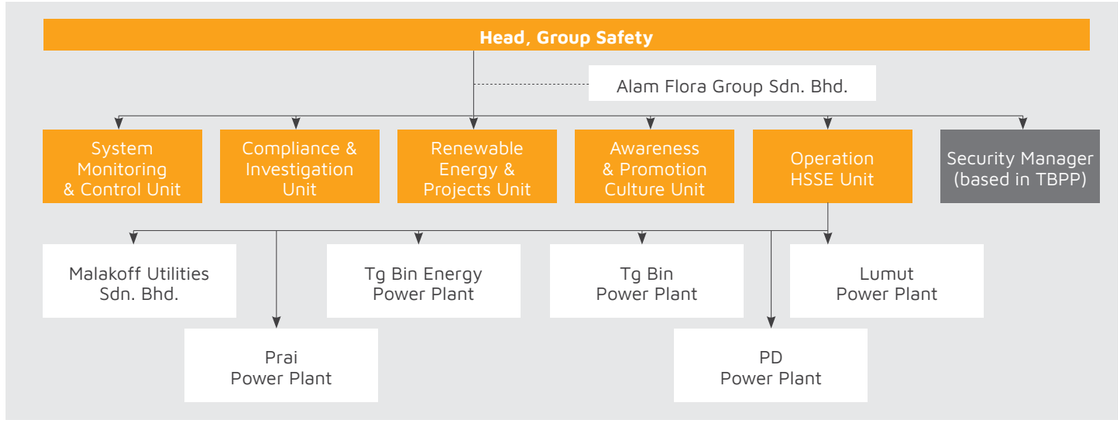
Notes:
"Employees" refers to the definition provided in the Occupational Safety and Health Act A1648 Amendment 2022, Section 3(a)(xii), while "Contractor" refers to the definition in Section 3(a)(iv), which includes in-house contractors and other contractors.

Health and Safety Governance

In line with ISO 45001, we have developed an organisation chart and job descriptions to clearly define safety and health roles, responsibilities and authorities across the organisation. We also ensure communication of roles, responsibilities, processes and procedures to control safety and health risks to raise awareness.

The Safety and Health (S&H) Committee comprises both management and non-management representatives. The committee meets quarterly, with each member's responsibilities outlined in accordance with the Occupational Safety and Health Act.

M3 – Occupational Safety and Health



Hazard Identification, Risk Assessment and Risk Control (HIRARC)

We identify and assess work-related hazards through a systematic approach involving the operation team and HSSE, as illustrated in the following diagram:

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Collect and review information about the hazards present or likely to be present in the specific process area	Conduct initial and periodic workplace inspections of the workplace to identify new or recurring hazards	Report and investigate injuries, illnesses, incidents and near misses to determine the underlying hazards, their causes and safety and health programme shortcomings	Group similar incidents and identify trends in injuries, illnesses and hazards reported	Consider hazards associated with emergency or non-routine situations	Determine the severity and likelihood of incidents that could result for each hazard identified and use this information to prioritise corrective actions

The effectiveness of our processes is evaluated and continually improved through inputs from incident investigations, S&H Committee meetings, internal and external audits and ongoing inspections and assessments across our operations. These results inform the refinement of our OSH Management System, ensuring it remains effective and responsive to emerging risks.

To facilitate the reporting of work-related hazards and hazardous situations, we provide the HOPe card system for workers to offer feedback and raise safety concerns. These reports are categorised as leading indicators or positive reporting, proactive measures taken by staff and contractors to address hazards before they escalate. We ensure that workers can report concerns without fear of reprisal, fostering an open environment for safety dialogue.

M3 – Occupational Safety and Health

Our policies and processes also support workers' rights to remove themselves from work situations they believe could cause injury or ill health. As outlined in our OSH Policy, we are committed to:

- Providing a healthy and safe working environment for our employees, contractors and others, in addition to preventing injury and ill health caused by exposure to hazards
- Developing OSH objectives and targets and implementating programmes
- Promoting OSH awareness and enhancing the knowledge of all employees through various activities, training and educational programmes
- Ensuring continual improvement of processes and practices related to OSH management and performance
- Eliminating hazards and reducing OSH risks from our operations and maintenance activities
- Complying with all applicable statutory and regulatory requirements of the local, state and federal authorities in relation to OSH and electrical safety, as well as adopting the best codes of practice as far as practicable
- Valuing the participation of employees in OSH programmes and activities
- Being a caring organisation and a good neighbour
- Contributing to nation-building

We have integrated this policy into our work culture, ensuring that it is upheld by everyone at Malakoff. Where applicable, we make the policy available to the public and remain fully committed to it as part of our broader contribution to society.

In the event of a work-related incident, we form an investigation committee to determine the probable root causes. This committee conducts a thorough root cause analysis and collaborates to identify possible corrective actions and improvements. Hazard controls are listed based on their practicality and effectiveness, following the hierarchy of controls of our OSH Management System.

The outcomes of these investigations help inform improvements in our OSH Management System, ensuring that our processes are continually refined to prevent future incidents. Periodically, we organise a series of HIRARC review workshops to assess the effectiveness and improve hazard control measures.

★ Our Initiatives

HSSE Implementation Units

Since 2022, Group Safety KLHQ Office had established dedicated specific implementation units, each focusing on key areas such as System Monitoring and Control, Compliance and Investigation, Communication and Promotion, Operations Safety as well as a dedicated Security Unit to enhance effectiveness.

Medical Health Surveillance Programmes

Throughout 2024, the implementation of Medical Surveillance Programmes had been continued at all plants. This encompasses key initiatives such as audiometric testing, urine testing for drug detection as well as the ongoing health promotion programme which were carried out in 2023.

HSSE Programmes

In 2024, we remain committed to organising the following initiatives, prioritising awareness, training and well-being for employees and contractors alike:

M3 – Occupational Safety and Health

Awareness and Engagement	Health and Wellness	Training and Risk Management	Health and Safety Compliance
• HSSE Week Day • Group Safety Awareness Quiz • Contractor Outage Safety Forum	• Wellness Centre Open Day • Breast Cancer Awareness • KLHQ Virtual Fun Run	• HIRARC Workshop • First Aider and Automated External Defibrillator (AED) Training • Tabletop Exercise 'Kawalan Ancaman Keganasan Kod ISPS'	• Audiometric Test • Drug Test Screening for Outage Contractors

OSH Training for Employees

In 2024, a total of 1,809 employees were trained across various programmes, including:

KLHQ & MUSB	TBPP	TBEPP	PPP	SEV	AFSB	AFES
114	375	82	40	115	817	266

KLHQ Kuala Lumpur Head Quarters **MUSB** Malakoff Utilities Sdn. Bhd. **TBPP** Tanjung Bin Power Plant
TBEPP Tanjung Bin Energy Plant **PPP** Prai Power Plant **SEV** Lumut Power Plant **AFSB** Alam Flora Sdn. Bhd.
AFES Alam Flora Environmental Solutions

The training covered the following:

- Emergency Response Team Training
- Authorised Entrant and Standby Person Training
- Occupational First Aid with AED and Cardiopulmonary Resuscitation
- HIRARC Workshop
- Fire Safety Awareness
- Hearing Conservation Programme Awareness Training

M3 – Occupational Safety and Health

Health and Safety Performance

Work-Related Injuries

We have identified work-related injuries through reported incidents, S&H Committee meetings, inspections and audits. The work-related hazards that pose a risk of high-consequence injury include working at heights, heavy lifting operations and coal handling operations.

To eliminate or minimise the associated risks, we have implemented key measures such as ensuring proper Method Statements, HIRARC evaluations, Permit to Work systems and on-site internal controls, following the hierarchy of controls. In addition to addressing these specific hazards, we are conducting continual safety awareness and improvement programmes to eliminate other work-related hazards and minimise risks across the board. This includes ensuring the proper use of approved and certified Personal Protective Equipment and safety equipment, with rigorous monitoring to ensure compliance.

Health and Safety Performance at Malakoff

In the year under review, the Lost Time Incident Rate (LTIR) for Malakoff decreased to 0.42 from 0.73 in 2023. The breakdown of health and safety performance at Malakoff is as follows:

Employees	2022	2023	2024
i. Fatalities as a result of work-related injury			
Number	0	0	0
Rate	0	0	0
ii. High-consequence work-related injuries			
Number	0	0	0
Rate	0	0	0
iii. Recordable work-related injuries			
Number	1	8	2
Rate	0.39	3.20	5.03
iv. Main types of work-related injury	Reportable Lost Time Injury, Non-Reportable Lost Time Injury, Medical Treatment Injury, First Aid Injury		
v. The number of hours worked	2,545,857	2,503,284	2,515,187

M3 – Occupational Safety and Health

Non-Employees	2022	2023	2024
b. Workers who are not employees but whose work and /or workplace is controlled by the organisation			
i. Fatalities as a result of work-related injury			
Number	0	1	0
Rate	0	0.15	0
ii. High-consequence work-related injuries			
Number	0	0	0
Rate	0	0	0
iii. Recordable work-related injuries			
Number	5	6	7
Rate	1.09	1.34	33.42
iv. Main types of work-related injury	Reportable Lost Time Injury, Non-Reportable Lost Time Injury, Medical Treatment Injury, First Aid Injury		
v. The number of hours worked	4,584,706	4,479,928	4,773,572
LTIR	0.29	0.73	0.42

Notes:
For clarity in data compilation:
- *"Employees" are defined as per the Occupational Safety and Health Act A1648 Amendment 2022, Section 3(a)(xii).*
- *"Contractors" refers to IHC and other contractors under Section 3(a)(iv).*
- *Serious bodily injuries are defined under Section 54 (4th Schedule, Subsection 3(1)).*
- *The injury rates are calculated based on 1,000,000 hours worked.*

Health and Safety Performance at Malakoff Environmental Solutions

AFSB

In 2024, the LTIR for Alam Flora Sdn. Bhd. (AFSB) rose to 1.16 from 0.86 in 2023. We acknowledge this increase and will remain focused on enhancing safety for all employees. The breakdown of health and safety performance at AFSB is as follows:

Safety Performance Indicators	2022	2023	2024
Total Manhours Worked	36,822,718	46,466,129	37,882,129
LTIR	0.68	0.86	1.16

AFES

With the implementation of ongoing safety measures, the LTIR for AFES in 2024 decreased to 0.26 from 0.50 in 2023. The breakdown of health and safety performance at AFES is as follows:

Safety Performance Indicators	2022	2023	2024
Total Manhours Worked	1,626,521	12,048,476	15,580,414
LTIR	1.84	0.50	0.26

M3 – Occupational Safety and Health

Work-related Ill Health

The work-related ill health at our operations is mainly caused by coal handling, working at heights, heavy lifting and working with machinery. The causes of the work-related ill-health were identified through reported incidents, HIRARC evaluations, audit and inspection findings and the issuance of HOPe card system. To address these risks, we are taking proactive measures to eliminate the hazards and minimise the associated dangers, in line with the hierarchy of controls.

Our priority is elimination, actively seeking ways to remove hazards wherever possible. Where elimination is not feasible, we consider substitution, exploring safer alternatives for performing tasks. We also implement engineering controls, such as the addition of machine guarding and providing contractors with guidance to improve Method Statements, HIRARC and specific safety plans for work activities. Our administrative controls also aim to improve training methods, prioritising the use of approved and certified PPE and safety equipment by ensuring strict monitoring on compliance.

Work-Related Ill Health Performance

In 2024, the Group has achieved zero fatalities in relation to work-related ill health among employees. The details are tabulated below:

Employees	2022	2023	2024
i. Number of fatalities as a result of work-related ill health	0	0	0
ii. Number of cases of recordable work-related ill health	0	0	0
iii. Main types of work-related ill health	0	0	0
Non-Employees	**2022**	**2023**	**2024**
b. Workers who are not employees but whose work and/or workplace is controlled by the organisation			
i. Number of fatalities as a result of work-related ill health	0	1	0
ii. Number of cases of recordable work-related ill health	0	0	0
iii. Main types of work-related ill health	0	0	0

In the year under review, two (2) fatalities were recorded at AFSB due to accidents involving non-employees. We acknowledge these incidents and are committed to enhancing our safety and health awareness programmes, extending our efforts beyond employees to the entire supply chain.

Our Achievements

Achieved 2,000,000 Safe Manhours at PPP	**Recorded 1,000,000 Safe Manhours at MUSB**

Going Forward

Moving forward, we aim to prioritise continuous improvement by fostering a culture of ongoing evaluation and adaptation. We will enhance stakeholder involvement, ensuring that diverse perspectives are embedded into our decision-making processes. By encouraging active participation, we anticipate not only more effective strategies and impactful outcomes but also the drive for innovation, uncovering new opportunities for growth.

M9 – Stakeholder Management and Engagement

Why It Is Important

Effective stakeholder management ensures alignment with our company's strategic direction, reinforcing long-term stability and business resilience. Engagement is more than communication. It involves understanding stakeholder expectations, addressing concerns and delivering value that supports sustainable growth.

Internally, employees benefit from transparency, participation in decision-making and a workplace that prioritises engagement, leading to higher job satisfaction and productivity. Externally, engaging with the government, clients, vendors, capital providers, investors and the community builds trust, strengthens cooperation and ensures regulatory compliance. Through value distribution, including dividends to shareholders, tax contributions to the government, competitive salaries for employees and payments to vendors, we generate economic impact while maintaining operational continuity.

A structured approach to stakeholder engagement strengthens financial performance, reduces risks and secures long-term support, reinforcing our commitment to sustainable value creation.

For more information on initiatives, refer to Stakeholder Engagement at pages 46 to 53 and Financial Review at pages 77 to 83 of the report.

Our Approach

Our approach centres around creating and distributing value across key stakeholder groups, ensuring sustainable business growth while contributing to broader economic and social development. We categorise our stakeholders into internal and external groups, each receiving value through financial contributions and engagement efforts:

Employees	Capital Providers	Shareholders	Government	Vendors and Suppliers	Community
Employees are essential to our operations. We provide competitive salaries and wages to support financial stability, encourage productivity and enhance job satisfaction.	Capital providers support our financial stability. We ensure timely payments of finance costs, maintaining investor confidence and sustaining long-term growth.	We create value for shareholders through dividend distributions. To this end, Malakoff's dividend policy commits to distributing at least 70% of Profit After Tax and Minority Interest to our shareholders.	We fulfil our corporate tax obligations, contributing to national development and supporting essential public services and infrastructure. Transparent tax practices reflect our role in economic progress.	Vendors and suppliers are critical to supply chain sustainability and operational continuity. Transparent procurement management and strategic budget allocation to vendors ensure a reliable supply chain and sustain business relationships.	We invest in initiatives that create positive social impact. Community investments support education, environmental conservation and local development, reinforcing our commitment to long-term social progress.

M9 – Stakeholder Management and Engagement

Our Initiatives

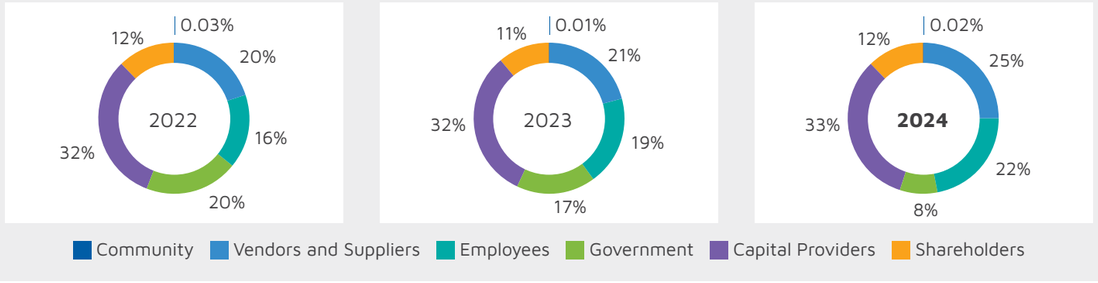
Economic Value Generated, Distributed and Retained

A. Direct economic value generated	FY2022	FY2023	FY2024
Revenue	10,355,150	9,066,954	8,969,567
Total A (RM'000)	**10,355,150**	**9,066,954**	**8,969,567**
B. Economic value distributed[1]			
Suppliers - Contracts to vendors and suppliers	382,599	362,413	384,343
Employees - Salaries and other staff costs	319,716	336,943	328,860
Government - Corporate taxation	397,925	282,757	126,032
Capital Providers - Finance Costs	607,932	566,874	504,032
Shareholders - Dividends	234,576	193,035	182,283
Community - Investment in Social Development	545	241	380
Total B (RM'000)	**1,943,293**	**1,742,263**	**1,525,930**
Economic value retained [A - B] (RM'000)[2]	**8,411,857**	**7,324,691**	**7,443,637**

[1] *The economic value distributed to stakeholders only for Malakoff.*
[2] *The economic value retained is gross and only considers revenue less the value distributed to stakeholders, without accounting for any operating cost.*

For more information on Values created for stakeholders, refer to our Value Creation Model at pages 66 to 67 of this report.

In FY2024, we generated a revenue of RM8.97 billion, of which RM1.53 billion was distributed to our stakeholders:



This distribution reflects our commitment to engaging and supporting our stakeholders, including employees, suppliers and the community. By allocating a significant portion of our revenue to stakeholders, we foster strong relationships and ensure their continued support and collaboration. The economic value retained (gross), amounting to RM7.44 billion, underscores our ability to sustain and grow our business while maintaining a balanced approach to stakeholder engagement. This figure does not account for any operating cost, which is essential for our day-to-day operations. By focusing on both growth and stakeholder engagement, we align with our strategic goals of creating long-term value for all stakeholders involved.

M9 – Stakeholder Management and Engagement

Our Achievement

Over the past year, Malakoff has continued to create economic value for stakeholders through fair payments, competitive benefits and responsible business practices. We have supported a stable supply chain by maintaining strong relationships with vendors and suppliers and ensuring timely payments. Employees have benefited from competitive salaries, comprehensive benefits and opportunities for professional growth. Our tax contributions and compliance with regulations reflect our role in national development. Capital providers and shareholders have received consistent returns as a result of by transparent financial management. At the same time, our community initiatives have contributed to social well-being and long-term development, reinforcing our commitment to shared value creation.

Going Forward

Going forward, we will enhance stakeholder engagement and value creation by strengthening financial contributions, building long-term partnerships and ensuring transparent communication. We believe a structured engagement will align stakeholder expectations with business objectives, allowing us to reinforce stability, sustain growth and strengthen operational resilience.

Internally, we will prioritise employee well-being through competitive compensation, a participatory workplace culture and professional development. Externally, we will deepen collaboration with government bodies, investors, vendors and the broader community to drive mutual benefits and long-term business sustainability.

M10 – Talent Management and Development

Why It Is Important

Talent management is essential for Malakoff's ability to sustain operational excellence and drive innovation in green solutions, environmental initiatives and energy-related advancements. A well-managed talent strategy strengthens Malakoff's position in the evolving energy landscape. Skilled leadership boosts stakeholder confidence, while aligning workforce capabilities with strategic goals improves productivity, retention and leadership development.

By managing talent and developing a skilled, future-ready workforce, Malakoff positions itself to lead in sustainability-driven initiatives, ensuring long-term business success and positive environmental and societal impact. This equips us to navigate the complexities of sustainable operations, optimise resource use and tackle emerging industry challenges.

Our Approach

We are guided by the overarching People Transformation Framework, a comprehensive strategic initiative designed to create an agile, high-performing and rewarding organisation rooted in unwavering integrity and ethical practices. This framework focuses on driving operational excellence, fostering a high-performance culture and aligning talent strategies with Malakoff's business objectives.

People Transformation Framework

High-Performance Culture Through Effective Employee Engagement

Drives initiatives that enhance employee engagement, fostering collaboration, innovation and a sense of purpose to support Malakoff's long-term goals

Pillar 1	Pillar 2	Pillar 3	Pillar 4
Increase People Function Effectiveness Aims to transform the People Function into an agile and holistic solution provider, meeting the diverse needs of stakeholders while ensuring responsiveness to dynamic business requirements	**Improve Organisation Effectiveness** Focuses on optimising workforce productivity and organisational performance through effective workforce planning, resource allocation and a commitment to continuous improvement in operational efficiency	**Building & Strengthening Organisational Capabilities** Strives for leadership excellence by implementing world-class talent management and succession planning programmes, ensuring Malakoff has a future-ready workforce equipped with the right skills to meet emerging challenges	**Competitive Rewards and Performance Practices** Aligns Malakoff's reward practices with the 50th percentile of the peer group market, ensuring competitive remuneration to attract, retain and motivate top talent while promoting a culture of recognition and high performance

M10 – Talent Management and Development

Our Initiatives

Leadership and Succession Development

At Malakoff, we have adopted the Succession Planning and Talent Management Framework to guide our leadership and succession initiatives, ensuring continuity and reducing risks linked to talent shortages. The framework provides guidance on how to identify capable employees, evaluate their suitability for critical roles and support them with development plans. This supports a strong leadership pipeline backed by planned programmes, coaching and digital learning tools.

Leadership Development Programmes

- Malakoff's Leadership Development Programmes are designed to enhance critical leadership capabilities by strengthening both core and leadership competencies. These programmes aim to develop well-rounded leaders equipped to drive business success and navigate organisational challenges effectively
- Three main programmes:
  - Leadership Development Programme for Managers
  - Leadership Development Programme for Executives
  - Leadership Development Programme for Successors

Leadership Development Programme for Managers

- To enhance managerial capabilities aligned with Malakoff's core and leadership competencies, the six-month programme equips managers with the necessary skills to drive organisational goals effectively
- The programme covers four key modules: Strategic and Visionary Thinking, Transforming Self and Others, Stakeholder Management and Leading Change and Innovation
- **Total participants in 2024: 19**

Leadership Development Programme for Executives

- To enhance executives capabilities aligned with Malakoff's core and leadership competencies, the six-month programme equips executives with the necessary skills to drive performance and career growth
- The programme covers four key modules: Strategic and Visionary Thinking, Transforming Self and Others, Stakeholder Management and Leading Change and Innovation
- **Total participants in 2024: 19**

Leadership Development Programme for Successors

- To prepare high-potential employees for critical leadership roles aligned with Malakoff's core and leadership competencies and gaps to ensure their readiness level is improved and they can assume critical roles in the future
- **Total participants in 2024: 15**

Malakoff Coaching Programme: Coaching with Impact

- Designed to foster a culture of continuous development, the programme provides one-on-one coaching with internal coaches, including senior leaders, to guide employees in addressing challenges, setting goals and achieving personal and professional growth
- It supports leadership development, enhances employee engagement and aligns with Malakoff's strategic objectives under the People Transformation Agenda
- In 2024, the programme provided personalised guidance and mentorship to a total of 36 Leadership Development Programme graduates (23 Managers and 13 Executives) from Cohort 1 and Cohort 2, ensuring continuous development and effective application of leadership skills
- Additionally, Malakoff developed 22 internal coaches to strengthen its coaching culture

EDGILE and Moddle Online Learning Platform

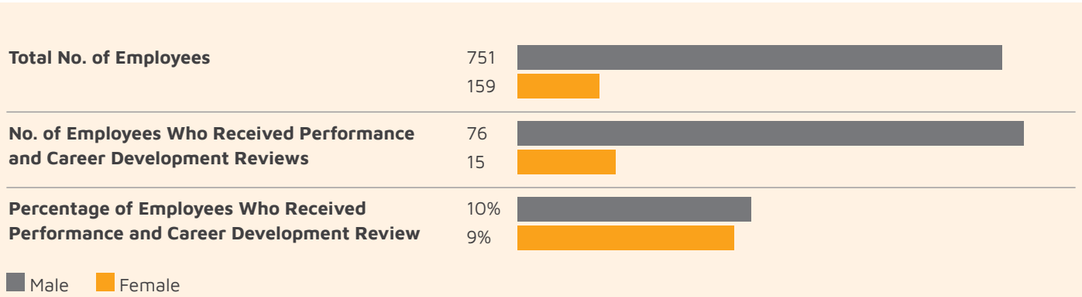
- Serves as Malakoff's proprietary online learning platform, offering a wide range of courses, training modules and development tools
- Provides employees with the flexibility to upskill and reskill at their own pace, covering topics such as leadership and soft skills (Edgile) as well as technical skills (Moddle)
- The platform plays a key role in fostering a culture of continuous learning and supporting career advancement

Another initiative supporting our leadership and succession development is the Malakoff Competency Dictionary. It outlines the skills, behaviours and knowledge needed for each role across the organisation. The dictionary helps identify gaps and guides the development of learning plans that align employee capabilities with role requirements.

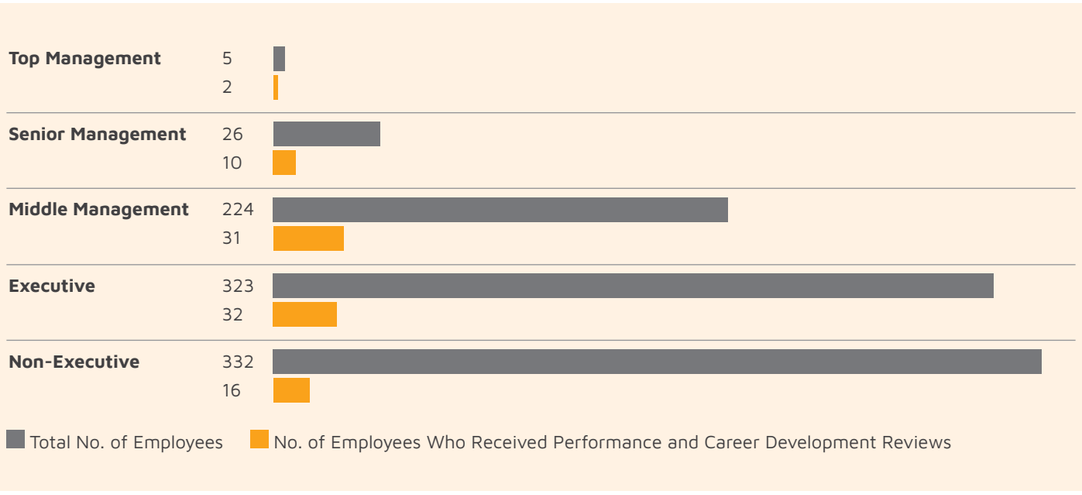
M10 – Talent Management and Development

We acknowledge the significance of employees being well-informed about their roles and responsibilities, as well as what is expected from them. Simultaneously, gaining insight into their career aspirations enables us to support their professional development. These aspects are addressed during annual appraisal sessions, where employees and their direct supervisors openly discuss performance and career objectives. In 2024, 10% of our male and 9% of our female employees underwent performance and career development reviews.

Percentage of Employees Receiving Regular Performance and Career Development Reviews by Gender



Breakdown of Total Employees and Those Who Received Performance and Career Development Reviews by Employee Category



Note: The data above only consists of Malakoff, not including Alam Flora Group.

M10 – Talent Management and Development

Talent Acquisition and Growth

At Malakoff, talent acquisition and growth are pivotal to our success. We prioritise attracting top-tier candidates through a rigorous recruitment process that values diversity and inclusivity. Once onboard, employees are nurtured through comprehensive training programmes and career development initiatives. Our commitment to continuous learning ensures that our workforce remains agile and innovative, ready to tackle emerging challenges in the sector.

Our strategic focus on talent acquisition is reflected in the diverse breakdown of our workforce, encompassing gender and employment status.

In 2024, we have a total of 4,304 employees including employees in Malaysia and Oman. Percentage of employees that are permanent is at 80%, while percentage of employees that are contractors or temporary staff is at 20%.

Malaysia

Employees by Gender

	2022	2023	2024
Number of Employees (Headcount/FTE)	**3,271** 704	**3,609** 708	3,627 675
Number of Permanent Employees (Headcount/FTE)	**2,495** 584	2,713 579	2,846 595
Number of Temporary Employees (Headcount/FTE) (Employees on Renewable Contract)	**776** 120	**896** 129	781 80
Number of Non-Guaranteed Hours Employees (Headcount/FTE)	0 0	0 0	0 0
Number of Full-Time Employees (Headcount/FTE) (Must fulfil 8 hours per day or as required by labour law)	**3,271** 704	**3,609** 708	3,627 675
Number of Part-Time Employees (Headcount/FTE) (Employees with fewer working hours compared to full-time employees)	0 0	0 0	0 0

Male Female

Note:
The figures in bold have been restated to ensure the highest level of accuracy and transparency in our reporting. This adjustment reflects our commitment to providing stakeholders with precise and reliable information moving forward.

M10 – Talent Management and Development

Oman

Employees by Gender

	2022	2023	**2024**
Number of Employees (Headcount/FTE)	2 0	2 0	**2** **0**
Number of Permanent Employees (Headcount/FTE)	2 0	2 0	**2** **0**
Number of Temporary Employees (Headcount/FTE) (Employees on Renewable Contract)	0 0	0 0	**0** **0**
Number of Non-Guaranteed Hours Employees (Headcount/FTE)	0 0	0 0	**0** **0**
Number of Full-Time Employees (Headcount/FTE) (Must fulfil 8 hours per day or as required by labour law)	2 0	2 0	**2** **0**
Number of Part-Time Employees (Headcount/FTE) (Employees with fewer working hours compared to full-time employees)	0 0	0 0	**0** **0**

Male Female

M10 – Talent Management and Development

New Employee Hires and Employee Turnover

In the past year, Malakoff has welcomed a diverse group of new hires, strengthening our team with fresh talent and diverse perspectives. While we experienced some employee turnover, our focus remains on fostering a supportive and dynamic work environment that attracts and retains top talent.

New Employee Hires

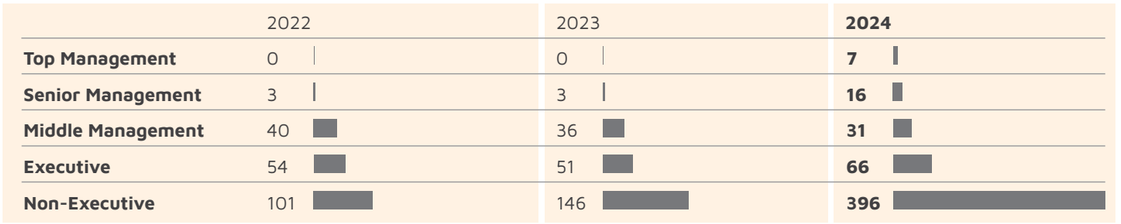
	2022		2023		**2024**	
Gender						
Male	81%	519	90%	811	**84%**	**443**
Female	19%	120	10%	92	**16%**	**86**
Age Group						
<30 years	69%	441	37%	334	**57%**	**303**
30-50 years	31%	198	56%	505	**40%**	**210**
>50 years	0%	0	7%	64	**3%**	**16**
Region						
Malaysia	100%	582	100%	903	**100%**	**529**
Saudi Arabia	0%	0	0%	0	**0%**	**0**
Bahrain	0%	0	0%	0	**0%**	**0**
Oman	0%	0	0%	0	**0%**	**0**

Employee Turnover

	2022		2023		**2024**	
Gender						
Male	77%	153	77%	182	**78%**	**401**
Female	23%	45	22%	54	**22%**	**115**
Age Group						
<30 years	39%	78	35%	83	**28%**	**142**
30-50 years	54%	106	54%	127	**48%**	**248**
>50 years	7%	14	11%	26	**24%**	**126**
Region						
Malaysia	100%	198	100%	236	**100%**	**516**
Saudi Arabia	0%	0	0%	0	**0%**	**0**
Bahrain	0%	0	0%	0	**0%**	**0**
Oman	0%	0	0%	0	**0%**	**0**

M10 – Talent Management and Development

Total Number of Employee Turnover by Employee Category



Total Number of Employee Turnover by Gender

Employee Category	Gender	2022	2023	2024
Top Management	Male	0	0	**7**
	Female	0	0	**0**
Senior Management	Male	3	2	**12**
	Female	0	1	**4**
Middle Management	Male	30	29	**16**
	Female	10	7	**15**
Executive	Male	34	24	**45**
	Female	20	27	**21**
Non-Executive	Male	86	127	**321**
	Female	15	19	**75**

Total Number of Employee Turnover by Age Group

Employee Category	Age Group	2022	2023	2024
Top Management	<30 years	0	0	**0**
	30-50 years	0	0	**1**
	>50 years	0	0	**6**
Senior Management	<30 years	0	0	**0**
	30-50 years	0	2	**6**
	>50 years	3	1	**10**
Middle Management	<30 years	0	0	**0**
	30-50 years	33	31	**25**
	>50 years	7	5	**6**
Executive	<30 years	25	26	**14**
	30-50 years	28	23	**48**
	>50 years	1	2	**4**
Non-Executive	<30 years	53	57	**128**
	30-50 years	45	71	**168**
	>50 years	3	18	**100**

Note:
The FY2023 breakdown figures have been restated to ensure the highest level of accuracy and transparency in our reporting. This adjustment reflects our commitment to providing stakeholders with precise and reliable information moving forward.

M10 – Talent Management and Development

Our recent data analysis highlights several key opportunities for growth. While the number of new hires has declined, we recognise the potential to enhance our recruitment strategies. Additionally, the rise in employee turnover presents us an opportunity to further improve our retention efforts, ensuring we build a resilient and dedicated workforce.

The following are some of the initiatives which we have carried out to address these challenges and capitalise on the identified opportunities:

TVET Collaboration with the Ministry of Human Resources Malaysia

- Partnered with Public Skills Training Institutes to enhance trainer capabilities through knowledge-sharing and industry expertise, ensuring high-quality vocational education
- Supported talent development by providing access to Malakoff's facilities, equipment and funding for courses and training programmes, enriching students' learning experiences and professional growth

Career Fairs and Engagement with Young Graduates

- Participated in career fairs and organised engagement programmes for young graduates to attract top talent
- These efforts provide students and fresh graduates with insights into Malakoff's operations and career opportunities, fostering a strong employer brand and ensuring a sustainable talent pool

Project Management Professional (PMP) Certification Programme

- Supported talents in attaining the recognised PMP certification
- This initiative ensures that project managers are equipped with advanced project management skills, enabling them to manage complex projects effectively and support Malakoff's growth objectives
- **Total participants in FY2024: 6**

Innovation and Sustainability
At Malakoff, we embed innovation and sustainability at the core of our talent management strategy. Our forward-thinking culture and environment encourage creative thinking that drives sustainable solutions. This enables us to enhance our operational efficiency, as we strive to be at the forefront of the energy sector, delivering long-term value to our stakeholders.

Malakoff Innovation Programme

- Encourages employees to contribute innovative ideas and solutions to improve processes, enhance sustainability and drive business growth
- Provides a structured platform for employees to propose, develop and implement creative solutions that align with Malakoff's strategic priorities

Collaboration with Subject Matter Trainers (SMTs)

- Collaborated with SMTs, experts who provide specialised training on specific topics relevant to Malakoff's business operations, such as renewable energy, sustainability and safety protocols
- Instrumental in transferring critical knowledge and skills to employees, ensuring Malakoff's workforce remains competent, compliant and competitive in the industry
- Work closely with the Learning and Development Team to design and deliver impactful training programmes tailored to organisational needs

Letter of Intent with UniKL

- Enhanced industry experience and knowledge through various initiatives, including internships for UniKL students as part of the university's 'Industrialmanship' programme
- Outlined joint research projects in areas of mutual interest
- Granted both parties access to research and development facilities, enabling them to secure research collaboration grants to support these joint efforts
- Collaborated with UniKL to upskill and upgrade the competencies of our technical staff through timely training programmes, ensuring that our workforce remains at the forefront of industry standards

M10 – Talent Management and Development

Training and Development

We invest in continuous training and development to empower our workforce and enable them to reach their full potential. Our goal is to ensure our employees are adaptable in rapidly changing industries. The People Division identifies skill gaps within the Group. It organises tailored training programmes to address these gaps, encompassing both soft skills and technical capabilities.

Employee Training Programmes at Malakoff

In 2024, our investment of RM1.34 million in employee training programmes resulted in 26,814 training hours. This equates to an average of 14.98 training hours per employee. The following table presents the breakdown by gender and employee category:

By Gender

	2022	2023	**2024**
Total No. of Employees	1,883 316	1,948 264	**1,554** **236**
Total No. of Training Hours	27,973 5,409	28,774 3,844	**23,628** **3,186**
Average Training Hours Per Employee	14.86 17.12	14.77 14.56	**15.20** **13.50**

Male Female

By Employee Category

	2022	2023	**2024**
Total No. of Training Hours	24 408 8,028 14,056 10,866	64 477 8,437 13,815 9,825	**48** **415** **5,885** **10,551** **9,915**
Average Training Hours Per Employee	0.03 0.44 8.71 15.25 11.79	0.07 0.53 9.32 15.27 10.86	**16.00** **13.83** **14.68** **14.26** **16.10**

Top Management Senior Management
Middle Management Executive Non-Executive

M10 – Talent Management and Development

Employee Training Programmes at Malakoff Environmental Solutions

In 2024, we invested RM606,359 in employee training programmes, delivering a total of 41,873 training hours. This resulted in an average of 12.25 training hours per employee. The breakdown by gender and employee category is as follows:

By Gender

	2023	**2024**
Total No. of Employees	2,856 558	**2,898** **521**
Total No. of Training Hours	29,048 11,475	**32,826** **9,046**
Average Training Hours Per Employee	10.17 20.56	**11.33** **17.36**

Male Female

By Employee Category

	2023	2024
Total No. of Training Hours	221 278 3,663 10,826 13,257 6,955	**162** **2,074** **1,180** **7,404** **18,127** **12,926**
Average Training Hours Per Employee	6.90 9.50 10.10 11.80 9.40 3.83	**32.30** **41.48** **32.76** **31.24** **29.57** **5.22**

Top Management Senior Management
Middle Management Executive
Non-Executive General Worker

M10 – Talent Management and Development

Our Achievements

Number of Soft Skills and Functional Training Conducted	Number of Technical Training Conducted	
128	**228**	**55 Certification** Programmes and **81** Participants Certified

Going Forward

We are dedicated to continuously refining our talent management strategies to remain at the forefront of industry standards. This includes developing and implementing robust policies while taking ownership of the process. We are focused on prioritising employee growth by investing in development programmes and training to enhance their skills and prepare them for future challenges. Additionally, we aim to cultivate a diverse and inclusive workforce, which we believe is key to driving innovation. By regularly evaluating employee satisfaction, we strive to create a dynamic and fulfilling workplace that fosters productivity and long-term success.

Malakoff Innovation Programme

M11 – Human and Labour Rights

Why It Is Important

As an independent power producer in Malaysia, we are proud to be among the companies aligned with the National Energy Policy 2022-2040, which aims to transform Malaysia into a progressive low-carbon country. This policy emphasises the need to balance social inclusivity, health and economic growth within our energy strategies. Recognising that our employees are the backbone of our operations and with the energy sector accounting for 25%[1] of the total workforce in Malaysia, we are committed to upholding human and labour rights. This commitment is not only a moral and ethical obligation but also a critical component in achieving the policy's ambitious goals. By prioritising these rights, we ensure that our operations contribute positively to the nation's sustainable development and foster a resilient, equitable and prosperous society.

Our dedication to upholding human rights within our operations ensures that we are free from forced labour, child labour, discrimination, harassment and unfair practices. Additionally, promoting diversity and equal opportunity not only protects the well-being of our employees but also plays a critical role in attracting top talent, driving business growth and maintaining our competitive edge in the market. Strong labour relations are also vital to our organisational success, influencing workplace harmony, satisfaction and productivity of our people. We cultivate a collaborative and respectful environment by adhering to labour laws and treating all individuals, including contractors, with dignity. This approach minimises conflicts, enhances stability and lays the foundation for our sustainable growth.

[1] *Source: National Energy Policy 2022-2040*

Our Approach

We continue to uphold human rights and foster positive labour relations across our operations, with our approach shaped by the following policies and guidelines. This ensures our commitment to the highest standards:

- Malakoff Code of Conduct
- Malakoff Employee Handbook
- Disciplinary Management Manual
- Sexual Harassment Manual
- Performance Improvement Programme Manual
- Gift and Business Courtesy Policy
- Grievances Management Manual

Since 2023, we have officially joined the United Nations Global Compact (UNGC), the world's largest sustainability initiative for the development, implementation and disclosure of responsible business practices. This ongoing membership has affirmed our commitment to upholding the 10 universally accepted principles of the UNGC in the areas of environment, human rights, labour standards and anti-corruption.

Our Initiatives

In 2024, we implemented a range of initiatives to manage human rights and labour relations:

Child Labour, Forced Labour and Compulsory Labour

We remain committed to eliminating child labour, forced labour and compulsory labour within our operations, ensuring that our practices meet international standards and adhere to ethical guidelines. This includes aligning our practices with the International Labour Organization's (ILO) Forced Labour Conventions and the 2014 Protocol, as well as complying with the Employment Act 1955 and the Industrial Relations Act 1967, which prohibit such practices and provide effective reporting mechanisms.

M11 – Human and Labour Rights

We also focus on establishing fair and transparent recruitment practices, ensuring that all hiring processes are free from exploitation. We are steadfast in implementing rigorous monitoring, which allows us to identify and mitigate any risks to human rights or labour relations. To support workers who may have been subjected to forced labour, we are implementing due process mechanisms for effective remediation.

Through regular and transparent reporting, including in our annual reports, we are building accountability and trust with our stakeholders. Additionally, we sustained our active participation in awareness campaigns that focus on preventing forced labour and promoting ethical practices across the industry.

Minimum Notice on Operational Changes

Building on our approach from 2023, we continued to provide employees with advance notice of any changes to their work location, roles or other employment-related matters across all operating sites. This practice continues into 2024, ensuring that operational changes are deliberated and negotiated between employee unions and management for a fair and structured transition.

The implementation of these changes takes effect upon reaching mutual agreement. As stipulated in Collective Agreements, the consultation and negotiation period was extended over six months. The notice period and related terms are outlined in Article 5: Date and Duration of Collective Agreement and Article 15: Notice of Termination of Service of the Collective Agreement.

Maintaining Harmony Working Environment through Collective Bargaining

We continue to uphold our employees' right to participate in labour unions. With two in-house Unions, we are actively holding Joint Consultative Meetings on quarterly basis between Management and our two in-house unions in updating information, addressing matters related to the welfare of our employees with amicable solution, in line with local regulations. Throughout 2024, 33% of our workforce remained covered by Collective Agreements (2023: 32%), while we continued to establish fair employment terms for those not under such agreements.

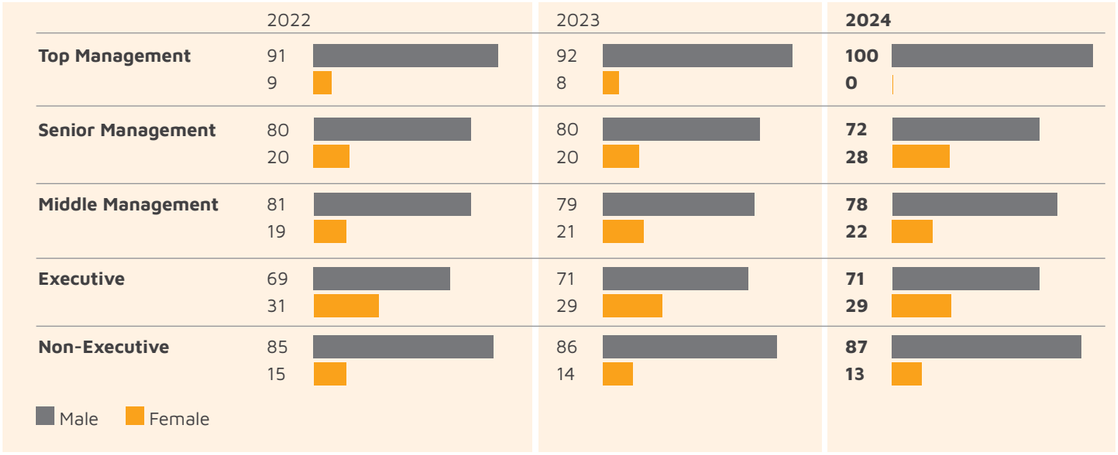
Diversity and Equal Opportunity

We believe that an inclusive and diverse workplace is fundamental to our success. Our commitment to equal opportunity ensures that all individuals are recognised for their skills, abilities and potential, with merit as the guiding principle. This approach not only enhances employee satisfaction but also strengthens our reputation as an employer of choice.

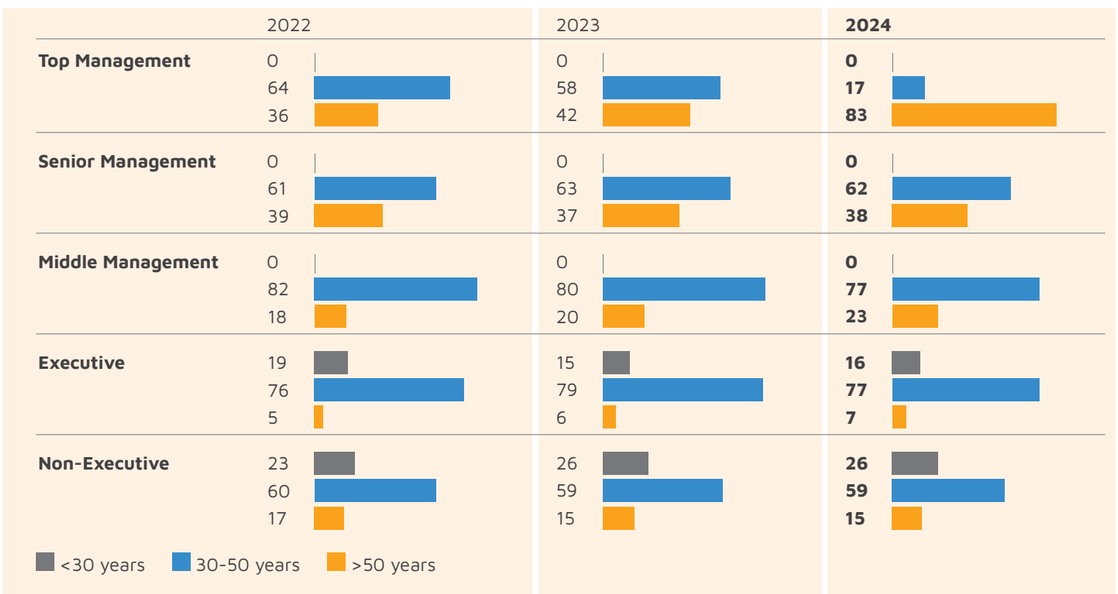
By embracing a range of perspectives, backgrounds and experiences, we create an environment where creativity, innovation and collaboration can flourish. This diversity strengthens our ability to solve complex challenges and fosters a more resilient and dynamic talent pool.

M11 – Human and Labour Rights

Gender Representation Across Employee Categories (%)



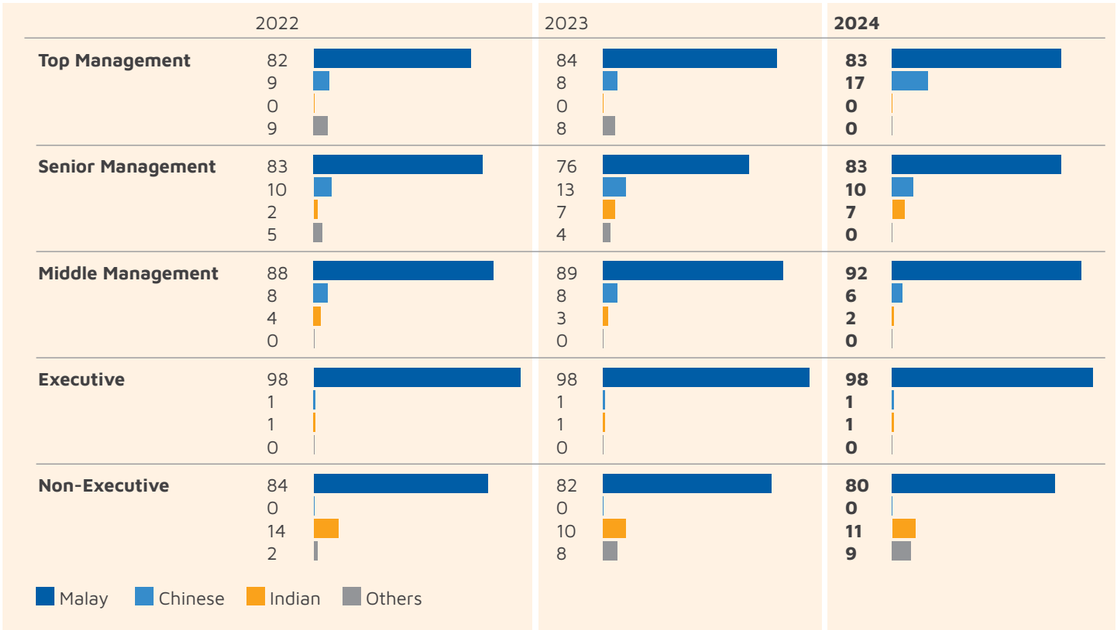
Age Group Representation Across Employee Categories (%)



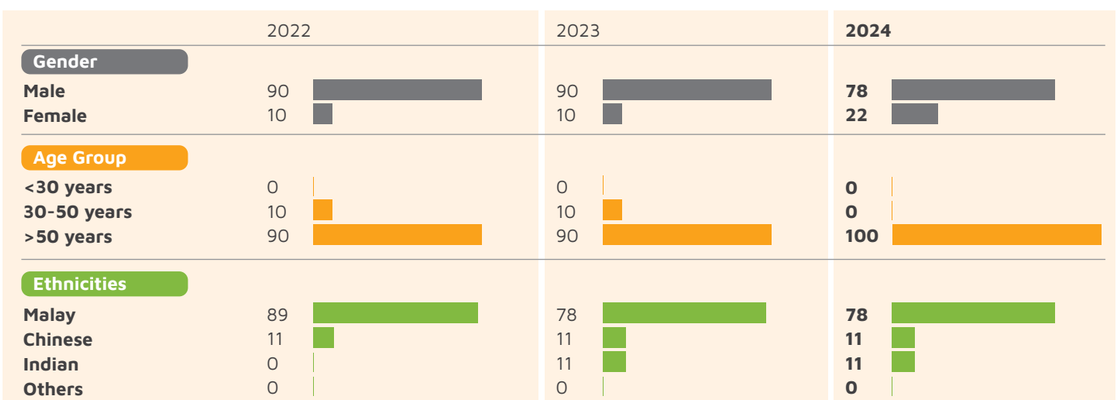
Note: The breakdown of the above data by gender, employment status and region are available under Talent Management and Development section on pages 160 to 170.

M11 – Human and Labour Rights

Ethnicities Representation Across Employee Categories (%)



Board Members Diversity by Gender and Age Group (%)



M11 – Human and Labour Rights

Fair Wage Practices

We are committed to fair and competitive remuneration in accordance with the Malaysia's Employment Act. We uphold minimum wage regulations and ensure equitable pay practices across all employee categories. Ratio of basic salary and remuneration of women to men in 2024 for Malakoff and Alam Flora are tabulated as follows:

Ratio of Basic Salary and Remuneration of Women to Men for Malakoff

	Ratio
Top Management	
Basic salary	0.00
Remuneration	0.00
Senior Management	
Basic salary	0.71
Remuneration	0.69
Middle Management	
Basic salary	0.86
Remuneration	0.72
Executive	
Basic salary	0.83
Remuneration	0.42
Non-Executive	
Basic salary	0.97
Remuneration	0.23

Ratio of Basic Salary and Remuneration of Women to Men for Alam Flora

	Ratio
Top Management	
Basic salary	0.67
Remuneration	0.75
Senior Management	
Basic salary	1.09
Remuneration	1.36
Middle Management	
Basic salary	0.94
Remuneration	0.90
Executive	
Basic salary	0.99
Remuneration	0.97
Non-Executive	
Basic salary	1.11
Remuneration	0.57

We recognised that some of the ratios by employee category are lower. Malakoff is committed to maintaining a healthy wage ratio of women to men and fostering a fair and inclusive workplace by providing equitable opportunities for professional growth, training mentorship and career advancement for all employees.

At Alam Flora, every employee regardless of gender and category are entitled to overtime pay and allowances for hours beyond their regular schedule and job scope, offering them opportunities to earn above the minimum wage.

We adopted the recently announced Minimum Wages Order 2024 on 1 February 2025, raising our entry-level wage to RM1,700 or RM8.72 per hour from RM1,500 or RM7.89 per hour previously, reflecting our ongoing commitment to fair remuneration. This adoption of the new minimum wages benefits more than 2,000 employees in Alam Flora. In addition, under the Collective Agreement, employees are entitled for yearly increment of wages regardless the company's performance, provided that the employee did not have disciplinary issues throughout his/her year of service.

M11 – Human and Labour Rights

Other Initiatives

Employee Engagement Survey
We conducted the Employee Engagement Survey (EES) and achieved an impressive 99% response rate as well as an Engagement Index of 74.47%. From the survey, it was revealed that one of the lowest-scoring areas in the EES results was Respect and Recognition. In response, we have continued our engagement initiatives, including the Long-Term Service Award to honour employees' dedication and tenure. Additionally, we organised HR2U Day as part of our annual engagement efforts. During the event, we introduced an inaugural carnival run embedded in a one-day family day session known as EnviRUNment Carnival 2024 for our employees and their families.

Engagement Sessions with Employees
While there were no town hall sessions conducted in 2024, we held engagement sessions with employees from all levels and locations during our HR2U Day. This two-day event aimed to foster open communication, address employee concerns and strengthen workplace relationships between staff and representatives from the People Division.

Long-Service Award Recipients
In the reporting period, a total of 108 employees received the Long-Service Award, recognising their commitment to the company. This included 61 recipients for 10 years of service, 39 for 15 years, six for 20 years and two for 25 years.

Annual Wellness Programme
As part of our annual HR2U Day, we organised several wellness initiatives across all locations. These included health screenings, heart disease screenings, musculoskeletal screenings, vision screenings, dental and oral health screenings, influenza vaccinations, DNA tests and physiotherapy sessions to promote overall employee well-being.

Our Achievements

Zero
substantiated complaints concerning human rights violations reported in 2024

Zero
discrimination cases reported in 2024

Going Forward

We aim to build stronger labour relations by reinforcing transparent communication, fostering meaningful employee engagement and investing in training, wellness and safety initiatives. Through regular evaluations and employee insights, we will ensure our human rights and labour management efforts evolve to support a fair, collaborative and supportive work environment.

M16 – Supply Chain Management

Why It Is Important

Supply chain management is part and parcel of Malakoff's plan to drive sustainable business growth, which is done via strategic sourcing and procurement practices. We believe local procurement strengthens economic resilience while enabling us to develop the community across our operations. Furthermore, having a systematic vendor engagement and transparent procurement processes allow us to establish long-term partnerships with our vendors based on ethical business conduct. For this reason, we remain committed to enhancing supply chain efficiency through our procurement management initiatives, ensuring sustainable development and equitable value distribution across our business ecosystem.

Our Approach

The details and information presented in this section are limited to the scope of Procurement Management, as it is the most critical component of our supply chain management.

Our Procurement Policy establishes integrity standards across procurement processes. In this regard, we build vendor trust through fair and transparent subcontracting and procurement methods. Furthermore, every transaction undergoes systematic verification to meet integrity requirements. Local vendor partnerships remain our priority where feasible, as we recognise our role in national development.

We recognise the importance of environmental assessments for vendors in supporting the sustainability of our business and ensuring they meet expected deliverables. To this end, we will continue to enhance these requirements and integrate them into the procurement process to strengthen environmental accountability across our supply chain.

Environmental Assessment

Our vendors are encouraged to integrate sustainable practices into their business operations and supply chains, focusing on reducing carbon footprints by among others, minimising emissions, enhancing recycling, using renewable resources and optimising transportation routes. We also encourage our vendors to uphold ethical business conduct, fair labour practices, transparency, integrity and other Environment, Social and Governance (ESG) principles, ensuring alignment with our commitment to sustainability and responsible business practices.

Social Assessment

We are cognisant of the importance of social assessment for vendors in making sure integral to the sustainability of our business. We are committed to Social sustainability efforts, particularly integrity, in all business dealings and stakeholder relationships. Vendors are required to comply with Malakoff's Vendor Code of Conduct, which consists of integrity requirements.

Our Initiatives

E-Auction Training for Vendors
The E-Auction training for vendors is conducted as and when required through the online bidding platform to ensure that vendors are equipped with the necessary skills and knowledge to participate effectively.

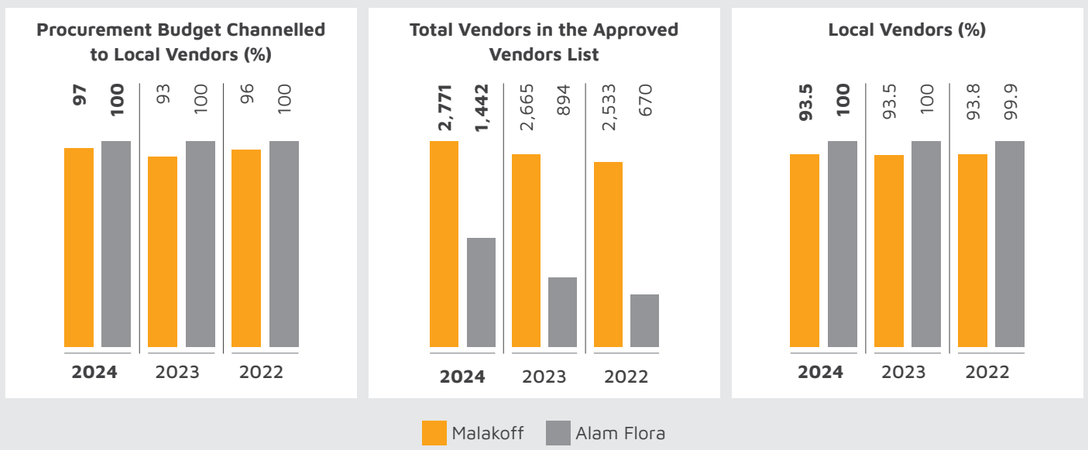
Awareness Programme with Vendors
On 26 November 2024, Alam Flora Group Integrity & Governance held an Awareness Programme with vendors at Shah Alam Convention Centre. The programme aimed to strengthen understanding and adherence to integrity and governance principles among vendors.

M16 – Supply Chain Management

Our Achievements

Throughout 2024, Malakoff has spent RM384,343,197 while Alam Flora spent RM261,933,769 for the vendors. The breakdown of the budget spent for the vendors are tabulated below:

Supporting Local Vendors



Going Forward

Moving forward, we will strengthen our procurement framework through systematic process and sustainability enhancements. Our focus remains on implementing ESG standards while maintaining operational efficiency across our procurement management processes.

M19 – Community Impact

Why It Is Important

Community development represents fundamental drivers of Malakoff's corporate sustainability strategy that enables us to create a positive social impact across our operations. We believe that strategic community engagement programmes strengthen stakeholder relationships, enhance corporate reputation and drive sustainable business growth while fulfilling social responsibilities. Furthermore, our multifaceted support initiatives foster local economic growth and improve the overall well-being of communities that support our operations. We remain dedicated to strategic community partnerships that generate sustainable socio-economic benefits, ensuring long-term value creation for stakeholders and beneficiaries.

Our Approach

Malakoff's community engagement approach is guided by its ESG strategy, sustainability framework and Corporate Social Responsibility (CSR) pillars, which provides a framework for meaningful and holistic community development. In addition, our internal policies and Standard Operating Procedures are certified under the ISO 37001 Anti-Bribery Management System to ensure transparency and integrity in all aspects of our community investment.

Furthermore, our environmental conservation and social development initiatives align with the UN SDGs 2030, promoting a recycling culture and sustainable waste management practices across Malaysia. Through Malakoff Environmental Solutions' Communication, Education and Public Awareness (CEPA) strategy, we promote environmental responsibility and encourages recycling as an essential part of sustainable waste management. These efforts are complemented by community development programmes anchored in established ESG strategies and sustainability frameworks. The programmes target educational support, skills development, disaster relief and community enrichment to address socio-economic gaps in underserved communities. Our CSR pillars ensure the systematic delivery of meaningful community support across all operational areas.

Our Initiatives

Educational Programmes at Malakoff

1. Motivational Talk Programme with Adopted Schools in Segari
2. Majlis Penyerahan Zakat – IPT Students Kg Segari
3. Majlis Penyerahan Zakat – IPT Students Mukim Serkat
4. "Jom Ke Sekolah" Bersama Mukim Serkat - Back To School Programme
5. Majlis Penyerahan Bantuan Yuran Persekolahan Anak-Anak Kawasan 1, Mukim Serkat
6. Motivational Camp with Lumut Adopted Schools
7. Motivational Camp with Adopted Schools Mukim Serkat
8. Program Kesedaran Kitar Semula Alam Flora di Komuniti PPAM Pudina Presint 17, Putrajaya
9. Recycling awareness talks for Pos Malaysia
10. Recycling awareness talks at Petrosains
11. Recycling Awareness Talk: Our Environment, Our Responsibility at Sekolah Menengah Kebangsaan Jalan Tiga, Bandar Baru Bangi
12. Recycling awareness talks for the Strategic Communications Staff Engagement Programme at PETRONAS
13. Recycling Awareness at Hari Teknologi Hijau dan Alam Sekitar 2024 Peringkat Negeri

Community Enrichment Programmes at Malakoff

1. Majlis Penyerahan Lembu Korban Segari
2. Majlis Penyerahan Lembu Korban Kawasan (1) Mukim Serkat, Pontian
3. Majlis Penyerahan Lembu Korban Prai
4. Karnival Sukan Kawasan 1, Kg Sg Chengkeh, Mukim Serkat
5. Karnival Sukan Rakyat Mukim Serkat
6. Ceramah Perdana Mukim Serkat
7. Karnival Sukan Rakyat Kg Segari
8. Majlis Buka Puasa with Kariah Masjid Mukim Serkat

M19 – Community Impact

9	Majlis Buka Puasa with Kariah Masjid Segari
10	Majlis Buka Puasa with Kariah Masjid Prai
11	Majlis Penyerahan Zakat with Kariah Masjid Mukim Serkat
12	Majlis Penyerahan Zakat with Kariah Masjid Khairul Jariah Segari
13	Majlis Penyerahan Zakat with Komuniti Prai
14	Program Kongsi Rezeki Alam Flora
15	Prihatin Box for Asnaf in Concession Areas: Kuala Lumpur, Putrajaya and Pahang
16	Program Penggantian Tong Bersama Parlimen Wangsa Maju di Taman Wangsa Budi
17	Saya Sayang Bumi: Beach Plogging
18	Program Pengedaran Tong MGB 120L Bersama Parlimen Setiawangsa di Taman Sri Rampai
19	Majlis Serahan Tong Baru & Pelancaran Bulan Kitar Semula Putrajaya 2024 di Presint 10, Putrajaya
20	Majlis Serahan Tong Baru & Pelancaran Bulan Kitar Semula Putrajaya 2024 di Presint 10, Putrajaya
21	Flag-Off Jentera Pembersihan Sisa Pasca Banjir

During the year under review, we strengthened our CEPA efforts to engage the public and promote responsible waste management through education and awareness programmes under our subsidiaries, AFSB and AFES:

Use of Reusable Food Containers
- AFSB encouraged the public to adopt reusable food containers. This initiative aimed to reduce the environmental impact of single-use plastics and foster a culture of responsible waste disposal

Solid Waste Collection in Ramadan
- AFSB scaled its operations to manage the significant surge in solid waste during Ramadan, with the collection of solid waste increasing by 3,600 metric tonnes

National Day Celebration Clean-Up
- AFSB carried out its largest clean-up effort of the year by deploying 220 employees to maintain cleanliness after the National Day celebrations

Mobile Garbage Bin Distribution
- AFSB distributed 120-litre mobile wheelie bins to improve waste disposal accessibility, particularly in high-density areas. A total of 4,112 units of 120-litre bins have been distributed in Kuala Lumpur as of July 2024, with 113,245 units planned for the city's allocation

Karnival Hari Kitar Semula Putrajaya 2024
- AFSB collaborated with Perbadanan Putrajaya and jointly organised the Karnival Hari Kitar Semula Putrajaya 2024 in celebration of National Recycling Day. The event brought together the Ministry of Housing and Local Government, Solid Waste Management and Public Cleansing Corporation, AFES and Majlis Perwakilan Penduduk Wilayah Persekutuan. Blending fun and education, the carnival featured highlights such as the AFSB 3R Exhibition Booth and the Plogging 3R (Rimba Walk), which encouraged practical environmental actions and active participation, reinforcing the importance of sustainable waste management and recycling practices

M19 – Community Impact

Our Achievements

In 2024, we held a total of 100 awareness programmes through AFES, including recycling talks, workshops and school engagements. These efforts successfully promoted recycling initiatives and led to the collection of 6,579 tonnes of recyclables.

Additionally, through AFES, we organised 30 educational activities at our Integrated Recycling Facility and Recovery Initiative Sustainable Eco-Facility Kuala Lumpur, Gombak, attracting over 500 visitors, while our Fasiliti Inovasi Kitar Semula (FIKS), the country's first integrated recycling and awareness facility has received 747 visitors in 2024. These visits provided valuable insights into proper waste management practices and the importance of recycling, equipping participants with the knowledge to contribute meaningfully to environmental conservation.

In 2024, the total investment for the community was **RM407,413** which **benefitted 6,740 individuals**, with a breakdown below:

Malakoff invested RM380,400, focusing on education and community enrichment programmes, benefitted 4,343 individuals.

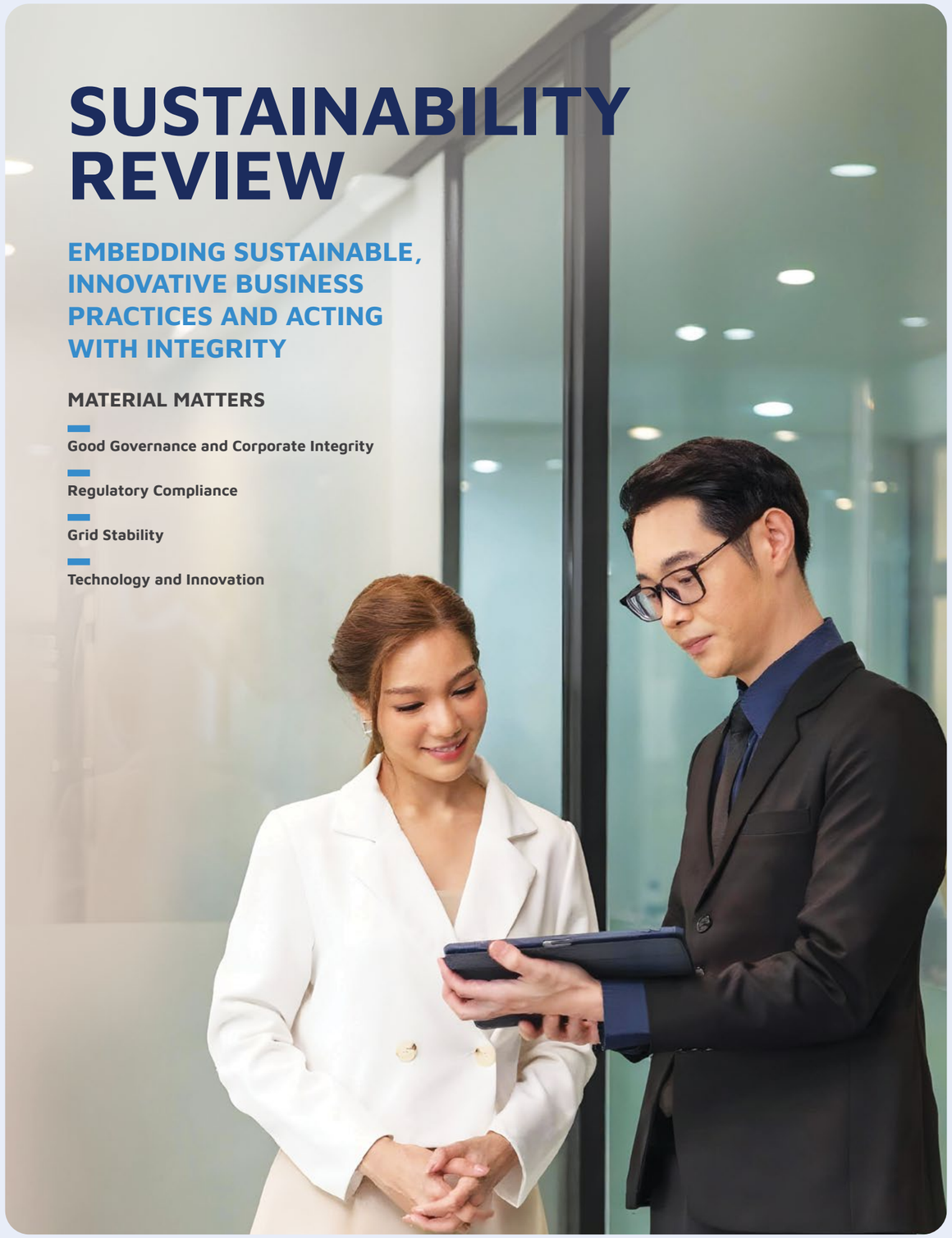
Alam Flora Group invested RM27,013, focusing on community enrichment programmes, which benefitted 2,397 individuals.

"Jom Ke Sekolah" Bersama Mukim Serkat - Back to School Programme

In January 2024, Malakoff continued its Jom Ke Sekolah Bersama Mukim Serkat programme at Masjid Al-Amin Kampung Sungai Dinar, Mukim Serkat, Pontian, Johor. The initiative provided 181 Standard 1 students with essential school supplies, including uniforms, stationery, shoes and bags, to support their preparations for the new school year. This initiative reinforces Malakoff's commitment to community development by easing the financial burden on families and ensuring students have the resources they need for a strong start to their education. It also supports the UN SDG No. 8, which promotes inclusive and sustainable economic growth through equitable access to education.

Going Forward

Moving forward, we will enhance community engagement through development programmes across our operational areas. We will continue implementing development interventions that drive sustainable socio-economic progress, such as awareness and educational initiatives to positively impact the community surrounding us.



SUSTAINABILITY REVIEW

EMBEDDING SUSTAINABLE, INNOVATIVE BUSINESS PRACTICES AND ACTING WITH INTEGRITY

MATERIAL MATTERS

- Good Governance and Corporate Integrity
- Regulatory Compliance
- Grid Stability
- Technology and Innovation

M1 – Good Governance and Corporate Integrity

Why It Is Important

Good governance and corporate integrity are critical to Malakoff. Having a good governance framework and ethical practices establishes stakeholder trust, mitigate operational risks, ensure regulatory compliance and safeguard corporate reputation. By implementing robust governance principles and ethical standards, we demonstrate accountability, foster a positive workplace culture and attract stakeholders who prioritise integrity. For this reason, we remain committed to upholding sound governance, ethics and integrity practices as we pursue sustainable growth in a dynamic business landscape.

Our Approach

Our approach to good governance and corporate integrity are embedded in Malakoff's organisational DNA. The framework is guided by established policies, structured frameworks and strategic guidelines that establish systematic protocols for transparency, accountability and ethical conduct across all operational levels.

The policies, frameworks and guidelines include:

Anti-Bribery & Corruption Management System (ABMS)

Our ABMS framework aligns with ISO 37001 standards to ensure comprehensive integrity measures across operations. We also established integrated policies to strengthen governance practices, including the Anti-Bribery and Anti-Corruption (ABAC) Policy, Corruption Risk Assessment, Internal Compliance Audit Protocol, Gift Policy and Whistleblowing Policy. These policies serve as a mechanism for effective bribery risk management and operational integrity assurance.

Adequate Procedure (TRUST Principles)

Malakoff's Adequate Procedure framework aligns with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (MACC Act) through the implementation of TRUST principles. The framework encompasses Top Management Commitment, Risk Assessment protocols, Undertaking of Control Measures, Systematic Review mechanisms and Training programmes. Implementing these principles enables effective corruption risk mitigation while reinforcing a culture of integrity and accountability in our operations.

Furthermore, we communicate our anti-corruption policies and procedures to all relevant stakeholders through various engagement channels. Within the organisation, the Board of Directors, Top Management, Senior Management, Middle Management, Executives and Non-Executive Employees receive communications through policy statements, email communications and company intranet platforms. They are also required to attend training sessions on anti-corruption on an annual basis.

Similarly, Malakoff's external stakeholders and business partners including suppliers and vendors receive information through awareness sessions, posters, banners and dedicated Vendor Day Awareness Sessions. These communication methods ensure comprehensive understanding and adherence to anti-corruption standards across internal operations and business partnerships.

M1 – Good Governance and Corporate Integrity

Our Initiatives

We implemented the following initiatives in 2024:

ABAC Awareness Programme

We conducted continuous ABAC Awareness Training Programmes for our employees and other business associate throughout the year that focuses on anti-bribery and corruption to promote ethical conduct and strengthen vigilance against corrupt practices across the organisation.

Apart from that, we collaborated with the Malaysian Anti-Corruption Commission (MACC) Kuala Lumpur to organise a session on Section 17A - Corporate Liability for Malakoff's Board of Directors and Senior Management. The Board of Directors also affirmed their stance against bribery and corruption via the Corruption Free Pledge or Ikrar Bebas Rasuah.

For vendors, Malakoff also conducted the Vendor Anti-Bribery and Corruption Awareness Session 2024 to brief vendors on anti-bribery regulations and compliance requirements.

Corruption Risk Register Online Database

We assessed the Corruption Risk related to our activities and registered it in our online database through the TricorRadar System to ensure effective monitoring and management of integrity and corruption-related risk.

Audit Programmes

In 2024, we conducted three audit programmes to ensure our operations adhere to our governance, ethics and integrity framework:

- **ABMS Internal Compliance Audit**
- **Third-Party Surveillance Audit (SIRIM)**
- **Group Internal Audit**

Raising Awareness on Anti-Bribery and Anti-Corruption among Our Stakeholders

At Alam Flora, our Integrity and Governance Unit (IGU) collaborated with the Procurement Department on 26 November 2024 to organise an Awareness Programme for private contractors. The session ensured that contractors fully understood Alam Flora's ABAC Policy, including key provisions and penalties under the MACC Act. During the programme, the contractors also signed the ABAC Pledge, reaffirming their commitment to ethical business practices. This initiative will be conducted regularly for all active contractors.

Alam Flora's IGU also conducted an integrity awareness session during a tender pre-qualification evaluation briefing on 18 December 2024 to reinforce ethical standards in the tendering process. The session covered confidentiality, ethical conduct, secure handling of tender documents and measures to prevent unauthorised access.

Furthermore, Alam Flora's IGU continues to ensure that all employees, from General Service (G-level) staff to Top Management, receive structured integrity awareness training to reduce corruption risks.

M1 – Good Governance and Corporate Integrity

Operations assessed for risks related to corruption

In 2024, we assessed Malakoff's potential corruption risks across our operations through systematic evaluation of business activities and internal controls to strengthen anti-corruption measures:

Operations assessed for risk related to corruption		
	2023	2024
Percentage (%) of operations assessed for risks related to corruption	100	100
Significant risks related to corruption identified through the risk assessment	0	

Communication and training about anti-corruption policies and procedures

We also communicated and reinforced Malakoff's anti-corruption policies and procedures through training and awareness initiatives to strengthen ethical conduct across all levels of the organisation:

Communication and training about anti-corruption policies and procedures						
Total number and percentage of Board of Directors, employees and business partners who have been informed of Malakoff's Anti-Corruption Policies and Procedures	2022		2023		2024	
	Number	%	Number	%	Number	%
Board of Directors	N/A	N/A	1	11	9	90
Business Partners	N/A	N/A	1,306	49	843	31
Top Management	1	1	4	1	5	1
Senior Management	17	2	20	3	22	2
Middle Management	134	14	203	22	183	20
Executive	177	19	312	33	265	29
Non-Executive	87	9	249	26	247	27
Total number and percentage of Board of Directors and employees who have received training on anti-corruption						
Board of Directors	N/A	N/A	1	11	9	90
Employees	416	45	798	85	722	79

M1 – Good Governance and Corporate Integrity

Anti-corruption training for AFSB and AFES is tracked separately due to the need for a different approach. Starting in 2024, we introduced face-to-face training instead of online sessions, as it is more effective, especially to support employees and G-level staff, who make up 91% of the total workforce. We also implemented roll call sessions to improve engagement and ensure that G-level employees receive proper guidance on integrity-related matters. In total, 440 employees attended the training, with the breakdown by employee category as follows:

5	7	47	123	258
TOP MANAGEMENT	SENIOR MANAGEMENT	MIDDLE MANAGEMENT	EXECUTIVE	NON-EXECUTIVE

Ikrar Bebas Rasuah by Board of Directors and Senior Management Team

M1 – Good Governance and Corporate Integrity

Our Achievement

United Nations Global Compact Network Malaysia & Brunei (UNGCMYB) Forward Faster Sustainability Award 2024

We are proud to announce Malakoff's recognition at the United Nations Global Compact Network Malaysia & Brunei (UNGCMYB) Forward Faster Sustainability Award 2024, for The Forward Faster Sustainability Award for Anti-Corruption in the Large Company category. The recognition ceremony, held at Grand Hyatt Kuala Lumpur, validates our strategic commitment to governance excellence, positioning Malakoff as an industry leader in Malaysia's evolving corporate integrity landscape.

Our commitment to excellence is reinforced through adherence to international standards, particularly the ISO 37001 Anti-Bribery Management System (ABMS) and ISO 31000 Enterprise Risk Management Guideline certification. Furthermore, we continue to elevate integrity standards by aligning with the National Anti-Corruption Plan (NACP) under the guidance of our IGU.

Our dedication to upholding governance and integrity was further recognised at the Anugerah Integriti, Governans dan Anti Rasuah 2023 (AIGA 2023), where we received the Gold award for our strong anti-corruption framework and ethical business practices. Organised by the Malaysian Institute of Integrity, this recognition highlights our effective implementation of the ISO 37001 ABMS and ISO 31000 Enterprise Risk Management Guideline, alongside the structured oversight of our IGU. The award was presented to us on 1 March 2024.

This achievement reflects our ongoing efforts to embed integrity in our corporate governance practices. AIGA 2023 serves as a platform to encourage ethical business conduct and foster healthy competition among public and private sector entities. By reinforcing the principles of transparency and accountability, we continue to strengthen our role in advancing Malaysia's position in the Corruption Perceptions Index and promoting a corporate environment built on integrity.

Going Forward

Moving forward, we will continue to develop the Malakoff Organisational Anti-Corruption Plan to strengthen our governance framework and integrity standards. This plan aligns with the NACP 2019–2023 which sets a clear measure to address corruption risks across our operations. At the same time, we are reviewing our Anti-Corruption Plan to ensure it aligns with the National Anti-Corruption Strategy 2024–2028 which focuses on improving anti-bribery efforts to enhance governance and integrity.

M2 – Regulatory Compliance

Why It Is Important

At Malakoff, regulatory compliance helps us maintain high standards in our operations and governance practices. Our compliance frameworks and monitoring systems protect stakeholder interests and corporate reputation while managing risks effectively. Non-compliance can result in fines, sanctions, financial costs for rectification and, in severe cases, temporary or permanent closure of operating sites. It may also lead to reputational damage and potential health and safety risks for employees, workers and the local community.

Adhering to regulatory requirements ensures accountability and ethical conduct across our operations. Strong compliance safeguards our reputation, enhances employee morale and productivity, supports smooth and efficient business operations and strengthens trust with regulatory bodies and the wider community. For this reason, we remain committed to strengthening our compliance standards and ensuring sustainable growth as regulations evolve.

Our Approach

We adopt a proactive approach to regulatory compliance. Our Board of Directors and Senior Management are dedicated to ensuring that all operations comply with relevant laws and regulations. We have established a robust compliance framework that includes regular audits, risk assessments and continuous monitoring of regulatory changes. This framework is designed to identify and mitigate compliance risks effectively.

We also implemented quarterly action plans to mitigate strategic and operational risks, alongside quarterly safety performance reviews of local operating assets. Internal audit reports from the Board Audit Committee provide additional oversight on operational governance and internal control systems.

For more information on Malakoff's compliance practices, refer to the Corporate Governance Overview Statement on pages 228 to 249.

Our Initiatives

At Malakoff, adhering to both international and local regulatory compliance is essential to ensure smooth operations and maintain a strong reputation. Below are some key regulations and standards that Malakoff is committed to upholding:

INTERNATIONAL REGULATIONS AND STANDARDS

Policy/Standards	Initiatives
ISO Standards	For initiatives related to this policy/standard, please refer to Operational Excellence section on page 124 to 125.
Human Rights Standards Outlined by the International Labour Organization	For initiatives related to this policy/standard, please refer to Human and Labour Rights section on page 171 to 176.
GHG Protocol Corporate Standard	For initiatives related to this policy/standard, please refer to GHG Emissions section on page 134 to 137.

M2 – Regulatory Compliance

MALAYSIA'S REGULATIONS AND STANDARDS

Policy/Standards	Initiatives
Companies Act 2016	For initiatives related to this policy/standard, please refer to Corporate Governance Statement on pages 228 to 249.
Malaysian Code on Corporate Governance 2021	For initiatives related to this policy/standard, please refer to Corporate Governance Statement on pages 228 to 249.
Malaysian Anti-Corruption Commission Act 2009	For initiatives related to this policy/standard, please refer to Good Governance and Corporate Integrity section on pages 183 to 187.
Environmental Quality Act 1974	For initiatives related to this policy/standard, please refer to Operational Excellence section on page 124 to 125 and Biodiversity section on pages 147 to 148.
Occupational Safety and Health (Amendment) Act 2022 (Act A1648)	For initiatives related to this policy/standard, please refer to Occupational Safety and Health section on pages 150 to 156.
Bursa Malaysia Main Market Listing Requirements	For initiatives related to this policy/standard, please refer to Corporate Governance Statement section on pages 228 to 249 and Investor Relations section on pages 84 to 88.
Renewable Energy Act 2011	For initiatives related to this policy/standard, please refer to Renewable Energy Transition section on pages 128 to 129.
National Policy on Climate Change	For initiatives related to this policy/standard, please refer to GHG Emissions section on pages 134 to 137 and Energy Mix and Efficiency section on pages 130 to 133.
Solid Waste Management and Public Cleansing Act 2007 (Act 672)	For initiatives related to this policy/standard, please refer to Business Review: Environmental Solutions section on pages 95 to 107.

M2 – Regulatory Compliance

Our Achievement

ISO Certifications:

- ISO 14001:2015 Environmental Management Systems
- ISO 9001:2015 Quality Management Systems
- ISO 45001:2018 Occupational Health and Safety Management Systems
- ISO 37001 Anti-Bribery Management Systems
- ISO 27001:2022 Information Security Management Systems

- Zero non-compliance with environmental laws and regulations

Going Forward

Looking ahead, Malakoff will continue strengthening our commitment to upholding regulatory compliance and best practices by investing in technology and training to improve our capabilities. We will regularly review our compliance framework to keep pace with evolving regulations and industry standards, ensuring that our practices remain effective and up to date. At the same time, we will integrate sustainability into our compliance approach, aligning responsible business growth with regulatory expectations to support long-term organisational stability.

M14 – Grid Stability

Why It Is Important

The National Grid, which spans the entire Peninsular as the main transmission network, serves as a crucial backbone for meeting energy demand. Without a reliable grid system, electricity supply and other services could be disrupted. The National Grid is owned by Tenaga Nasional Berhad and overseen by the Grid System Operator (GSO). The GSO is responsible for the real-time operation and management of the Peninsular grid system, as well as short- and medium-term planning for both transmission networks and generation facilities to ensure efficiency and reliability.

The National Energy Transition Roadmap aims to increase renewable energy (RE) installed capacity to at least 70% by 2050, making the transition to a sustainable energy mix a key priority. Achieving this target will require significant upgrades to grid infrastructure to support the integration of RE sources, while also accounting for long-term emissions from the energy sector. Major investments to the improvement of the National Grid's infrastructure are expected to facilitate RE integration, connect new generation capacity to the grid and meet the rising demand for electricity, while improving energy efficiency and customer service. The initiative also includes the adoption of smart grid technologies, the replacement of outdated equipment, the reinforcement of power lines and the modernisation of substations to enhance overall grid stability and reliability.

Our Approach

Although we are not directly responsible for managing the National Grid, we adhere to the Grid Code for Peninsular Malaysia, a regulatory instrument used to coordinate various electricity supply activities of the electricity producer, operator, distributor and the consumer; henceforth we have our role to play in ensuring the grid's stability and reliability. By maintaining consistent and efficient power generation, reliable operations of our power plants prevent fluctuations that could disrupt the grid.

Effective coordination with the GSO is essential, as our power plant operators must respond to real-time energy demands, ramping our generation up or down as needed to maintain the grid frequency and generation levels accordingly. Additionally, adherence to strict operational standards, regular maintenance and rapid response to unexpected issues all contribute to minimising the risk of grid disturbances. This commitment does not only improve the overall stability of our facilities but also ensures uninterrupted supply of electricity for the nation.

For more information about our generated electricity to the grid which accounts for 25% of Peninsular Malaysia's generated electricity, please refer to Business Review: Malakoff Energy on pages 108 to 122.

M18 – Technology and Innovation

Why It Is Important

At Malakoff, we are committed to implementing fit-for-purpose technology to protect business assets, safeguard stakeholder confidentiality and ensure compliance with relevant laws and regulations. We believe in strengthening digital controls and investing in technology as a way to enhance information security, improve operational resilience and protect critical business infrastructure. While adopting new technology presents challenges such as rapid changes, implementation risks and uncertain returns, it also creates opportunities to boost efficiency, reduce costs, develop a competitive edge and reduce reliance on manual processes. To this end, we are committed to continuously refining data privacy and cybersecurity measures to ensure stakeholder information remains secure while supporting business sustainability in an increasingly digital landscape.

Our Approach

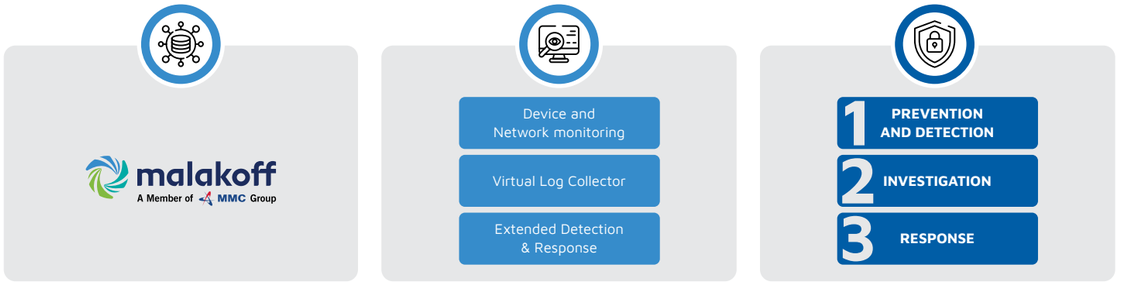
Our approach is centred around safeguarding data and security through regular risk assessments to identify and address potential vulnerabilities. By focusing on key risks and directing resources effectively, we strengthen our defences and ensure the resilience of our information assets. We also continuously refine our security controls to adapt to evolving threats, ensuring our protection measures remain effective and aligned with industry standards. We are guided by our internal policies, procedures and manuals under the Information Management.

Malakoff utilises an industry-standard Security Operation Centre (SOC), which plays a key role in protecting data privacy and ensuring robust security detection and response capabilities. Operating 24/7, the SOC is responsible for monitoring, preventing, detecting, investigating and responding to cyber threats in real-time.

By continuously monitoring devices and networks, the SOC identifies vulnerabilities and suspicious activities as they arise. The Virtual Log Collector compiles system logs from multiple sources, allowing for streamlined analysis and early threat detection. Extended Detection and Response strengthens the SOC's ability to manage threats by integrating advanced analytics and security tools for a more proactive approach.

The SOC operates through three critical stages. Prevention and detection serve as the first line of defence, allowing risks to be identified early. This is followed by investigation, where advanced tools are used to assess and understand threats. The final stage is response, where measures are taken to mitigate risks, safeguard sensitive data and ensure business continuity.

Monitor, **Prevent**, **Detect**, **Investigate** and **Respond** to **Cyber Threats** around the clock



M18 – Technology and Innovation

Our Initiatives

Upgrading to ISO 27001:2022 Information Security Management Systems (ISMS) Certification

We have embarked on a strategic initiative to upgrade our ISO 27001:2022 ISMS certification, strengthening our security frameworks, conducting comprehensive risk assessments and implementing best practices to align with the latest standards. By continuously improving our ISMS, we safeguard sensitive data, mitigate risks and reinforce trust with our stakeholders. We also conduct regular vulnerability assessments and penetration testing to identify and address security weaknesses, strengthening our defences and ensuring comprehensive protection against cyber threats.

Leveraging Technology to Enhance Waste Management

At Alam Flora, we have been actively leveraging Geographic Information System (GIS) technology to enhance waste management efficiency and sustainability. Through our M Flora Telematics System, we introduced automated monitoring solutions that optimise waste collection routes and schedules, reducing fuel consumption and emissions while improving service delivery. This initiative aligns with the UN SDG No. 11, which focuses on building resilient infrastructure and promoting sustainable urban development.

Malakoff Innovation Challenge 2024

The Malakoff Innovation Challenge 2024 was launched to encourage innovative thinking and promote sustainable cost optimisation among employees. Participating teams were required to submit proposals outlining problem statements, cost-saving targets and potential impacts on stakeholders. To support their efforts, teams received guidance from external innovation coaches and internal motivators, helping them refine ideas, set clear goals and develop practical solutions. Between March and September 2024, participants focused on identifying cost-saving opportunities, analysing data and implementing strategies to achieve measurable results.

During the award ceremony, Malakoff recognised nine outstanding teams for their contributions and dedication throughout the challenge. Team Crush 'Em received the top honour for their innovative solutions, followed by Team TBPP PMS in second place and Team TBE OPS 42 in third place.

M18 – Technology and Innovation

Our Achievements

- Zero leaks, thefts or losses
- Zero substantiated complaints concerning breaches of customer privacy and losses of customer data
- Obtained the ISO 27001:2022 ISMS Certification

The top three winners of the Malakoff Innovation Challenge 2024 that demonstrated significant cost optimisation results qualified for the National Innovation Award 2024, hosted by the Malaysia Productivity Corporation

Leveraging Technology to Enhance Waste Management

For the efforts we made in leveraging technology to enhance waste management efficiency and sustainability, we were awarded the 2024 Special Achievement in GIS Award by Esri. The award was presented during the Esri User Conference in San Diego, California, acknowledging our commitment to integrating technology in environmental management. Further reinforcing our position as a leader in sustainability, we were also named Company of the Year (Waste Management) at the Sustainability and CSR Malaysia Awards 2024. Additionally, we received a 'Gold' Impact Assessment for our Green Financing Framework from MARC Ratings in 2022, supporting projects in RE and sustainable waste management

Going Forward

Looking ahead, we will continue to strengthen our technology and innovation efforts by enhancing protection measures, monitoring risks and refining our systems to ensure compliance with the Personal Data Protection Act and evolving privacy regulations. Regular risk assessments, proactive incident response and employee awareness initiatives will remain a priority to safeguard stakeholder data and maintain operational resilience.

We will focus on upgrading our security frameworks by improving our ISMS certification to ensure it aligns with the latest standards and best practices. We will also conduct regular vulnerability assessments and penetration testing to identify security gaps, address potential risks and strengthen our overall cybersecurity posture.

Sustainability Performance Data

Indicator	Measurement Unit	2022	2023	2024
Environmental				
Scope 1: Direct Emissions	tCO_2e	16,816,786	16,476,659	**19,063,308**
Scope 2: Indirect Emissions	tCO_2e	90,019	80,114	**66,510**
Scope 3: Indirect Emissions[1]	tCO_2e	-	-	**1,121**
Total Scope 1, 2 and 3	tCO_2e	16,906,805	16,556,773	**19,130,939**
Total energy consumption[2]	MW	46,813,378	51,596,759	**61,217,685**
Total volume of water used[3]	Megalitres	2,341	2,370	**2,618**
Total waste generated	Tonnes	-	-	**285.60**
Total waste diverted from disposal	Tonnes	-	-	**54.40**
Total waste directed to disposal	Tonnes	-	-	**231.20**
Social				
Occupational Safety & Health				
Total Manhours Worked	Hour	Malakoff 7,130,563 AFSB 36,822,718 AFES 1,626,521	Malakoff 6,983,212 AFSB 46,466,129 AFES 12,048,476	Malakoff **7,288,759** AFSB **37,882,129** AFES **15,580,414**
Number of work-related fatalities[4]	Number	0	1	**0**
Lost Time Incident Rate (LTIR)	Rate	Malakoff 0.29 AFSB 0.68 AFES 1.84	Malakoff 0.73 AFSB 0.86 AFES 0.50	Malakoff **0.42** AFSB **1.16** AFES **0.26**
Number of employees trained on health and safety standards	Number	-	1,626	**1,809**
Community Investment & Development[5]				
Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	544,975	240,500	**407,413**
Total number of beneficiaries of the investment in communities	Number	2,324	4,000	**6,740**

Note:

1 *The tracking of Scope 3 only started in FY2024, which includes Business Travel (Category 6) and Employee Commuting (Category 7).*

2 *For energy consumption FY2022 and FY2023 disclosed in IAR2023 only included electricity consumptions (MW). The figures for FY2022 and FY2023 are restated in this report to include fuel consumptions that were converted from GJ to MW unit which using 1GJ=0.278 MW.*

3 *Total volume of water used for FY2022 and FY2023 were restated to reflect the equity approach.*

4 *The number of work-related fatalities only represented Malakoff operations, excluding Alam Flora Group.*

5 *Total amount invested in the community and the number of its beneficiaries in FY2024 includes Alam Flora Group.*

Sustainability Performance Data

Indicator	Measurement Unit	2022	2023	2024
Talent Management				
Total number of employees by Gender[6]				
Employee - Male	Number	3,273*	3,611	**3,629**
Employee - Female	Number	704	708	**675**
Permanent Employee - Male	Number	2,497*	2,715	**2,848**
Permanent Employee - Female	Number	584	579	**595**
Temporary Employee - Male	Number	776*	896	**781**
Temporary Employee - Female	Number	120	129	**80**
Non-guaranteed hours Employee - Male	Number	0	0	**0**
Non-guaranteed hours Employee - Female	Number	0	0	**0**
Full-time Employee - Male	Number	3,273	3,611	**3,629**
Full-time Employee - Female	Number	704	708	**675**
Part-time Employee - Male	Number	0	0	**0**
Part-time Employee - Female	Number	0	0	**0**
Percentage of employees that are contractors or temporary staff	Percentage	22	24	**20**
Total number of new employee hires by gender and age group				
Male	Number	519	811	**443**
Female	Number	120	92	**86**
Below 30	Number	441	334	**303**
Between 30 – 50	Number	198	505	**210**
Above 50	Number	0	64	**16**
Total number of employee turnover by employee category				
Top Management	Number	0	0	**7**
Senior Management	Number	3	3	**16**
Middle Management	Number	40	36	**31**
Executive	Number	54	51	**66**
Non-Executive	Number	101	146	**396**
Total training hours by employee category and age group[7]				
Top Management	Hours	24	64	**48**
Senior Management	Hours	408	477	**415**
Middle Management	Hours	8,028	8,437	**5,885**
Executive	Hours	14,056	13,815	**10,551**
Non-Executive	Hours	10,866	9,825	**9,915**

Note:

[6] *The figures marked with asterisks (*) have been restated to ensure the highest level of accuracy and transparency in our reporting, reflecting our commitment to providing stakeholders with precise and reliable information moving forward.*

[7] *Data consists of Malakoff only, not including Alam Flora Group.*

Sustainability Performance Data

Indicator	Measurement Unit	2022	2023	2024
Average training hours per employee by category[7]				
Top Management	Hours	0.03	0.07	**16.00**
Senior Management	Hours	0.44	0.53	**13.83**
Middle Management	Hours	8.71	9.32	**14.68**
Executive	Hours	15.25	15.27	**14.26**
Non-Executive	Hours	11.79	10.86	**16.10**
Percentage of employee who received performance and career development review by gender[7]				
Male	Percentage	-	8.7	**10.0**
Female	Percentage	-	19.8	**9.0**
Human Rights & Labour Relations				
Percentage of employees by gender and age group by employee category				
Gender representation across employee categories				
Top Management – Male	Percentage	91	92	**100**
Top Management – Female	Percentage	9	8	**0**
Senior Management – Male	Percentage	80	80	**72**
Senior Management – Female	Percentage	20	20	**28**
Middle Management – Male	Percentage	81	79	**78**
Middle Management – Female	Percentage	19	21	**22**
Executive – Male	Percentage	69	71	**71**
Executive – Female	Percentage	31	29	**29**
Non-Executive – Male	Percentage	85	86	**87**
Non-Executive – Female	Percentage	15	14	**13**
Age group representation across employee categories				
Top Management – Below 30	Percentage	0	0	**0**
Top Management – Between 30 – 50	Percentage	64	58	**17**
Top Management – Above 50	Percentage	36	42	**83**
Senior Management – Below 30	Percentage	0	0	**0**
Senior Management – Between 30 – 50	Percentage	61	63	**62**
Senior Management – Above 50	Percentage	39	37	**38**
Middle Management – Below 30	Percentage	0	0	**0**
Middle Management – Between 30 – 50	Percentage	82	80	**77**
Middle Management – Above 50	Percentage	18	20	**23**

Note:

[7] *Data consists of Malakoff only, not including Alam Flora Group.*

Sustainability Performance Data

Indicator	Measurement Unit	2022	2023	2024
Executive – Below 30	Percentage	19	15	**16**
Executive – Between 30 – 50	Percentage	76	79	**77**
Executive – Above 50	Percentage	5	6	**7**
Non-Executive – Below 30	Percentage	23	26	**26**
Non-Executive – Between 30 – 50	Percentage	60	59	**59**
Non-Executive – Above 50	Percentage	17	15	**15**
Ethnicities representation across employee categories				
Top Management - Malay	Percentage	82	84	**83**
Top Management - Chinese	Percentage	9	8	**17**
Top Management - Indian	Percentage	0	0	**0**
Top Management - Others	Percentage	9	8	**0**
Senior Management - Malay	Percentage	83	76	**83**
Senior Management - Chinese	Percentage	10	13	**10**
Senior Management - Indian	Percentage	2	7	**7**
Senior Management - Others	Percentage	5	4	**0**
Middle Management - Malay	Percentage	88	89	**92**
Middle Management - Chinese	Percentage	8	8	**6**
Middle Management - Indian	Percentage	4	3	**2**
Middle Management - Others	Percentage	0	0	**0**
Executive - Malay	Percentage	98	98	**98**
Executive - Chinese	Percentage	1	1	**1**
Executive - Indian	Percentage	1	1	**1**
Executive - Others	Percentage	0	0	**0**
Non-Executive - Malay	Percentage	84	82	**80**
Non-Executive - Chinese	Percentage	0	0	**0**
Non-Executive - Indian	Percentage	14	10	**11**
Non-Executive - Others	Percentage	2	8	**9**

Sustainability Performance Data

Indicator	Measurement Unit	2022	2023	2024
Board members diversity by gender and age group				
Male	Percentage	90	90	**78**
Female	Percentage	10	10	**22**
Below 30	Percentage	0	0	**0**
Between 30 – 50	Percentage	10	10	**0**
Above 50	Percentage	90	90	**100**
Ratio of basic salary and remuneration of women to men				
Basic Salary				
Top Management	Ratio	0.00	0.00	**0.00** **0.67**
Senior Management	Ratio	0.10	0.15	**0.71** **1.09**
Middle Management	Ratio	0.19	0.20	**0.86** **0.94**
Executive	Ratio	0.25	0.23	**0.83** **0.99**
Non-Executive	Ratio	0.12	0.12	**0.97** **1.11**
Remuneration				
Top Management	Ratio	0.00	0.00	**0.00** **0.75**
Senior Management	Ratio	0.10	0.19	**0.69** **1.36**
Middle Management	Ratio	0.19	0.14	**0.72** **0.90**
Executive	Ratio	0.23	0.09	**0.42** **0.97**
Non-Executive	Ratio	0.10	0.04	**0.23** **0.57**
Number of discrimination cases reported	Number	-	0	**0**
Number of substantiated complaints concerning human rights violations	Number	0	0	**0**

Malakoff Alam Flora

Sustainability Performance Data

Indicator	Measurement Unit	2022	2023	2024
Governance				
Regulatory Compliance				
Percentage of employees who have received training on anti-corruption by employee category[8]				
Top Management	Percentage	0.11	0.43	**1.00**
Senior Management	Percentage	1.84	3.19	**2.00**
Middle Management	Percentage	14.53	21.57	**20.00**
Executive	Percentage	19.20	33.16	**29.00**
Non-Executive	Percentage	9.44	26.46	**27.00**
Total	Percentage	45.12	84.80	**79.00**
Operations assessed for corruption-related risks, confirmed incidents of corruption and action taken				
Percentage of operations assessed for corruption-related risks[8]	Percentage	-	100	**100**
Confirmed incidents of corruption and action taken	Number	0	0	**0**
Data Privacy and Security				
Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	**0**
Supply Chain Management				
Proportion of spending on local vendors	Percentage	Malakoff 96 Alam Flora 100	Malakoff 93 Alam Flora 100	Malakoff **97** Alam Flora **100**

Note:
[8] Data only consists of Malakoff, not including Alam Flora Group.

Statement of Assurance

Assurance Undertaken

In strengthening the credibility of the sustainability reporting, selected aspects/parts of this report has been subjected to an internal review by the company's internal auditors.

Subject Matter

The subject matters covered by the internal review include the following indicators:

Sustainability Matters	Common Indicators
Energy Management	Energy consumption within the organisation
Emissions Management	• Scope 1 emissions in tonnes of CO_2e • Scope 2 emissions in tonnes of CO_2e • Scope 3 emissions in tonnes of CO_2e (at least for the categories of business travel and employee commuting)
Health and Safety	• Number of employees trained on health and safety standards • Number of work-related fatalities • Lost Time Incident Rate
Diversity	• Percentage of employees by gender and age group, for each employee category • Percentage of directors by gender and age group
Anti-corruption	• Percentage of operations assessed for corruption-related risks • Percentage of employees who have received training on anti-corruption by employee category • Total number and nature of confirmed incidents of corruption

Scope

The boundary of the internal review includes the Group's operations and activities in Kuala Lumpur, Johor, Pulau Pinang, Perak, Kedah, Putrajaya and Pahang. The internal review was with respect to the year ended 31 December 2024 information and does not include earlier periods.

Procedures Performed

The internal review includes the following:

i. Compilation of sustainability data/ information from respective business units by the Sustainability, Research & Investor Relations department for preliminary review.
ii. Verification and validation of underlying records, information and data by Group Internal Audit.
iii. Inquiries and interview by Group Internal Audit on relevant key personnel in charge of the subject matter data collection, collation and reporting.
iv. Any corrective actions and process improvement recommendations arising from the internal review by Group Internal Audit were also communicated to the respective business units accordingly for immediate action.

Bursa Malaysia Indicators

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category[1]				
Top Management	Percentage	0.11	0.43	1.00
Senior Management	Percentage	1.84	3.19	2.00
Middle Management	Percentage	14.53	21.57	20.00
Executive	Percentage	19.20	33.16	29.00
Non-Executive	Percentage	9.44	26.46	27.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks[1]	Percentage	-	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)[2]				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	544,975.00	240,500.00	407,413.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	2,324	4,000	6,740
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Top Management Under 30	Percentage	0.00	0.00	0.00
Top Management Between 30-50	Percentage	64.00	58.00	17.00
Top Management Above 50	Percentage	36.00	42.00	83.00
Senior Management Under 30	Percentage	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	61.00	63.00	62.00
Senior Management Above 50	Percentage	39.00	37.00	38.00
Middle Management Under 30	Percentage	0.00	0.00	0.00
Middle Management Between 30-50	Percentage	82.00	80.00	77.00
Middle Management Above 50	Percentage	18.00	20.00	23.00
Executive Under 30	Percentage	19.00	15.00	16.00
Executive Between 30-50	Percentage	76.00	79.00	77.00
Executive Above 50	Percentage	5.00	6.00	7.00
Non-Executive Under 30	Percentage	23.00	26.00	26.00
Non-Executive Between 30-50	Percentage	60.00	59.00	59.00
Non-Executive Above 50	Percentage	17.00	15.00	15.00
Gender Group by Employee Category				
Top Management Male	Percentage	91.00	92.00	100.00
Top Management Female	Percentage	9.00	8.00	0.00
Senior Management Male	Percentage	80.00	80.00	72.00
Senior Management Female	Percentage	20.00	20.00	28.00
Middle Management Male	Percentage	81.00	79.00	78.00
Middle Management Female	Percentage	19.00	21.00	22.00
Executive Male	Percentage	69.00	71.00	71.00
Executive Female	Percentage	31.00	29.00	29.00
Non-Executive Male	Percentage	85.00	86.00	87.00
Non-Executive Female	Percentage	15.00	14.00	13.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	90.00	90.00	78.00
Female	Percentage	10.00	10.00	22.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	10.00	10.00	0.00
Above 50	Percentage	90.00	90.00	100.00

Note:
[1] *The data is only for Malakoff.*
[2] *The data for C2(a) and C2(b) in FY2024 includes Alam Flora Group.*

Internal assurance | External assurance | No assurance

(*)Restated

Bursa Malaysia Indicators

Internal assurance | External assurance | No assurance

(*)Restated

Bursa Malaysia Indicators

Indicator	Measurement Unit	2022	2023	2024
Bursa (Energy management)[3]				
Bursa C4(a) Total energy consumption	Megawatt	46,813,378.00*	51,596,759.00*	61,217,685.00
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities[4]	Number	0	1	0
Bursa C5(b) Lost time incident rate ("LTIR")[4]	Rate	0.29	0.73	0.42
Bursa C5(c) Number of employees trained on health and safety standards	Number	-	1,626	1,809
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category[5]				
Top Management	Hours	24	64	48
Senior Management	Hours	408	477	415
Middle Management	Hours	8,028	8,437	5,885
Executive	Hours	14,056	13,815	10,551
Non-Executive	Hours	10,866	9,825	9,915
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	22.00	24.00	20.00
Bursa C6(c) Total number of employee turnover by employee category				
Top Management	Number	0	0	7
Senior Management	Number	3	3	16
Middle Management	Number	40	36	31
Executive	Number	54	51	66
Non-Executive	Number	101	146	396
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0

Note:
[3] *Data for FY2022 and FY2023 were restated in this report to include fuel consumptions that were converted from GJ to MW unit. For the unit of measurement from GJ to MW, we have converted the units using 1GJ=0.278 MW.*
[4] *Data only represents Malakoff operations, excluding Alam Flora Group.*
[5] *Data only includes Malakoff.*

Internal assurance | **External assurance** | No assurance

(*)Restated

Bursa Malaysia Indicators

Indicator	Measurement Unit	2022	2023	2024
Bursa (Supply chain management)[5]				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	96.00	93.00	97.00
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Water)[6]				
Bursa C9(a) Total volume of water used	Megalitres	2,341.000000 *	2,370.000000 *	2,618.000000
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	-	-	285.60
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	-	54.40
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	-	231.20
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	16,816,785.84 *	16,476,659.42 *	19,063,308.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	90,019.05 *	80,113.82 *	66,510.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)[7]	Metric tonnes	-	-	1,121.00

Note:
[5] *Data only includes Malakoff.*
[6] *Data for FY2022 and FY2023 were restated to reflect the equity approach.*
[7] *The tracking of Scope 3 only started in FY2024, which includes Business Travel (Category 6) and Employee Commuting (Category 7).*

Internal assurance | **External assurance** | No assurance

(*)Restated

Board at a Glance

From left to right:

Puan Lim Tau Kien
Independent
Non-Executive Director

Dato' Mohamad Razif Haji Abd Mubin
Independent
Non-Executive Director

Datuk Rozimi Remeli
Independent
Non-Executive Director

Tan Sri Che Khalib Mohamad Noh
Non-Independent
Non-Executive
Chairman

Board Composition

Executive Director	Independent Non-Executive Directors	Non-Independent Non-Executive Directors (including Chairman)
1	6	2

Skills and Experience

Accounting	3
Energy/Technical	3
Business Administration/Economics	2
Legal	1

From left to right:

Anwar Syahrin Abdul Ajib
Managing Director &
Group Chief Executive
Officer (MD & GCEO)

Dato' Mohd Naim Daruwish
Non-Independent
Non-Executive Director

Dr. Norida Abdul Rahman
Independent
Non-Executive Director

Datuk Prakash Chandran Madhu Sudanan
Independent
Non-Executive Director

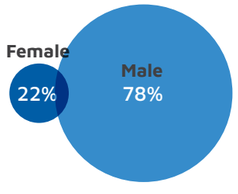
Datuk Wira Roslan Ab Rahman
Independent
Non-Executive Director

Age Diversity

50–60 years old: 3

Above 60 years old: 6

Gender Diversity



Board Tenure

Less than 1 Year	1–3 years	More than 3 Years
2	3	4

Board of Directors' Profile

Tan Sri Che Khalib Mohamad Noh

Non-Independent
Non-Executive Chairman

Gender	Age	Nationality
Male	60	Malaysian

Board Meeting Attendance:

7/9

Date of Appointment:
1 July 2013
(Re-designated as Chairman on 1 January 2025)

Board Memberships and Committees: Nil

Note:
Tan Sri Che Khalib holds 420,000 ordinary shares in the Company and does not hold shares in the Company's subsidiaries.

Academic/Professional Qualifications
- Qualified accountant.
- Member of the Malaysian Institute of Accountants (CA, M).
- Fellow Member of the Association of Chartered Certified Accountants (FCCA, United Kingdom).

Past Appointments/Experiences
- **Company Directorship:**
  - Non-Independent Non-Executive Chairman since 1 January 2025.
  - Executive Vice Chairman (1 July 2023 – 31 December 2024).
  - Non-Independent Non-Executive Director (9 December 2014 – 30 June 2023).
  - Managing Director (1 July 2013 – 9 December 2014).
- **Career Journey:**
  - Started his career at Messrs. Ernst & Young in 1989.
  - Later joined Bumiputra Merchant Bankers Berhad.
  - Served in several companies within the Renong Group (1992 – 1999).
  - Chief Executive Officer of Ranhill Utilities Berhad (June 1999).
  - Managing Director and Chief Executive Officer of KUB Malaysia Berhad.
  - President/Chief Executive Officer of Tenaga Nasional Berhad (1 July 2004 – 2012).
  - Chief Operating Officer of Finance, Strategy, and Planning at DRB-HICOM Berhad (July 2012).
- **Board Memberships and Committees:**
  - Former Board and Executive Committee Member of Khazanah Nasional Berhad (2000 – 2004).
  - Served as a Board member in United Engineers Malaysia Group of Companies and Bank Industri & Teknologi Malaysia Berhad.

Other Current Appointments
- Group Managing Director of MMC Corporation Berhad.
- Board Directorships in Public and Listed Companies:
  - Gas Malaysia Berhad
  - Johor Port Berhad
  - MMC Engineering Group Berhad
  - Aliran Ihsan Resources Berhad
  - Bank Muamalat Malaysia Berhad
  - NCB Holdings Berhad
  - Kontena Nasional Berhad
  - Northport (Malaysia) Bhd
  - Universiti Sultan Zainal Abidin
- Holds directorships in several private limited companies.

Anwar Syahrin Abdul Ajib

Managing Director &
Group Chief Executive Officer
(MD & GCEO)

Gender	Age	Nationality
Male	52	Malaysian

Board Meeting Attendance:

9/9

Date of Appointment:
1 December 2020

Board Memberships and Committees: Nil

Note:
Anwar Syahrin does not hold any interest in the securities of the Company or its subsidiaries.

Academic/Professional Qualifications
- Master in Business Administration from University of Salford, United Kingdom.
- Bachelor of Engineering in Mechanical Engineering from Imperial College of Science, Technology and Medicine, London, United Kingdom.
- Fellow Chartered Accountant of the Institute of Chartered Accountants England and Wales, United Kingdom.
- Member of Malaysian Institute of Accountants.
- Completed the Leadership at the Peak Program held at Arosa, Switzerland organised by the Center for Creative Leadership and the CFO Senior Leadership Executive Education Program at The Wharton School, University of Pennsylvania, US.

Past Appointments/Experiences
- Started his career with Shell Malaysia Trading Sdn. Bhd. in 1996 as an executive in Fleet Distribution where he gained considerable experience in transport and logistics.
- Subsequent thereto, he assumed a position of Senior Associate (Assurance and Business Advisory) in Arthur Andersen Manchester, United Kingdom from 1998 to 2001.
- Joined Arthur Andersen/Ernst & Young Kuala Lumpur as Senior Associate/ Chartered Accountant (Assurance and Business Advisory) in 2002.
- Became the MD/Consultant of Business Associates Consulting Sdn. Bhd. providing strategy and management consulting services from December 2002 to March 2006.
- Appointed as the Chief Financial Officer (CFO) of Pelabuhan Tanjung Pelepas Sdn. Bhd. from April 2006 until May 2008.
- Appointed as Director, Finance/Group CFO of MMC in June 2008.
- Assumed the position of Group Head, Ports and Logistics Division of MMC from January to August 2014.
- Prior to joining Malakoff, he was the MD/ CEO of UEM Sunrise from 1 September 2014 until 30 October 2020.
- Served as a board member of the key subsidiaries of UEM Sunrise, amongst others, UEM Land Berhad and Sunrise Berhad.
- He was awarded as the Outstanding Property CEO of the Year by The Edge Malaysia in 2018.
- He was the MD/CEO of Malakoff and had been redesignated as MD & GCEO on 1 December 2023.

Other Current Appointments
- Board member of Alam Flora Sdn. Bhd., Malakoff Power Berhad and several other subsidiaries and associate companies under the Malakoff Group.
- Chairman of Muscat City Desalination Company S.A.O.G., an associate company of Malakoff which is listed on the Muscat Stock Exchange.

Board of Directors' Profile

Datuk Rozimi Remeli

Independent
Non-Executive Director

Gender	Age	Nationality
Male	68	Malaysian

Board Meeting Attendance:

9/9

Date of Appointment:
16 October 2017

Board Memberships and Committees:
BPC (Chairman) and **BAC** (Member)

Note:
Datuk Rozimi does not hold any interest in the securities of the Company or its subsidiaries.

Academic/Professional Qualifications
- Diploma in Electrical Engineering, Universiti Teknologi Malaysia (1979).
- Bachelor in Engineering, Northrop University, USA (1984).
- Master in Business Administration (MBA), Universiti Sains Malaysia (1996).

Past Appointments/Experiences
- **Career Journey:**
  - Over 32 years of leadership experience in the energy industry.
  - Joined Tenaga Nasional Berhad (TNB) in 1979, holding various positions until retirement in January 2016.
  - General Manager, Asset Maintenance Department, Transmission Division (2006).
  - Senior General Manager, Transmission Project Management (2007):
    - Responsible for ensuring adherence to contractual specifications, cost control, and timely completion of projects.
  - Vice President (Transmission), TNB (2010 – 2016):
    - Managed the overall performance of TNB's transmission business, overseeing electricity transportation, asset management, and network operations.

Other Current Appointments
Nil

Board of Directors' Profile

Dato' Mohd Naim Daruwish

Non-Independent
Non-Executive Director

Gender	Age	Nationality
Male	65	Malaysian

Board Meeting Attendance:

9/9

Date of Appointment:
29 April 2021

Board Memberships and Committees:
BRIC (Member) and **BPC** (Member)

Note:
Dato' Mohd Naim does not hold any interest in the securities of the Company or its subsidiaries.

Academic/Professional Qualifications
- Bachelor of Law (LLB), Universiti Malaya.

Past Appointments/Experiences
- **Career Journey:**
  - Began his career in the Judiciary and Legal Services as a Magistrate (1985 – 1992).
  - Joined the Employees Provident Fund (EPF) in 1992 and held multiple leadership roles, including:
    - Head of the Enforcement Department.
    - Head of the Legal Department.
    - Head of the Contribution Department.
  - Seconded to the Companies Commission of Malaysia as Chief Executive Officer (December 2011 – September 2014).
  - Returned to EPF as Deputy Chief Executive Officer (Operations) from 1 October 2014 until retirement on 16 October 2021.

Other Current Appointments
Nil

Board of Directors' Profile

Dr. Norida Abdul Rahman

Independent
Non-Executive Director

Gender	Age	Nationality
Female	63	Malaysian

Board Meeting Attendance:

9/9

Date of Appointment:
1 August 2022

Board Memberships and Committees:
BNRC (Chairman) and **BPC** (Member)

Note:
Dr. Norida does not hold any interest in the securities of the Company or its subsidiaries.

Academic/Professional Qualifications
- PhD in Mechanical Engineering (Technology Management), Universiti Teknologi MARA (UiTM).
- Master of Business Administration (MBA), University of Strathclyde, United Kingdom.
- Bachelor's Degree in Economics, University of Winnipeg, Canada.
- Attended the Executive Leadership Management Program on CFO at The Wharton School, University of Pennsylvania, USA.

Past Appointments/Experiences
- **Career Journey:**
  - Managing Director of VentureTECH – a government-linked investment company focused on technology sectors (until retirement in February 2023).
  - Board Member in multiple investee companies, including:
    - Chairman of a joint-venture Fund Management private equity company partnership with SBI Japan.
    - Served on its Board Investment Committee.
  - Senior Vice President and Chief Operating Officer at Malaysian Industry-Government Group for High Technology (MIGHT) since 1999.
  - Executive Director at MIGHT subsidiary and associate company level.
  - Spearheaded various high-impact national initiatives in biotechnology, automotive, emerging technologies, green technologies and renewable energy.
- **Board Memberships in Other Organisations:**
  - Chairman, MYBiomass Sdn. Bhd.
  - Board Member, Melaka Biotechnology Corporation.
  - Executive Director, Malaysia Automotive Institute (now MARii) and Venture Tech.
  - General Manager, Corporate, Kulim Technology Park Corporation (prior to joining MIGHT).
  - Member, University Malaya Research Advisory Council (UMRAC).
  - Member, National Science and Research Council (NSRC) Sub-Committee Task Force.
  - Member, Bumiputera Agenda Special Committee under the National Shared Prosperity Council.

Other Current Appointments
- Director of Alam Flora Sdn. Bhd., Subsidiary of Malakoff.

Board of Directors' Profile

Datuk Prakash Chandran Madhu Sudanan

Independent
Non-Executive Director

Gender	Age	Nationality
Male	62	Malaysian

Board Meeting Attendance:

9/9

Date of Appointment:
1 March 2023

Board Memberships and Committees:
BAC (Member), **BRIC** (Member) and **BNRC** (Member)

Note:
Datuk Prakash does not hold any interest in the securities of the Company or its subsidiaries.

Academic/Professional Qualifications
- Bachelor of Technology in Electrical Engineering, University of Kerala, India (1985).
- Certified Professional Electrical Engineer by ENGINEERS Australia.
- Admitted into the Court of Emeritus Fellows of the Malaysian Institute of Management (MIM) in 2017.

Past Appointments/Experiences
- **Career Journey:**
  - Began his career as Project Engineer at Crompton Greaves Ltd, India (1986).
  - Joined ABB Industrial & Building Systems Sdn. Bhd., Malaysia, holding the position of General Manager and other roles (1990 – 1996).
  - Siemens Malaysia Sdn. Bhd.:
    - Senior Vice President, Power Transmission & Distribution (PTD) (1996 – 2008).
    - Executive Vice President & Head of Siemens Energy Sector, ASEAN (August 2008 – July 2011).
    - President & CEO of Siemens Malaysia (2009 – January 2018), becoming the first Asian to hold this position.
  - President Director & CEO of PT. Siemens Indonesia (October 2017 – September 2021).
- **Board Memberships in Other Companies:**
  - Director of Siemens Limited Thailand (2009 – 2012).
  - Member of the Board of Commissioners of PT. Java Power Indonesia and PT. Siemens Mobility Indonesia during his tenure in Indonesia.

Other Current Appointments
- Petron Malaysia Refining & Marketing Berhad.

Board of Directors' Profile

Datuk Wira Roslan Ab Rahman

Independent
Non-Executive Director

Gender	Age	Nationality
Male	68	Malaysian

Board Meeting Attendance:
9/9

Date of Appointment:
1 June 2023

Board Memberships and Committees:
BRIC (Chairman), **BAC** (Member) and **BNRC** (Member)

Note:
Datuk Wira Roslan does not hold any interest in the securities of the Company or its subsidiaries.

Academic/Professional Qualifications
- Ordinary National Diploma in Engineering, Brighton Technical College, England (1977).
- Bachelor of Science in Electrical Engineering, University of Southampton, England (1980).

Past Appointments/Experiences
- **Career Journey:**
  - Began his career with Lembaga Letrik Negara (now Tenaga Nasional Berhad - TNB) in 1980.
  - Retired in December 2022 after 42 years of service in various management capacities.
  - Served in multiple districts across Malaysia, overseeing:
    - Planning, construction, operations, and maintenance of the distribution network in east Pahang (Temerloh, Maran, and Jerantut).
    - Led the conversion of over 50 villages from 12-hour diesel power supply to 24-hour grid electricity under the Rural Electrification Program (Bekalan Elektrik Luar Bandar).
  - Instrumental in industrial relations, fostering better work culture and harmony with employees and unions.
  - Played a key role in customer services and commercial operations, working closely with:
    - Malaysia Investment Development Authority (MIDA) to facilitate electricity supply for Foreign Direct Investments (FDIs).
    - Federation of Malaysian Manufacturers (FMM) and Federation of Malaysian Consumers Association (FOMCA) to address stakeholder concerns.
  - Chief Corporate Officer, serving as the company's spokesperson, advising the CEO and Board of Directors on corporate communications.
  - Chief Regulatory and Stakeholder Management Officer, working with:
    - Ministry of Energy and Natural Resources (KETSA) and Energy Commission (EC) on national energy policies.
    - Represented in ASEAN Power Utility (HAPUA) and Association of Energy Supply Industry of East Asia and Asia Pacific (AESIEAP).
  - His tenure at TNB was extended by six years beyond retirement age due to his invaluable contributions to the company and industry.

Other Current Appointments
- Independent Non-Executive Director of Varia Berhad and BM Greentech Berhad.

Board of Directors' Profile

Puan Lim Tau Kien

Independent
Non-Executive Director

Gender	Age	Nationality
Female	69	Malaysian

Board Meeting Attendance:
5/5

Date of Appointment:
1 June 2024

Board Memberships and Committees:
BAC (Chair) and **BNRC** (Member)

Note:
Puan Lim does not hold any interest in the securities of the Company or its subsidiaries.

Academic/Professional Qualifications
- Chartered Accountant.
- Member of the Institute of Chartered Accountants of Scotland.
- Member of the Malaysian Institute of Accountants.

Past Appointments/Experiences
- **Career Journey:**
  - Started her career with Ernst & Young, United Kingdom.
  - Served as a Federal Accountant at the Ministry of Finance and Prime Minister's Department, Malaysia.
  - Joined Royal Dutch Shell Group, holding various senior finance positions over 25 years across Malaysia, Australia, and China.
  - Country Chief Financial Officer/ Finance Director/Country Controller of Shell Companies in China (2004 – 2008).
- **Board Memberships in Other Companies:**
  - Director of listed and non-listed companies in Malaysia and China since 1997.
  - Served on public listed companies, including:
    - Shell Refining Company (FOM) Berhad.
    - Hong Leong Financial Group Berhad.
    - Malaysian Pacific Industries Berhad.
    - Hengyuan Refining Company Berhad.
  - Other directorships include:
    - Labuan-Beaufort Interconnection Sdn. Bhd.
    - Labuan Water Supply Sdn. Bhd.
    - Shell MDS (Malaysia) Sdn. Bhd.
    - Shell Treasury Malaysia (L) Limited.
    - Shell (China) Limited.
    - UEM Group Berhad.
    - Digital Nasional Berhad.

Other Current Appointment
- Director of GLM REIT Management Sdn. Bhd.

Board of Directors' Profile

Dato' Mohamad Razif Haji Abd Mubin

Independent
Non-Executive Director

Gender	Age	Nationality
Male	57	Malaysian

Board Meeting Attendance:

-

Date of Appointment:
11 March 2025

Board Memberships and Committees:
BRIC (Member) and **BPC** (Member)

Note:
Dato' Mohamad Razif does not hold any interest in the securities of the Company or its subsidiaries.

Academic/Professional Qualifications

- Master's in Business Administration from Multimedia University.
- Bachelor of Economics (Hons.) from International Islamic University Malaysia.

Past Appointments/Experiences

- **Career Journey:**
  - Began his career as Assistant Secretary (Finance) at the Ministry of Land and Cooperative Development in 1995.
  - Held various strategic positions across multiple ministries.
  - Appointed as Deputy Secretary General (Energy) at the Ministry of Energy and Natural Resources (KETSA), serving until his retirement in February 2025.
- **Leadership Roles:**
  - Interim Chairman of Energy Commission Malaysia.
  - Director of Energy Commission Malaysia, MyPower Corporation, Malaysian Green Technology and Climate Change Corporation (MGTC), and other statutory bodies.

Other Current Appointments
Nil

Legend

BAC : Board Audit Committee

BNRC : Board Nomination and Remuneration Committee

BRIC : Board Risk and Investment Committee

BPC : Board Procurement Committee

Additional information in relation to the Board of Directors

i. None of the Directors has any family relationship with any Director and/or major shareholder of the Company.

ii. None of the Directors have any conflict of interest with the Company or its subsidiaries.

iii. Other than traffic offences, none of the Directors has been convicted for any offences within the past five years nor has been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

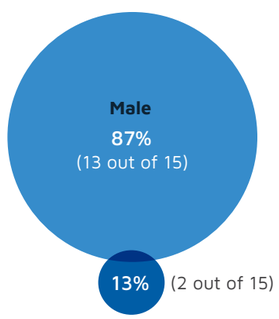
Board of Directors' Profile

Executive Leadership at a Glance

Age Diversity

1	30-39 years old
5	40-49 years old
9	50-59 years old
0	>59 years old

Gender Diversity



ANWAR SYAHRIN ABDUL AJIB
Managing Director & Group Chief Executive Officer (MD & GCEO)

MOHD NAZERSHAM MANSOR
Chief Financial Officer
Management Committee

RAJA ISKANDAR RAJA MUKHTARUDDIN
Chief People Officer
Management Committee

SUBRINA THIAGARAJAH
Head, Operations & Project Management Services Division
Ex Officio

SHAJARATUDDUR MOHD IBRAHIM
Head, Business Development
Ex Officio

TEOH YOONG HOW
Head, Digital
Ex Officio

MOHD IRWAN MOHD MANSOR
Head, Solar Department &
Head of Malakoff Radiance Sdn. Bhd.
Ex Officio

VINCENT YAP LENG KHIM
Senior Vice President, Corporate Services & Integrity Division
Management Committee

MOHD KOPLI BIN YUNUS
Senior Vice President,
Local Generation Division
Management Committee

SHARIMAN YUSUF MOHAMED ZAIN
Chief Executive Officer – Alam Flora Sdn. Bhd.
Management Committee

SURIATI MOHAMMAD MOKHTAR
Head, Group Communications & Branding
Ex Officio

KHAIRUL FALAH ZAHARIN
Head, Strategy & Transformation
Ex Officio

ADI FAIMI MOHAMED HANEEF
Head, Risk Process Improvement & Integrity
Ex Officio

LIONEL FOK WHYE SERN
Head, Malakoff Technical Solutions Sdn. Bhd.
Ex Officio

MOHAMAD MUHAZNI MUKHTAR
Chief Operating Officer, Alam Flora Sdn. Bhd.
Ex Officio

MOHD HADI MOHAMED ANUAR
Chief Internal Auditor,
Group Internal Audit

Executive Leadership's Profile

ANWAR SYAHRIN ABDUL AJIB

Managing Director & Group
Chief Executive Officer (MD & GCEO)

52 | Male | Malaysian

Date of Joining: 1 December 2020

Academic/Professional Qualifications

- Master in Business Administration from University of Salford, United Kingdom.
- Bachelor of Engineering in Mechanical Engineering from Imperial College of Science, Technology and Medicine, London, United Kingdom.
- Fellow Chartered Accountant of the Institute of Chartered Accountants England and Wales, United Kingdom.
- Member of Malaysian Institute of Accountants.
- Completed the Leadership at the Peak Program held at Arosa, Switzerland organised by the Center for Creative Leadership and the CFO Senior Leadership Executive Education Program at The Wharton School, University of Pennsylvania, US.

Past Appointments/Experiences

- Started his career with Shell Malaysia Trading Sdn. Bhd. in 1996 as an executive in Fleet Distribution where he gained considerable experience in transport and logistics.
- Subsequent thereto, he assumed a position of Senior Associate (Assurance and Business Advisory) in Arthur Andersen Manchester, United Kingdom from 1998 to 2001.
- Joined Arthur Andersen/Ernst & Young Kuala Lumpur as Senior Associate/Chartered Accountant (Assurance and Business Advisory) in 2002.
- Became the MD/Consultant of Business Associates Consulting Sdn. Bhd. providing strategy and management consulting services from December 2002 to March 2006.
- Appointed as the Chief Financial Officer (CFO) of Pelabuhan Tanjung Pelepas Sdn. Bhd. from April 2006 until May 2008.
- Appointed as Director, Finance/Group CFO of MMC in June 2008.
- Assumed the position of Group Head, Ports and Logistics Division of MMC from January to August 2014.
- Prior to joining Malakoff, he was the MD/CEO of UEM Sunrise from 1 September 2014 until 30 October 2020.
- Served as a board member of the key subsidiaries of UEM Sunrise, amongst others, UEM Land Berhad and Sunrise Berhad.
- He was awarded as the Outstanding Property CEO of the Year by The Edge Malaysia in 2018.
- He was the MD/CEO of Malakoff and had been redesignated as MD & GCEO on 1 December 2023.

Note

- Anwar Syahrin does not hold any interest in the securities of the Company or its subsidiaries.

MOHD NAZERSHAM MANSOR

Chief Financial Officer
Management Committee

52 | Male | Malaysian

Date of Joining: 1 December 2017

Academic/Professional Qualifications

- Degree in Accounting & Finance, De Montfort University, United Kingdom.
- Fellow of the Association of the Chartered Certified Accountants (FCCA), United Kingdom.
- Member of Malaysian Institute of Accountants.
- ASEAN Senior Management Development Program, Harvard Business School.

Past Appointments/Experiences

- Began his career with KPMG, Malaysia in 1997 as an auditor and later joined MMC in the year 2000 as Group Accountant.
- Between 2004 and 2012, he served Sapura Group of Companies and was the General Manager, Corporate Strategy & Development, his last position before he joined Petra Energy Berhad.
- Assumed the position of General Manager of MMC Group from 2014 to 2016 and was previously the CFO for MMC Port Holdings Sdn. Bhd..
- Covered the provision of services for accounting, financial management, taxation, treasury and corporate finance in his over 20 years of experience.
- Currently sits on the board of key subsidiary and associate companies under Malakoff Corporation Berhad.

Note

- Mohd Nazersham holds 16,000 ordinary shares in the Company.

Executive Leadership's Profile

RAJA ISKANDAR RAJA MUKHTARUDDIN

Chief People Officer
Management Committee

59 | Male | Malaysian

Date of Joining: 1 February 2021

Academic/Professional Qualifications

- Bachelor of Science in Business Administration (Management), California State University, Sacramento, USA.
- Management Development Programme, Asian Institute of Management in Manila, the Philippines.

Past Appointments/Experiences

- Started his career with Mobil Oil Corporation in 1988 as a sales representative under its graduate scheme programme. He later joined Malaysia Tourism Promotion Board from December 1989 until May 1995 as an Assistant Director based in Kuala Lumpur and later at its regional office in London, United Kingdom.
- Pursued a new career in Gas Malaysia Berhad in August 1997, and later served in various capacities within the company.
- In 2020, he was made Director of Human Resource and Administration in Gas Malaysia Berhad during the Government's eventual push for the liberalisation of Malaysia's natural gas industry which led to the implementation of the Third Party Access regime. He was tasked with the reorganisation of Gas Malaysia Berhad's structure which, upon approval from the Energy Commission, led to the successful formation of Gas Malaysia Distribution Sdn. Bhd. and Gas Malaysia Energy and Services Sdn. Bhd., re-deploying over 500 employees into various companies within Gas Malaysia Group.
- Joined Malakoff Corporation Bhd in February 2021 as Head of Human Capital Division and started the People Transformation Programme for Malakoff Group which involves amongst others, Organisation Restructuring for Malakoff Strategic Transformation 2.0, Job Evaluation, Leadership Assessment program and Talent Management.
- Currently a Fellow at the Malaysian Institute of Management and has also been appointed as the External Advisory Member and a part-time lecturer in Human Resource Management at Sunway University Business School.
- In 2024, he was promoted to the post of Chief People Officer overlooking the strategic Human Resource function for both Malakoff Corporation Berhad and Alam Flora Sdn. Bhd.

Note

- Raja Iskandar does not hold any interest in the securities of the Company.

VINCENT YAP LENG KHIM

Senior Vice President, Corporate Services & Integrity Division
Management Committee

51 | Male | Malaysian

Date of Joining: 1 December 2017

Academic/Professional Qualifications

- Bachelor of Laws (Hons), University of Nottingham, United Kingdom.
- Barrister-at-Law, Lincoln's Inn, United Kingdom.
- Advocate & Solicitor, High Court of Malaya.

Past Appointments/Experiences

- Started his career in the legal profession as an Advocate & Solicitor at Chooi & Company in 1998, focusing on capital market, initial public offerings and corporate exercises. He was a key member of the legal team undertaking a series of mergers and acquisitions of banks and financial institutions during the late 1990s after the Asian financial crisis.
- Admitted as a Partner of Albar & Partners, Advocates & Solicitors, in 2006, where he focused on joint ventures, corporate restructuring, reverse take-overs of public listed companies, debt capital market, structured finance and asset backed securitisation.
- Joined Zelan Berhad as Head of Group Legal in 2009 and appointed as Director of Corporate Services in 2011. He was extensively involved in the conclusion of two concession agreements with Government of Malaysia, for a new integrated transport terminal and a public university. He was instrumental in driving the completion and commercial operation of a 2x300 MW coal-fired power plant in Central Java, Indonesia for PT PLN (Persero) and the successful claim against the project owner of an AED1 billion development project in Abu Dhabi, United Arab Emirates through ICC arbitration.
- At Malakoff, he spearheaded the completion of significant transactions, including the sale of Macarthur Wind Farm to an Australian investment fund, sale of Lekir Bulk Terminal, acquisition of Khazanah Nasional Berhad's entire equity interest in Shuaibah III IWPP and acquisition of Alam Flora Sdn. Bhd.. In addition, he has been playing a key role in strategising and managing both local and international legal disputes, notably the ICC arbitration in relation to a seawater desalination project in North Africa, SIAC arbitration with the OEM for a Combined Cycle Gas Turbine (CCGT) power plant, AIAC arbitration pertaining to district cooling services, judicial review against IRB tax assessment at the High Court of Malaya, appeal against an interim ICC jurisdictional award at the Paris Court of Appeal and appeal against a custom penalty at the Supreme Court of Algeria.
- Currently sits on the board of key subsidiaries/ associate companies under Malakoff Corporation Berhad.

Note

- Vincent does not hold any interest in the securities of the Company.

Executive Leadership's Profile

MOHD KOPLI BIN YUNUS

Senior Vice President,
Local Generation Division
Management Committee

54 | Male | Malaysian

Date of Joining: 31 July 1995

Academic/Professional Qualifications
- Bachelor of Mechanical Engineering, University Technology of Malaysia.
- Competency certificate as a Steam Engineer Grade 1.

Past Appointments/Experiences
- Began his career at MCB in 1995 as an Instrumentation Technician within the Maintenance Department and later transitioned to the Production Department.
- Over time, he progressed through various roles within the Production Department, including Shift Supervisor, Head of Shift, Operation & Maintenance (O&M) Specialist, Head of Production, and ultimately achieving the position of Plant Manager at Tanjung Bin Power Plant (TBPP) from July 2018 until March 2023.
- His last position was as Head of O&M and Commercial, which he held from April 2023 until March 2024, before assuming his current role as Senior Vice President, Local Generation Division.
- He has almost 30 years of working experience in the power industry.
- Currently sits on the board of key subsidiaries/associate companies under Malakoff Corporation Berhad.

Note
- Mohd Kopli does not hold any interest in the securities of the Company.

SHARIMAN YUSUF MOHAMED ZAIN

Chief Executive Officer – Alam Flora Sdn. Bhd.
Management Committee

50 | Male | Malaysian

Date of Joining: 16 December 2024

Academic/Professional Qualifications
- Bachelor of Economics (Accounting & Finance) from the London School of Economics and Political Science (LSE) in 1996.
- Attended the Global Leadership Programme at Cranfield University, UK in 2015.
- Advanced Management Program (AMP Class 205) at Harvard Business School, Harvard University in 2023.

Past Appointments/Experiences
- Bringing with him nearly 30 years of experience in strategic leadership, operational excellence, and innovation with his most recent role as the Managing Director of Edgenta Propel Berhad, a key player in the infrastructure services sector in the country. During his time at Propel, the business grew substantially from maintaining over 3,000 km of highway and state/rural roads in 2020 to over 9,000 km in 2024.
- Represented UEM Edgenta as a board member in PT Edgenta Propel Indonesia, Edgenta Facilities Management LLC (UAE) and Edgenta Arabia Limited (Saudi Arabia).
- Over 20 years of experience in key roles at leading Multinational companies such as Shell, Deloitte Consulting, Siemens, and General Electric with his last position as the first Malaysian CEO of the Mobility Division in Malaysia. His major coup for Siemens was successfully securing two system packages, rolling stock (trains) and depot for the first MRT line in Kuala Lumpur. The jobs were well delivered on time in 2017.
- Overseas stint in Germany with Siemens in 2010/2011.

Note
- Shariman Yusuf Mohamed Zain does not hold any interest in the securities of the Company.

Executive Leadership's Profile

SUBRINA THIAGARAJAH

Head, Operations & Project Management Services Division
Ex Officio

54 | Female | Malaysian

Date of Joining: 27 June 1994

Academic/Professional Qualifications
- Bachelor of Engineering (Chemical) (Hons), University Technology of Malaysia (UTM).

Past Appointments/Experiences
- Started her career with Malakoff in 1994, as a Project Executive in Technical Services & QA department.
- During her 31-year career in Malakoff, she gained vast experience and leadership skills in the power and water industry both in Malaysia and internationally.
- Prior to being seconded to a Malakoff associated company in Oman, she was the Vice President of Commercial, Asset Management Division. Her duties mainly focused on asset management, commercial negotiations and contractual management of the key project agreements with the relevant utilities, government authorities and operations and maintenance contractors, where Malakoff's operating assets were located.
- Thereafter, she was involved in the commercial review and negotiations for Malakoff's business development initiatives in power and water projects in South East Asia, South Asia and the Middle East, with her latest achievement being the Project Director of the winning bid for the Ghubrah Independent Water Plant in Oman in 2012.
- Seconded to Muscat City Desalination Company (MCDC) in Muscat, Oman as its Chief Executive Officer for a period of five years until 31 October 2020.
- At MCDC, she led the successful Initial Public Offering of the company on the Muscat Securities Market in 2018.
- After her stint in Oman, she has now returned to the Company as the Head of Operations & Project Management Services Division commencing from 1 November 2020.

Note
- Subrina does not hold any interest in the securities of the Company.

SHAJARATUDDUR MOHD IBRAHIM

Head, Business Development
Ex Officio

50 | Male | Malaysian

Date of Joining: 1 October 2012

Academic/Professional Qualifications
- Bachelor of Laws (Hons), University of Nottingham, United Kingdom.

Past Appointments/Experiences
- Started his career with Tenaga Nasional Berhad (TNB) in September 1997, as a legal executive, handling projects and business development matters.
- During his 16-year tenure in TNB, he was instrumental in various key projects and ventures, including TNB's tariff reviews and Power Purchase Agreements (PPA) renegotiation exercises, privatisation of Lembaga Letrik Sabah, divestments of TNB's local power plants and coal mine in Indonesia.
- His last position in TNB was as a General Manager in the President's/CEO's Office, before leaving for the role of Senior Vice President of Investment at Khazanah Nasional in February 2010, to oversee the power sector and Iskandar Development Region.
- Joined Malakoff in October 2012, as an Assistant Vice President of Special Projects. Since joining Malakoff, he had led a number of corporate and investment exercises leading to the successful bid for PD Power's extension of PPA concession, acquisition of interest in a large scale solar project in Johor, winning bids for the development of two small hydropower projects in Pahang with total capacity of 55 MW and two (2) biogas projects in Johor. One of major corporate exercise that he has steered is the completion of the acquisition of 97.37% equity interest in Alam Flora Sdn. Bhd. from DRB-HICOM Berhad.
- Other recent key transactions that he has steered and concluded include, the acquisition of the controlling interest (70%) in RPHK Hydro Sdn. Bhd. (84 MW) project in Kelantan and acquisition of the remaining interests in ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd., resulting in both entities becoming wholly-owned subsidiaries of Malakoff.
- He also led the negotiation on the acquisition of a 49% equity interest in E-Idaman Sdn. Bhd., the biggest waste collection and public cleansing company in the northern region of Peninsular Malaysia.
- One of the key team members in formulating the current Malakoff's investment policy and strategic plan.
- In his capacity and current role as the Head of Business Development Department in Malakoff, he will continue to explore and pursue potential investments or growth opportunities for the company, locally and internationally.
- Currently sits on the board of key subsidiaries/associate companies under Malakoff Corporation Berhad.

Note
- Shajaratuddur holds 26,000 ordinary shares in the Company.

Executive Leadership's Profile

SURIATI MOHAMMAD MOKHTAR

Head, Group Communications & Branding
Ex Officio

48 | Female | Malaysian

Academic/Professional Qualifications
- Master of Business Administration (MBA) in Marketing and MIS, University of Missouri, Kansas City, USA.
- Bachelor of Business Administration, University of Missouri, Kansas City, USA.

Past Appointments/Experiences
- With over 25 years of experience in corporate communications, marketing and branding, she has worked across various industries, including environmental solutions, IT, Telecommunications, R&D and FMCG.
- She acquired valuable international project management and communication skills and experience while collaborating with renowned organisations such as the World Association of Industrial and Technological Research Organizations (WAITRO), the United Nations Industrial Development Organization (UNIDO), the United Nations Development Programme (UNDP), the Japan International Cooperation Agency (JICA) and the Fraunhofer Society (Fraunhofer-Gesellschaft) during her time at SIRIM Berhad.
- During her tenure at DiGi Telecommunications, Suriati played a pivotal role in spearheading the company's innovative marketing initiatives in emerging markets, as well as loyalty and affinity programmes.
- From 2018 to 2023, as Head of Corporate Communications & Branding at Alam Flora Sdn. Bhd., a subsidiary of Malakoff, she successfully repositioned the company as a recognised leader in waste management and environmental solutions, resulting in prestigious industry awards. Prior to this, she served as Head of Corporate Planning at Alam Flora Environmental Solutions (AFES) in 2017.
- In her current role as Head of Group Communications & Branding at Malakoff, she is responsible for the strategic development and execution of corporate communications, branding, and corporate affairs initiatives for both Malakoff and Alam Flora, demonstrating a consistent ability to elevate brand visibility, enhance social media engagement, and lead successful rebranding efforts.

Note
- Suriati does not hold any interest in the securities of the Company.

KHAIRUL FALAH ZAHARIN

Head, Strategy & Transformation
Ex Officio

38 | Male | Malaysian

Academic/Professional Qualifications
- B.A. (Hons) Accounting and Finance, Liverpool John Moore's University.
- Fellow of the Association of Chartered Certified Accountants (ACCA), Malaysia.
- Chartered Accountant with the Malaysian Institute of Accountants (MIA).

Past Appointments/Experiences
- He has over 15 years of experience in services, oil and gas and property development industries.
- He started his career as a trainee accountant in Dublin, Ireland where he gained considerable experience in statutory reporting and compliance before returning to Malaysia in 2010.
- He has served local and multi-national companies, such as SLB, Petronas, Sapura Energy Berhad and UEM Sunrise Berhad.
- His experience covers the fields of strategy, performance delivery, business finance and control, investment monitoring, cost optimisation programs, statutory finance and risk management.
- Prior to joining Malakoff, he has held several positions, namely Lead, Performance Delivery for UEM Sunrise Berhad, Head of Business Finance & Control for Sapura Energy Berhad and Management Accountant for Schlumberger, Malaysia.

Note
- Falah does not hold any interest in the securities of the Company.

Executive Leadership's Profile

ADI FAIMI MOHAMED HANEEF

Head, Risk Process Improvement & Integrity
Ex Officio

49 | Male | Malaysian

Academic/Professional Qualifications
- Bachelor of Applied Science (Hons) with Major in Entomology and Minor in Management, Universiti Sains Malaysia (USM).
- Safety and Health Officer Certificate, National Institute of Safety & Health (NIOSH).
- Professional Business Continuity Management Certificate, Disaster Recovery Institute International (DRII).
- ISO 31000 Risk Manager Certificate, Professional Evaluation and Certification Body (PECB).
- Certified Lean Six Sigma Black Belt.
- Integrated ISO Lead Assessor, SIRIM.
- Lead Auditor ISO 37001 Anti-Bribery Management System (SIRIM).

Past Appointments/Experiences
- Started his career as a Technical Executive at Toyochem Corporation Berhad in 2000 and spent the next 5 years in the servicing, packaging and coating industries.
- Switched career to oil and gas downstream integrated services by joining Orogenic Resources Sdn. Bhd. in 2006.
- Joined Malaysian International Shipping Corporation Berhad (MISC) as the QHSSE Manager in 2010 and spent close to 2 years managing FPSO's RLEC and EPCIC projects at MMHE specialising in project QHSSE and Risk.
- He then joined the Chemical Company of Malaysia as the Head of Group HSSE in 2012.
- Joined Malakoff as the Head, Group Corporate HSSE in 2015 and was reassigned as the Head, Business Process Improvement in 2018. He is now the Head of Risk, Process Improvement and Integrity Department.

Note
- Adi Faimi Mohamed Haneef does not hold any interest in the securities of the Company.

TEOH YOONG HOW

Head, Digital
Ex Officio

46 | Male | Malaysian

Academic/Professional Qualifications
- Bachelor of Information Technology (Hons), Universiti Tenaga Nasional (UNITEN).
- Professional Scrum Master I (PSM I) certified.
- Project Management Professional (PMP) certified.

Past Appointments/Experiences
- Spent 19 years as strategy, transformation and digital consultant with various firms such as Accenture, IBM, Ernst & Young. Served clients across various industries (oil & gas, power, financial services, etc) and countries (United Kingdom, United States, Brunei, Philippines and Thailand).
- Helped clients in digital and operational transformations, across diverse processes – enhancing effectiveness and efficiency, assuring compliance and realising cost reductions.
- In 2019, joined British American Tobacco, as Regional Corporate Chief Information Officer (CIO), digitalising more than 35 countries (Asia Pacific and Middle East)'s Finance, Human Resources and Legal functions.
- Currently serving as the Head, Digital, leveraging extensive experience to lead transformative initiatives within the company.

Note
- Teoh Yoong How does not hold any interest in the securities of the Company.

Executive Leadership's Profile

MOHD IRWAN MOHD MANSOR

Head, Solar Department & Head of Malakoff Radiance Sdn. Bhd.
Ex Officio

45 | Male | Malaysian

Date of Joining: 6 September 2021

Academic/Professional Qualifications
- Association of Chartered Certified Accountants (ACCA), UK.
- Master of Business Administration (MBA), Anglia Ruskin University, UK.
- Bachelor of Accounting (Hons), Multimedia University.

Past Appointments/Experiences
- Began his career in 2005 in finance and accounting at Jimah O&M Sdn. Bhd. and later progressed to Jimah Energy Ventures as the Head of Finance, where he expanded his responsibilities to corporate finance, treasury, and business development activities. Played a key role in the RM1.2 billion sale of Jimah Energy Ventures Group, leading the valuation, negotiations, and spearheading the execution of the sale.
- Co-founded a solar farm company in 2015 with a Feed-In tariff contract where he was responsible for corporate planning, financial and investment management.
- In 2016, he served as Associate Director at MP Capital Advisory, leading corporate strategy, corporate finance, M&A, and project finance initiatives for gas, coal, solar and wind renewable power projects totaling 3,130 MW across Asia-Pacific.
- Joined Lembaga Tabung Haji in 2018 where he is part of the Corporate Finance team to drive the restructuring and rehabilitation of the institution. He involved in the origination, investment, and divestment of listed and non-listed companies along with subsidiaries across various industries including plantations, information technology, oil & gas, power as well as property development.
- In 2020, he joined UEM Group and provided financial and strategic insights for UEM Group's PNB 118 Tower Project, ensuring robust financial planning, compliance, and investment strategies.
- Joined Malakoff Corporation Berhad in 2021 as Head of Commercial & Strategy in Solar Department before being appointed as Head of the Solar Department & Head of Malakoff Radiance Sdn. Bhd. in 2024. Currently oversees the business development, project delivery and operation & maintenance of Malakoff's commercial & industrial solar assets. Additionally, he drives business expansion in new energy solutions, including commercial and industrial Battery Energy Storage Systems (BESS) and Electric Vehicle (EV) charging infrastructure.

Note
- Mohd Irwan does not hold any interest in the securities of the Company.

LIONEL FOK WHYE SERN

Head, Malakoff Technical Solutions Sdn. Bhd.
Ex Officio

46 | Male | Malaysian

Date of Joining: 1 November 2018

Academic/Professional Qualifications
- Bachelor of Science in Electrical Engineering, Wichita State University.
- MBA, with specialty in Strategic Project Management, Paris Graduate School of Management.
- Practicing Certificate as Registered Energy Manager (Type 1).

Past Appointments/Experiences
- He has more than 20 years of experience within the power plant industry, having worked with IPPs and EPCC Contractors.
- Amongst the projects he has been involved in as a Project Developer is a 720 MW CCGT plant in Malaysia, and a 2,200 MW CCGT and 160 MIGD of seawater desalination in UAE. He was also a member of the due diligence team which acquired several power plants in Egypt, Sri Lanka, Bangladesh, and Pakistan.
- He has also worked with Alstom, a global OEM and EPCC for power plants, as Tender Manager for Construction & Commissioning works, where he participated in various CCGT Tenders within the ASEAN region. Subsequently, he undertook the role as Project Construction & Commissioning Manager for a 234 MW CCGT project in Indonesia.
- He joined Malakoff Utilities Sdn. Bhd. in 2018 as its Head of Company. At Malakoff Utilities Sdn. Bhd., he was responsible for the safe, reliable, and efficient operation of a 13,000 RT district cooling plant and an electricity distribution system with licensed capacity of 153 MW within the KL Sentral enclave.
- In 2023, he was transferred to Malakoff Technical Solutions Sdn. Bhd. In this role, he is tasked with formulating and establishing strategies, marketing, development, management and execution of Operation & Maintenance (O&M), Maintenance Repair & Overhaul (MRO) and Technical Training (Training) business to support Malakoff's growth objectives. He has also been involved in the execution of solar rooftop projects and is also undertaking project management of other power plants in addition to his current role as the Head of Malakoff Technical Solutions.

Note
- Lionel does not hold any interest in the securities of the Company.

Executive Leadership's Profile

MOHAMAD MUHAZNI MUKHTAR

Chief Operating Officer,
Alam Flora Sdn. Bhd. (AFSB)
Ex Officio

57 | Male | Malaysian

Date of Joining: 15 January 2025

Academic/Professional Qualifications
- Bachelor of Business Administration, University of Iowa.
- Master of Business Administration, MARA Institute of Technology, Ohio University.
- Master of Science in Business Leadership, Newcastle Business School, Northumbria University.
- Certificate in Healthcare Facility Management, International Islamic University, Malaysia.

Past Appointments/Experiences
- With over 35 years of experience in toll operations, technology, pharmaceutical and facilities management, he has held key roles in various industries.
- Began his career at PLUS Expressway Bhd in 1994, overseeing financial analysis, business planning and coordination of special projects along the North-South Expressway.
- As General Manager of Operations and Project Management at Touch 'n Go Sdn. Bhd., he played a key role in launching Asia's first integrated contactless smartcard payment system and managed operations across 20 toll concessions.
- At Faber Facilities Sdn. Bhd., he served as Chief Operating Officer, driving operational efficiency and introducing green building initiatives.
- As President Director of PT Millennium Pharmacon International Tbk, he led growth strategies that resulted in a 14% CAGR in revenue.
- In 2020, as Head of Pristine Pharma, he implemented strategies that achieved a 31% revenue increase and a 41% reduction in losses.
- At UEM Edgenta Berhad (2021), he served as Chief Operating Officer for Edgenta Healthcare Solutions, focusing on technology-driven operational optimisation and COVID-19 response.
- Joined Dura Technology Sdn. Bhd. in 2023 as Chief Operating Officer, leading operational strategies and improving company performance.
- In 2025, he will take on the role of Chief Operating Officer at Alam Flora Sdn. Bhd., where he will drive the Operations division to success.

Note
- Mohamad Muhazni Mukhtar does not hold any interest in the securities of the Company.

MOHD HADI MOHAMED ANUAR

Chief Internal Auditor,
Group Internal Audit

47 | Male | Malaysian

Date of Joining: 25 February 2016

Academic/Professional Qualifications
- Bachelor of Arts (Hons) in Accounting and Finance, Manchester Metropolitan University, United Kingdom.
- Associate Member of the Association of Certified Fraud Examiners and the Institute of Internal Auditors Malaysia (AIIA).

Past Appointments/Experiences
- More than 20 years of audit experience and currently leads the Group Internal Audit of Malakoff which is responsible to support the Board Audit Committee and the Board in discharging its duties and governance responsibilities of maintaining a sound internal control system within the organisation.
- Started his career as an auditor with Arthur Andersen/Ernst & Young in 2000.
- Subsequent thereto, he joined Petroliam Nasional Berhad (PETRONAS) in 2005 until 2011 where he assumed the role of Audit Manager in the Group Internal Audit Division of PETRONAS.
- During his tenure with PETRONAS, he was also assigned to KLCC Holdings Berhad (KLCC) to set up and lead the Group Internal Audit Division of KLCC Group and was the acting Head of the Division for almost 2 years before returning to PETRONAS.
- Prior to joining Malakoff, he was the Head of Joint Venture Audit Department of PETRONAS Carigali Sdn. Bhd. from 2012 to 2016 and was responsible to oversee all joint venture audits on PETRONAS upstream business joint ventures with other oil and gas companies/partners in Malaysia and overseas.

Note
- Mohd Hadi holds 42,400 ordinary shares in the Company.

Additional information in relation to the Management Committee Members and Chief Internal Auditor

i. None of the Management Committee Members and Chief Internal Auditor has any family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company.

ii. Other than traffic offences, none of the Management Committee Members and Chief Internal Auditor has been convicted for any offences within the past five (5) years nor has been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

Corporate Governance Overview Statement

Implementing robust corporate governance practices is essential for enhancing shareholders' value, fostering business integrity, building investors' confidence, and achieving the corporate objectives and vision of Malakoff Corporation Berhad (Malakoff or Company) and its subsidiaries, collectively known as Malakoff Group or Group.

The Board is fully committed to ensuring that the Group's Corporate Governance Framework aligns with the requirements and guidelines set forth in the Companies Act 2016 (Act), the Malaysian Code on Corporate Governance 2021 (MCCG 2021), and the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia).

With oversight over management's functions, the Board consistently strives to enhance the Group's long-term interests by upholding its four core corporate governance pillars: ethical behaviour, accountability, transparency and sustainability. This commitment reflects the Board's dedication to maintaining the highest standard of corporate governance.

The Board is pleased to present this Corporate Governance (CG) Overview Statement for the financial year ended 31 December 2024 based on the following principles of MCCG 2021:

PRINCIPLE A

Board Leadership and Effectiveness

PRINCIPLE B

Effective Audit and Risk Management

PRINCIPLE C

Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

This CG Overview Statement shall be read together with the CG Report 2024, which is available on the Company's website at www.malakoff.com.my.

CORPORATE GOVERNANCE FRAMEWORK

The Board is firmly committed to upholding the highest standards of corporate governance across the Group's systems, procedures and practices. Demonstrating effective leadership, the Board ensures adherence to elevated ethical standards in its decision-making processes.

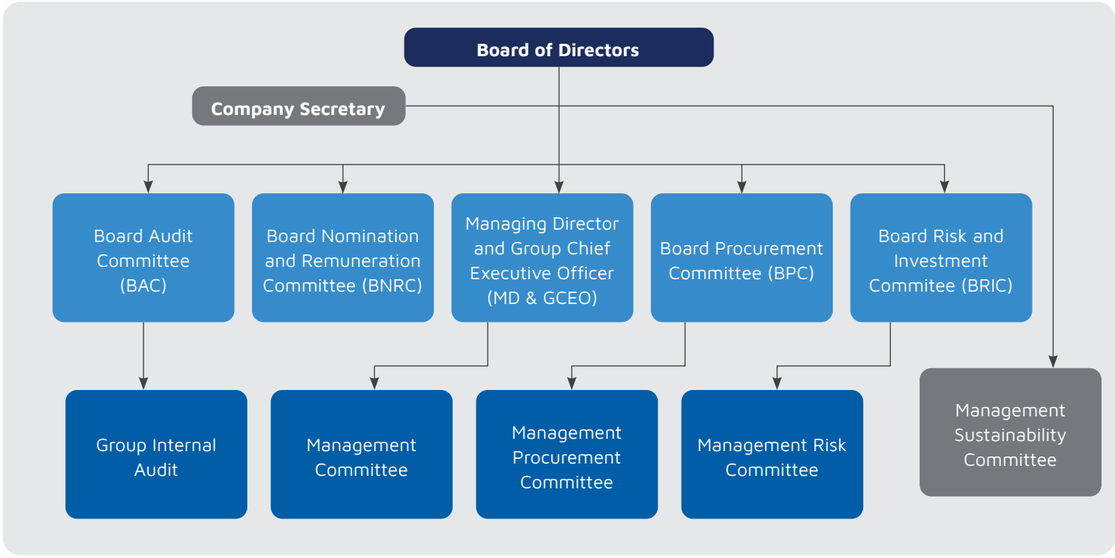
Recognising that sound corporate governance practices are pivotal for the smooth, effective, and transparent operation of Malakoff, the Board emphasises their role in garnering investor confidence, protecting shareholders' rights, and unlocking shareholder value. Transparency and accountability are championed in the boardroom and throughout the entirety of Malakoff.

Malakoff boasts a well-defined and meticulously structured corporate governance framework, aligning with the Board's overarching goal of achieving long-term and sustainable value. This framework fosters a corporate culture that places a premium on ethical behaviour, integrity and accountability.

The Board executes its responsibilities based on the governance framework, which is supported by robust mechanisms. Retaining ultimate accountability over the Company's performance and affairs, the Board ensures the Group's adherence to ethical standards. Malakoff's governance structure guarantees role clarity, delineating responsibilities and recognising the independent roles necessary for effective governance. This structure strives to promote strategic alignment across the Group and facilitate sound decision-making, showcasing the governance oversight role of the Board and the collaborative flow between various governance components.

Corporate Governance Overview Statement

The following describes Malakoff's governance structure, along with an overview of the key committees of the Board and Management Committees.



PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities and Charter

The Board assumes responsibility to promote the success of the Group by directing and supervising the affairs of the Group in a responsible and effective manner. The Board's primary role has always placed its focus on directing and overseeing the management of Malakoff's business and affairs with the goal of achieving long-term success and delivering sustainable value to its stakeholders. This includes setting the Company's strategic direction, monitoring Management's strategies execution and financial performance, setting risk tolerance levels ensuring that Management implements effective risk management practices and making major policy decisions.

The duties and responsibilities of the Board are as follows:

- review and adopt the overall strategic plans and programmes for the Company and the Group;
- oversee and evaluate the conduct of business of the Company and the Group;
- review and ensure that any transaction entered into with a related party is fair, reasonable and not to the detriment of minority shareholders;
- identify principal risks and ensure implementation of a proper risk management system to manage such risks;
- establish a succession plan;
- develop and implement shareholders communication policy for the Company;
- review the adequacy and the integrity of the management information and internal control system of the Company and the Group; and
- promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour.

All directors are collectively responsible for creating and delivering long-term sustainable value for the business. A pivotal responsibility of the Board is to balance the interests of the Group and its stakeholders including employees and the communities it serves. The Board also takes cognisant of sustainability best practices within which the Company's

Corporate Governance Overview Statement

Environmental, Social and Governance (ESG) issues will be considered in making decisions aligned with Malakoff's Sustainability Targets which focus on carbon emissions, renewable energy (RE) and waste management.

Good corporate governance is crucial to keep the Group moving through the changing regulatory and market environment, which proved to be among the material matters raised by the stakeholders and maintaining sustainability in the long term. The Board views corporate governance as an integral part of the Group's business strategy. Through prudent and effective controls, the Board continuously assesses and manages emerging risks and opportunities in ensuring long-term sustainable development and growth.

The Directors are aware of their collective and individual responsibilities to all shareholders for the manner in which the affairs of the Company are managed, controlled and operated. The Board is satisfied that it has continuously fulfilled these duties and obligations during the year under review of which each Director has devoted sufficient time to effectively discharge his/her responsibilities.

The current composition of the Board has a blend of skills, experience and knowledge enabling them to provide effective oversight, strategic guidance and constructive challenge in examining, reviewing and deciding on Management's proposals. The Managing Director & Group Chief Executive Officer (MD & GCEO) of the Company is empowered to implement strategies approved by the Board.

The Board is governed by a Board Charter that defines its roles and responsibilities, the principles for Board's operation, Board's evaluation and remuneration, code of conduct and ethics and matters reserved for the Board. The Board reviews the Board Charter as required to ensure its relevance to the Company's operating environment and compliance with the prevailing rules and regulations.

In addition to the Board Charter, the Company had adopted a Fit and Proper Policy in 2022 which enhances Board quality in the appointment and re-election of Directors of the Company. The Board Charter and Fit and Proper Policy are accessible through the Company's website at https://www.malakoff.com.my/corporate-governance.

Being a key policy of the Group, Limits of Authority (LOA) specifies the authority limits for the Board, Board Committees, Management Committee, MD & GCEO and Senior Management to facilitate compliance with good corporate governance principles. The Board retains the overall management and control of the Group's business and affairs. The Board may, if necessary, revise the LOA to reflect the changes in the Group's operating environment.

Code of Conduct and Ethics

The Board has formulated a code of conduct and ethics for the Group, and together with Management implements its policies and procedures which include among others managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct of Malakoff is published on the Company's website at https://www.malakoff.com.my/corporate-governance.

Whistleblowing Policy

The Company's Whistleblowing Policy provides employees and third parties with proper avenue and procedures to disclose cases of improper conduct such as criminal offences, fraud, corruption, non-compliance to laws and regulations, breach of Group policies and Code of Conduct or other malpractices without fear of reprisal.

A whistle-blower is assured confidentiality of identity and this includes protecting the whistle-blowers from detrimental actions within the Company, to the extent that is reasonably practicable, that may result from the disclosure of improper conduct, provided that the disclosure is made in good faith. The Whistleblowing Policy is also to ensure that fair treatment is provided to both the whistle-blower and the alleged wrongdoer upon disclosure of improper conduct.

Disclosure of improper conduct can be made verbally or in writing to the Chairman of the Board Audit Committee and the Chief Internal Auditor via letter or e-mail to whistleblowing@malakoff.com.my.

The salient terms of the Whistleblowing Policy are available on the Company's website at https://www.malakoff.com.my/corporate-governance.

Roles and Responsibilities between the Chairman and the MD & GCEO

The Company maintains clear separation of roles and responsibilities of the Chairman and MD & GCEO as clearly defined in the Board Charter. The Chairman is in charge of the Board's leadership and is instrumental in creating the necessary conditions for open communication/discussion or information sharing both inside and outside the boardroom. The Chairman promotes and supervises the highest levels of corporate governance within the Board and the Company.

The MD & GCEO is in charge of the day-to-day operations of the Company in line with the Board's approved strategies and objectives.

Board Committees

Four Board Committees established by the Board worked within its respective functions and authorities as stated in the relevant terms of reference (TOR) of the Board Committees that are available at www.malakoff.com.my. All deliberations, discussions and outcome of the committee meetings are reported by the Chairman of the respective Board Committee to the Board at the next meeting.

BAC	**Board Audit Committee**
BNRC	**Board Nomination & Remuneration Committee**
BRIC	**Board Risk & Investment Committee**
BPC	**Board Procurement Committee**

This enables the Board members to spend time efficiently in deliberating specific issues after the Board Committees' review. In delegating its authority to Board Committees, the Board does not abdicate its responsibility and has exercised collective oversight at all times. The Board further ensures that its delegation does not hinder its ability to discharge its functions.

Board Audit Committee (BAC)

The BAC assists the Board in carrying out its statutory and fiduciary responsibilities with regards to the monitoring and management of financial risk processes, accounting practices, internal control system, and the Group's management and financial reporting practices. To accomplish this, the BAC oversees the reports of external and internal auditors, protects the integrity of financial reporting and ensures a sound system of internal controls to protect and enhance the Company's value.

The BAC role has been expanded to cover the review of conflict of interest (COI) situations (including those that arose or persist, in addition to those that may arise) involving Directors and key senior management, and the measures taken to resolve, eliminate, or mitigate the COI.

Details of BAC activities are reported in the BAC Report on pages 250 to 256.

Board Nomination & Remuneration Committee (BNRC)

The BNRC is responsible for the following activities within its defined TOR:

a) Overseeing the nomination and selection of Board members and Senior Management;
b) Assessing and monitoring the Board's composition and effectiveness;
c) Undertaking development needs and succession planning initiatives; and
d) Recommending and reviewing policies and the remuneration structure for the Board and the Group as a whole.

The BNRC reviews the composition of the Board periodically especially on the application of best practices under MCCG 2021. The tenure of each director is reviewed by BNRC and annual re-election of director(s) is contingent upon satisfactory evaluation of the directors' performance and contribution to the Board. As for the remuneration structure and review of the Board and Senior Management, a description is provided in the "Remuneration Section" of this CG Overview Statement.

Board Risk & Investment Committee (BRIC)

The BRIC assists the Board in ensuring the implementation of effective risk management processes to manage the overall risk exposure for the Group. It is also responsible to oversee the implementation of effective anti-bribery & corruption management system in line with the requirements of Section 17A of MACC Act 2009. Apart from these roles, BRIC is also responsible to review and recommend to the Board any major investments, which may include the acquisition and divestment of businesses, companies, land and buildings, bidding for binding tenders and contracts for new power generation, water desalination and waste management services projects, and assessing the key associated risks. This includes funding options and costs as well as the investment returns to the Company/Group.

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Board Procurement Committee (BPC)

The BPC functions within its delegated authority and TOR, assists the Board in reviewing the Group's procurement proposals and tenders to ensure that due attention is given in screening through the procurement proposals and the processes/procedures before the award of contract is recommended or approved for the Management's action.

Company Secretaries

The Board is supported by the Company Secretaries qualified under the Act, whose advice and service are available to the Board at any time and without restriction. The Company Secretaries assist the Board in its leadership role, fiduciary duties and governance stewardship. They advise the Board on corporate governance related matters, the Board's policies and procedures and ensure the Board complies with the relevant rules and regulatory requirements as well as updates issued by the relevant regulatory authorities from time to time.

Board Meetings

The Board practices a culture of open debate and raises challenging questions at meetings. Directors are impartial in their views, with the Company's and stakeholders' best interests at the forefront of every major decision. The robust and vigorous deliberations at Board and Board Committee meetings provide opportunities to all Directors to participate and contribute to the decision-making process as well as to ensure that the process of constructive and healthy dialogue is achieved.

Directors are well aware of their obligations to immediately declare their interests in any transaction to be entered directly or indirectly with the Company. They disclose the extent and nature of their interests in the transaction(s) at a Board meeting or as soon as the Directors become aware of the conflict of interest. The interested Directors will abstain from participating in the deliberation and Board decision on the matter.

Meeting Attendance

The Board is satisfied that each director has devoted sufficient time to effectively discharge his/her responsibilities given their commitment to make themselves available at all Board and Board Committee meetings, barring any unavoidable circumstance or where directors are the interested parties to abstain from attending the meetings.

During the financial year under review, the Board met nine times, five of which are scheduled meetings and balance four are on ad hoc basis to consider urgent matters or proposals. Details of the Board members' attendance are summarised below:

Directors	Designation	Total Meetings Attended
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali ***(resigned on 1 January 2025)***	Independent Non-Executive Chairman	**9/9**
Tan Sri Che Khalib Mohamad Noh	Executive Vice Chairman	**7/9**
Anwar Syahrin Abdul Ajib	Managing Director & Group Chief Executive Officer	**9/9**
Datuk Ooi Teik Huat ***(resigned on 2 December 2024)***	Non-Independent Non-Executive Director	**8/9**
Datuk Rozimi Remeli	Independent Non-Executive Director	**9/9**
Dato' Mohd Naim Daruwish	Non-Independent Non-Executive Director	**9/9**
Dr. Norida Abdul Rahman	Independent Non-Executive Director	**9/9**
Datuk Prakash Chandran Madhu Sudanan	Independent Non-Executive Director	**9/9**
Datuk Wira Roslan Ab Rahman	Independent Non-Executive Director	**9/9**
Puan Lim Tau Kien ***(appointed on 1 June 2024)***	Independent Non-Executive Director	**5/5**
Dato' Mohamad Razif Haji Abd Mubin ***(appointed on 11 March 2025)***	Independent Non-Executive Director	**-**

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All Directors fulfilled the minimum attendance requirement of at least 50% of the Board meetings pursuant to Paragraph 15.05(3)(c) of the MMLR of Bursa Malaysia.

The Board is committed to meet at least four times a year after the end of each financial quarter where the unaudited quarterly results would be reviewed and approved before being released to Bursa Malaysia. Meeting dates for the whole year are scheduled in advance and the calendar for the Board and Board Committees' meetings is circulated to the Directors before the commencement of each financial year to enable the Directors to plan their schedule in advance.

Supply and Access to Information

Board papers are circulated to all Directors via a collaborative meeting software which allows the Board to securely access, read and review the Board/Committees documents. In addition, the usage of software eases the process of distribution of Board papers physically and minimises leakage of sensitive information. Every effort is made to ensure timely circulation of notices, agenda and meeting materials to the Board to enable the Directors to have sufficient time to prepare themselves for Board meetings and to facilitate effective Board discussion.

The Directors have direct access to the Management as well as Company Secretaries for their advice, and unrestricted access to any information relating to the Group to enable them to discharge their duties. The Directors, whether collectively as a Board or in their individual capacity, may seek independent professional advice at Malakoff's expense in the discharge of their duties.

The Management ensures that the presentations of proposals or updates to the Board are delivered in a manner with clear and adequate understanding of the subject matter. If there is any urgent matter or additional document not delivered within the reasonable timeframe, Management will explain the subject matter at the meeting.

All deliberations and decisions of the Board, including any dissenting views and Directors' interests in any transaction with the Group who have abstained from deliberating and voting on a particular matter, are clearly recorded in the minutes of meeting. The minutes of meetings are circulated to the Board for review before the same are confirmed at the next Board meeting.

The Board's 2024 Key Focus Areas and Priorities

The key areas of focus for the Board which appear as items on the agenda of the Board meetings during the year under review are tabulated below:

Strategy

- Attended the annual strategy engagement session with Management for the Group's 5-year business plan from 2025 to 2029; and
- Quarterly update on business development initiatives approved under the business plan, its progress and challenges.

Financial Oversight & Reporting

- Annual budget and capital/operation expenditure plan of the Group for financial year 2025;
- The Group's quarterly interim financial results; and
- The Group's tenders and procurements in accordance with LOA and internal policies and procedures of the Group.

Risk, Compliance and Oversight

- Action plans to mitigate significant strategic and operational risks faced by the Group on quarterly basis;
- Quarterly reports of the Group's safety performance for the Group's local operating assets;
- Internal audit reports from the BAC;
- Quarterly reports of the related party transactions and recurrent related party transactions (RRPTs) to ensure that the transactions entered by Malakoff Group with related parties are fair, reasonable and not detrimental to the minority shareholders' interests;
- Renewal of shareholders' mandate for RRPTs of a revenue or trading nature;
- The adequacy and the integrity of the Management information and internal control systems of the Company and the Group; and
- The Group's compliance with the relevant laws and regulation as well as Malakoff's internal policies and procedures including the Companies' Constitution.

Corporate Governance Overview Statement

Board Performance and Composition

- Annual Board assessment to evaluate the performance of the Board, Board Committees and the individual directors;
- Monitored the attendance of Directors for trainings, seminars and workshops to keep themselves abreast with recent development of laws, regulations and the industry; and
- Reviewed the composition of the Board and Board Committees and key subsidiaries.

Leadership Evaluation & Selection

- Setting of Corporate Key Performance Indicators (KPIs) upon the approval of the business plan for 2025;
- Achievement of the Corporate KPIs for the performance in 2023; and
- Determination of bonus and salary increment for the MD & GCEO and Senior Management team.

Succession Planning

- Succession planning for the MD & GCEO, Senior Management team and other key positions of the Company and key subsidiaries;
- Reviewed and evaluated the calibre and suitability of candidate(s) to be nominated to the Board of the Company, key subsidiaries and associate companies; and
- Reviewed Talent Management and Development initiatives.

Sustainability and Environmental, Social & Governance

- Reviewed ESG-related matters;
- Reviewed and monitored the Group's corporate social responsibilities (CSR) and related activities to promote CSR; and
- Reviewed and considered the social and environmental impact of the Group's activities and operations and monitor the compliance with the Group's sustainability responsibilities and the relevant regulatory requirements.

Sustainability

The Board together with Management are responsible for the governance of sustainability in the Company including setting the Company's sustainability strategies, priorities and targets. The Board has considered sustainability matters when exercising its duties including, among others, the development and implementation of the Group's strategies, business plans, major action plan and risk management.

Strategic management of material sustainability matters are being driven and managed on a day-to-day basis by the Senior Management.

The Board has formulated a plan in communicating the Group's sustainability strategies, priorities and targets as well as performance against these targets to its internal and external stakeholders. This plan includes annual disclosures of material sustainability matters which is included in pages 54 to 65 of this Integrated Annual Report.

The Group has also established the Management Sustainability Committee (MSC) to oversee, review and implement matters in relation to the Company's ESG strategy and initiatives, as well as embedding sustainability practices into the Company and its subsidiaries. Established in 2022, the MSC is chaired by the MD & GCEO, and reports directly to the Board. It supports the Board in fulfilling its statutory and fiduciary responsibilities in relation to sustainability matters based on regulatory requirements. The sustainability-related function is helmed by the Sustainability, Research and Investor Relations Department (SRIR). SRIR is at the forefront of executing sustainability strategies and projects. Serving as the core driver for sustainability efforts, the department oversees day-to-day operations and is committed to integrating sustainability principles into tangible initiatives. The department also ensures that the Company's actions are in line with ESG objectives, contributing to long-term sustainable success. In terms of operational updates and performance, SRIR provides regular information to the Management.

The roles of the Board, MSC and SRIR are illustrated below:

Roles	Responsibilities
Board of Directors	• Holds collective responsibility for overseeing the governance of sustainability within the Company. This includes establishing the Company's sustainability strategies, priorities and targets
Board of Directors	• Sustainability considerations are integrated into the Board's decision-making processes, informing its duties such as the formulation and execution of the Group's strategies, business plans, major action plans and risk management initiatives
MSC	• Oversees, evaluates and resolves matters pertaining to the Group's sustainability strategy and initiatives, embracing ESG aspects while integrating sustainability practices throughout the Company and its subsidiaries • Supports the Board in fulfilling its statutory and fiduciary duties concerning sustainability matters, in accordance with the MMLR • Key sustainability areas under purview are: - Climate change mitigation and adaptation - Energy transition initiatives - Sustainability-oriented research and innovation - Resource use and efficiency, including energy and water - Fair employment and labour rights - Safety, health, employment practices and community relations - Other areas deemed material from time to time
SRIR	• Develops and executes sustainability strategies, policies and roadmaps in line with the Group's Sustainability Framework • Drives decarbonisation initiatives outlined in the ESG Roadmap, working with all departments within the Group to achieve Net Zero Emissions by 2050 and monitor progress using performance indicators
SRIR	• Ensures compliance with ESG regulations, laws and international standards including climate, environmental, human rights, safety and supply chain matters • Engages in Sustainability Advocacy with shareholders and stakeholders on ESG issues • Manages sustainability reporting and prepare for disclosure requirements as per the International Financial Reporting Standards (IFRS) S1 and IFRS S2 for future reporting • Focuses on Group-wide carbon accounting • Oversees processes for identifying and managing ESG risks and opportunities aligned with the Group's commitment to sustainability and UN SDGs

The functions of the roles above reflect Malakoff's sustainability governance structure.

In addition to the above, as the Board recognises the importance of sustainability, it has taken action to improve the Company's Sustainability Framework. At this point of time, the Board is initiating the following improvement plan for the following CG practices:

Practice No.	MCCG Practice Description
4.3	The Board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Malakoff Group's Actions

To ensure the Board is equipped and ready to execute its role, the Board will identify the professional development needs concerning sustainability and ensure these are addressed.

The Board is evaluating its composition and its skills matrix to strengthen board leadership and oversight of sustainability issues.

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Practice No.	MCCG Practice Description
4.4	Performance evaluations of the Board and senior management include a review of the performance of the Board and senior management in addressing the company's material sustainability risks and opportunities.

Malakoff Group's Actions

Malakoff's Corporate KPIs include key ESG metrics since 2022. We have further enhanced our ESG metrics to include emissions intensity reduction, carbon avoidance, recycling rate, Lost Time Injury Frequency Rate (LTIFR), statutory & regulatory compliance and anti-bribery awareness. The Group has established a Sustainability Framework and frequently communicates on the progress of its ESG roadmap through sustainability advocacy. The Company also constantly monitors sustainability risks and opportunities, reporting to the Board on a quarterly basis.

The Group's business and sustainability goals are aligned through our Sustainability Framework, for sharper focus to create value for critical areas involving our stakeholders and business. The sustainability goals will drive Malakoff's sustainability performance throughout our business and strengthen the Group's commitment to creating long-term value for our stakeholders.

We incorporate environmental considerations in the Group's business strategy to maintain the Group's long-term competitive performance while safeguarding the environment and related communities. Integrating these considerations implies the Group's operation in an ethical and responsible manner that provides reasonable assurance of its long-term financial viability.

As a sustainably conscious organisation, Malakoff takes a three-pronged holistic approach towards sustainability. Our approach of embedding the triple bottom line into business operations, objectives and goals ensures that the Group will remain relevant in the longer term.

The heightened materiality of sustainability to the business requires the Board to factor in sustainability components, risks and opportunities into its strategies at all times. The Board together with Management take responsibility in the establishment of the Company's sustainability agenda and road map. Robust processes, controls and governance are in place to ensure transparent disclosures. There is greater Board oversight of ESG issues and greater accountability on matters pertaining to ESG.

The strategy and long-term vision are underpinned by the Company's commitment to contribute to the greater good of our people and planet through responsible business practices and 13 out of 17 Sustainable Development Goals (SDGs) of the 2030 Agenda. As a leading player in the power and environmental services sector, the Group will continue to support the government's initiatives in achieving the Nationally Determined Contributions (NDCs) submitted to the United Nations Framework Convention on Climate Change (UNFCCC) and towards being a carbon neutral nation by 2050.

The Sustainability Framework defines primarily, the implementation of our sustainability strategy across the Group's business and our commitment to environmental responsibility with carefully considered goals, programmes and business partners. Integrating ESG impacts involve amongst others, mitigating climate change risks, managing our facilities and conducting our business activities to minimise environmental impact.

The Board acknowledges that the Company's financial outcomes are linked to our ability to manage ESG risks and opportunities as much as we recognise that an inclusive society build on human dignity and the responsible use of human capital is essential for all of us to thrive.

The well-being of customers, employees and other stakeholders as well as the environment is crucial to sustaining the Company's long-term performance and continued relevance. The Board considers the integration of ESG factors as a component of the Board's fiduciary responsibility, and accountable therefore to the oversight and management of sustainability.

The Sustainability Report for 2024 (refer to pages 123 to 205 of this Integrated Annual Report) sets out Malakoff's commitment to improving the Group's sustainability practices so that we are more competitive, resilient and adaptable to change. The report details the scope of our sustainability reporting and Sustainability Framework for the year under review.

Corporate Governance Overview Statement

II. Board Composition

Independent Non-Executive Directors (IND)

There are nine directors on the Board comprising eight non-executive directors (NED) and one executive directors who is the MD & GCEO of the Company. Six out of the eight NEDs are INED and the remaining two are non-independent non-executive directors (NINED). Two new INED joined the Company on 1 June 2024 and 11 March 2025 respectively while one NINED and the Independent Non-Executive Chairman resigned on 2 December 2024 and 1 January 2025 respectively. In this respect, the Company fulfilled Practice 5.2 of MCCG 2021 for Large Companies to have a majority of independent directors (ID). With the current Board composition of more than 50% IDs on the Board, it has also met the requirement of MMLR of Bursa Malaysia.

The Board composition includes directors with various backgrounds, credentials, experience, knowledge and skills. This enables the Board to provide insights, perspectives and independent judgement to lead and steer the Group's business.

Whilst it is important to promote diversity, the normal selection criteria of a director based on an effective blend of competencies, skills, experience and knowledge in areas identified by the Board remain a priority. The Board is committed to ensure that its composition not only reflects diversity, but will also have the right mix of skills and balance to contribute to the achievement of the Company's goals and objectives. The Board believes that the Board size is optimal in terms of number, diversity and length of service/experience. This Board composition is able to support objective and independent deliberation, review and decision-making to allow for a more effective oversight of Management.

The Board acknowledges that NEDs may hold external directorships and other business interests. The Board reviews the declarations made by Directors on the number and nature of their external directorships. The Board has in place a set of procedures for Directors' compliance/declaration of their potential external Board appointment to ensure that there is no potential conflict in the pending appointment. The Board has also adopted a Conflict of Interest Policy to manage any conflict of interest issue.

The Board recognises the important contributions of INEDs for good corporate governance. Board decisions are made, taking into account the views of the INEDs as they carry substantial weight in ensuring that strategies proposed by Management are deliberated and examined for the best interests of the shareholders and stakeholders.

The Board, save for the INEDs, has determined that the IDs have fulfilled the criteria under the definition of an ID as stated in the MMLR of Bursa Malaysia and are able to maintain their independent and objective judgements, and contribute positively to the business strategies, operations and corporate governance of the Company and the Group.

Tenure of Independent Directors (ID)

Under the Company's Policy on INED Tenure, the tenure of IDs is limited to nine years with a provision for re-appointment subject to annual shareholders' approval up to twelve years of service. Based on the assessment carried out for FY2024, the Board was satisfied that the length of service of IDs does not impair independent and objective judgement to be exercised by the IDs and for them to discharge their fiduciary duties in the best interests of the Company and the Group.

The cumulative term of service of each IDs for FY2024 is summarised below:

Name of Independent Directors	Year(s) of Service (Approximate)
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali *(resigned on 1 January 2025)*	3
Datuk Rozimi Remeli	7
Dr. Norida Abdul Rahman	2.4
Datuk Prakash Chandran Madhu Sudanan	1.8
Datuk Wira Roslan Ab Rahman	1.6
Puan Lim Tau Kien*	0.5
Dato' Mohamad Razif Haji Abd Mubin*	-

* *One INED was appointed during the year under review. This was followed by the appointment of Dato' Mohamad Razif Haji Abd Mubin on 11 March 2025.*

Boardroom Diversity

Malakoff recognises the importance of diverse background, experience, age, gender and race of its Directors that would reinforce the Company in maintaining a compelling competitive advantage. These divergences allow for

Corporate Governance Overview Statement

difference in opinion and perspectives and offer all options to be deliberated before decisions are made. These distinctions are considered when deciding on the Board composition. The Company's Board Diversity Policy outlines the approach to diversity on the Board including gender, age and ethnic diversity.

The criteria, process and requirements to be observed by the BNRC and the Board in carrying out their responsibilities on nomination, assessment and re-election of Director(s) are outlined in the TOR of BNRC. The BNRC continues with its efforts to identify and assess suitable woman candidate to be appointed on the Board. Currently, there are two woman directors on the Board and as such the Company complied with the MMLR of Bursa Malaysia requiring at least one woman director to be appointed for the Company.

A summary of Board composition by category, age, gender and race/ethnicity is provided below:

Skill & Experience

Accounting	Business Administration/Economics	Legal	Energy/Technical
3	2	1	3

Age

50-59 years: 3
33%
60 years & above: 6
67%

Gender

Male: 7
78%
Female: 2
22%

Race/Ethnicity

Malay: 7 **78%**
Indian: 1 **11%**
Chinese: 1 **11%**
Others: 0 **0%**

The age, gender and race/ethnicity statistic of Senior Management is also provided below:

Age

30-39 years: 1 **6%**
40-49 years: 7 **44%**
50-59 years: 8* **50%**
**(including the MD & GCEO)*

Gender

Male: 14* **87.5%**
Female: 2 **12.5%**
**(including the MD & GCEO)*

Race/Ethnicity

Malay: 12* **75%**
Indian: 1 **6%**
Chinese: 3 **19%**
**(including the MD & GCEO)*

The Board discloses in its Board Charter on gender diversity for the Board and gender diversity for Senior Management in this Integrated Annual Report.

The Board Diversity Policy of Malakoff is also made available at https://www.malakoff.com.my/corporate-governance.

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Appointment of Directors

Appointment of directors and senior management is based on objective criteria, merit and with due regard for diversity in skills, experience, age, ethnicity and gender. Directors appointed should be able to devote the required time to serve the Board effectively. The Board should consider the existing Board positions held by a director, including on board of non-listed companies.

In identifying candidates for appointment of directors, the Board does not rely solely on recommendations from existing directors, management or major shareholders. The Board will utilise independent sources to identify suitably qualified candidates as and when required. If the selection of candidates is based on recommendations made by existing directors, management or major shareholders, the BNRC would assess and provide justification on the basis of the recommendation.

The Board ensures shareholders have the information they require to make an informed decision on the re-election and re-appointment of director(s). This includes details of any interest, position or relationship that might influence or reasonably be perceived to influence, in a material respect of their capacity to bring an independent judgement to bear on issues before the Board, and to act in the best interests of the Company as a whole.

Re-election and Re-appointment of Directors

In accordance with Article 105 of the Company's Constitution, one-third of the Directors for the time being shall retire by rotation at an annual general meeting (AGM) of the Company provided always that all Directors shall retire from office at least once in every three years and be eligible for re-election at the AGM. A Director retiring at the AGM shall retain office until the close of the meeting whether adjourned or not.

In accordance with Article 111 of the Company's Constitution, Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office until the conclusion of the next AGM and be eligible for re-election.

The Board at its meeting held on 21 March 2025 endorsed the recommendation of the BNRC for the following Directors to be considered for re-election pursuant to the relevant Articles of the Constitution at the Company's forthcoming 19th AGM. All Directors named below have offered themselves for re-election at the said AGM:

Article 105	Dr. Norida Abdul Rahman
	Datuk Prakash Chandran Madhu Sudanan
Article 111	Puan Lim Tau Kien
	Dato' Mohamad Razif Haji Abd Mubin

In assessing Directors' eligibility for re-election and re-appointment, the BNRC considers their competencies, commitment, contribution and performance based on the Board's annual evaluation, fit and proper assessment on the directors within the scope of the Company's Fit and Proper Policy, and their ability to act in the best interest of Malakoff. The Directors' rotation list was presented to the BNRC for endorsement prior to its recommendation to the Board for approval.

Fit and Proper Policy (F&P Policy)

Pursuant to the F&P Policy adopted by Malakoff on 30 June 2022 that sets out the fit and proper criteria and due diligence process for appointment and re-election of directors, the directors standing for re-election at the forthcoming 19th AGM had completed the Fit & Proper Declaration Form for review by the BNRC and Board. It serves as a guide for the BNRC and Board in evaluating the director for re-election to the Board.

Other than new appointment and re-election of directors, the fit and proper assessment on a director may also be conducted at any time the Company becomes aware of information that may materially compromise a director's fitness and propriety.

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Annual Evaluation

The Board conducts an evaluation on the effectiveness of the Board, Board Committees and each individual director annually. For the financial year under review, the Board and Directors' evaluation was conducted by the Corporate Secretarial team.

The Board evaluation focuses on the following six key parameters:

- **Board Structure**
- **Board Accountability**
- **Information & Engagement**
- **Board Procedures**
- **CEO/Top Management**
- **Board Committees**

A set of questionnaires was circulated for the Board and Board Committees evaluation. The results of evaluations were summarised and presented to the Board on 21 March 2025. As a whole, the evaluation results for the financial year under review demonstrated that the Board met the performance criteria required for an effective and committed Board.

Based on the results of the annual evaluation of the Board, Board Committees and individual Directors for the year under review, the Board is able to gauge and put in place appropriate actions to address areas for improvement. The evaluation confirmed the strength of the Board and the high performing boardroom culture. Priority areas and key findings have since been incorporated in the action plans that would further improve the Board performance in the new financial year.

Directors' Training

The Board recognises the importance of continuous training for Directors and encourages all Directors to attend appropriate programmes, courses and seminars to stay abreast on the relevant business development and industry outlook. This is to ensure Directors are equipped with the necessary skills and knowledge to perform their duties and responsibilities. In addition, the Company organises an induction programme and orientation for new Directors on board.

Saved for Dato' Mohamad Razif Haji Abd Mubin who was appointed on 11 March 2025, all Directors have completed the Mandatory Accreditation Programme (MAP) as prescribed by Bursa Malaysia Securities, comprising Part I (Director's Roles, Duties and Responsibilities) and Part II (Sustainability and Related Roles of a Director).

During the financial year under review, all Directors attended at least one training/seminar/workshop and the summary of which is provided in the table below:

Name	Trainings
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali	1. Talk Series, Malaysia: Outlook for 2024 and beyond - Issues and Challenges 2. Board Retreat: Breakfast Talk by LUX Research on Decoding AI's Impact / The Future of AI 3. Global Science and Energy Roundtable 2024 - "The Future of Energy Security and Technology Transition for the Next Century of Growth: Advancing Nuclear Energy & Green Technology for Malaysia and the World" 4. 2024 Financial Education District Series - Sonny Bill Williams on his Rugby, Life & Leadership Journey 5. ICDM Powertalk - Future-Proofing Malaysian Businesses: Navigating Cyber-Threats in the Age of AI & Thriving in a High-Risk Landscape 6. International Day Forest: Forests & Innovation - New Solutions for a Better World. Focusing on "Forest Issues of the Tropics 7. Talk on "Pekerja Hebat!" 8. Panel Discussion - "Developing High Tech Malaysian Healthcare with a High Touch People Centric Approach

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Name	Trainings
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali (Continued)	9. Environmental, Social & Governance (ESG) Conversation on "Friends of Sustainable Malaysia" 10. Directors Training on Recent and Key Tax Developments for Direct and Indirect Taxes 11. Power Talk: Circular Economy - "Scheduled Waste Management for Environment Sustainability" 12. National Dialogue session on Planetary Health: Interconnectedness Between Humans, The Planet & Prosperity 13. Engagement Session with the Institutional Investors Council Malaysia (IIC): Environmental, Social & Governance (ESG) & Sustainability journey, Business Human Rights and Diversity efforts and matters affecting governance 14. Global Policy Dialogue Malaysia on Climate Change, Food Security & Poverty Alleviation 15. Integrity Ethics and Ikrar Bebas Rasuah Program with Suruhanjaya Pencegahan Rasuah Malaysia 16. Integrity Forum - Unplugged Ethics: Voice of Integrity Person (VIP) - "Living a Life of Integrity" 17. Science & Technology in Society (STS) Forum 18. Innovation for Cool Earth Forum (ICEF) 19. KSI (Knowledge Strategic Innovation) Strategic Institute for Asia Pacific: Asia New Economy Summit 20. International Conference on Tropical Sciences 21. Ansaldo Energia Day 22. Directors Development Programme - Leadership Development Talk
Tan Sri Che Khalib Mohamad Noh	1. Mandatory Accreditation Programme Part II 2. Directors Training on Recent & Key Tax Developments for Direct and Indirect Taxes 3. Speaker for "Clean Power & New Energy 2024" 4. Power Talk – Circular Economy – Scheduled Waste Management for Environment Sustainability 5. APEC CEO Summit Peru 2024 – "A Gateway to the Land of Opportunity"
Anwar Syahrin Abdul Ajib	1. Integrity Ethics and Ikrar Bebas Rasuah Programme 2. The Securities Commission Malaysia's Audit Oversight Board conversation with Audit Committees
Datuk Rozimi Remeli	1. Directors Training on Recent & Key Tax Developments for Direct and Indirect Taxes 2. Mandatory Accreditation Programme Part II 3. Integrity Ethics and Ikrar Bebas Rasuah Programme
Dato' Mohd Naim Daruwish	1. Fiduciary Duties of Corporate Directors 2. Directors Training on Recent & Key Tax Developments for Direct and Indirect Taxes 3. Integrity Ethics and Ikrar Bebas Rasuah Programme
Dr. Norida Abdul Rahman	1. Ecosperity Week 2024 – Financing Asia's Transition FAST 2. Women in Tech Global Conference 2024 3. ICDM PowerTalk Series – Being sued as an INED 4. Sustainable and Responsible Investment Conference (SRI) 2024 – Investing in Human Wellbeing and the Planet 5. Building Sustainable Credibility: Assurance, Greenwashing and the Rise of Green-Hushing 6. Integrity Ethics and Ikrar Bebas Rasuah Programme 7. Boardroom insights 2025 - Navigating Governance, Risk and Strategic Foresight

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Name	Trainings
Datuk Prakash Chandran Madhu Sudanan	1. Mandatory Accreditation Programme Part II 2. Building Sustainable Credibility: Assurance, Greenwashing and the Rise of Green-Hushing 3. Integrity Ethics and Ikrar Bebas Rasuah Programme 4. The Securities Commission Malaysia's Audit Oversight Board conversation with Audit Committees
Datuk Wira Roslan Ab Rahman	1. Mandatory Accreditation Programme Part II 2. Integrity Ethics and Ikrar Bebas Rasuah Programme 3. Board Ethics: Growing Concerns from New Technology, Stakeholder Interests & Conflict of Interest
Puan Lim Tau Kien	1. Democratizing Screening in the Digital Age to Mitigate Fraud and Scams 2. Climate Governance Malaysia – Conference of the Parties 28th meeting debrief 3. Sustainable Sustainability – Why ESG is not enough 4. Future-Proofing Malaysian Businesses: Navigating Cyber-Threats in the Age 5. How organizations do great things: Aligning strategy and implementation 6. Unlocking Capital for sustainability: A new nexus for energy and nature in the Philippines 7. Natural Climate Governance Summit 2024 8. Unlocking the scope 3 opportunity – insights from Asia Pacific businesses 9. Building Sustainable Credibility: Assurance, Greenwashing and the Rise of Green-Hushing 10. Integrity Ethics and Ikrar Bebas Rasuah Programme 11. Board Ethics – Growing Concerns from new Technology, Stakeholder Interests & Conflict of Interest 12. ASPAC Board Leadership Centre – Geopolitical risks and the strategic imperatives for Boards and C-Suite 13. The Consolidation of ESG Standards: Streaming Sustainability Reporting and Planning 14. Mandatory Accreditation Programme Part II 15. CGM Masterclass Series 2024 – Guide for Corporate Boards in Southeast Asia on Climate Action 16. COP29 Parallel Programme 17. The Securities Commission Malaysia's Audit Oversight Board conversation with Audit Committees 18. Strategic Data and Frameworks in Board Governance 19. AI & Tech Trends to watch in 2025

III. Board Remuneration

The Board remuneration has been designed to align with industry practices, taking into account the appropriate calibre of each Director whilst upholding the shareholders' interests. This is to ensure the remuneration package is able to attract, retain and motivate capable directors.

The Board remuneration will be reviewed by the BNRC before proposing to the Board for consideration. The BNRC is made up of the following NEDs:

Name of Directors	Designation
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali *(Chairman)* *(resigned as Chairman of BNRC on 18 April 2024)*	**Independent Non-Executive Chairman**
Dr. Norida Abdul Rahman *(redesignated as Chairman of BNRC on 19 April 2024)*	**Independent Non-Executive Director**
Datuk Wira Roslan Ab Rahman	**Independent Non-Executive Director**
Datuk Prakash Chandran Madhu Sudanan *(Appointed on 19 April 2024)*	**Independent Non-Executive Director**
Puan Lim Tau Kien *(Appointed on 1 July 2024)*	**Independent Non-Executive Director**

Corporate Governance Overview Statement

Remuneration Policy

The Board has remuneration policies and procedures to determine the remuneration of directors and senior management, considering the demands, complexities and performance of the Company as well as skills and experience required. The policies ensure remuneration level is sufficient to attract, retain and motivate high calibre individuals with the required credentials, skills, talent and experience in the Board and Board Committees.

The remuneration policies and practices reflect the different roles and responsibilities of NEDs, executive directors and Senior Management. These policies and procedures are periodically reviewed by the BNRC.

The remuneration recommendation to the Board for the Company's Directors and Senior Management shall be based on the following considerations:

(i) levels of remuneration structure are sufficient to attract and retain the individuals needed to run the Company successfully at the Board as well as senior management level;
(ii) links rewards to both the Company and individual performances, responsibilities, expertise and complexity of the Company's activities;
(iii) aligns the interests of directors, senior management and our stakeholders with the business strategy and long-term objectives of our Company;
(iv) information obtained from independent remuneration sources within similar industry.

Directors' Remuneration

(a) Remuneration of the Executive Director(s) and Chief Executive Officer (CEO)

The remuneration package for the executive directors and CEO is structured to link rewards with corporate and individual performance. The BNRC is responsible to review and recommend Remuneration Policy and Framework as well as the remuneration package for the Executive Vice Chairman (EVC) and MD & GCEO to the Board. The Board has overall responsibility to approve the remuneration for these positions.

(b) Remuneration of the NEDs

The remuneration package for NEDs reflects the individual's merits, valuable contribution and level of responsibilities. The fees payable to NEDs are reviewed and determined by the Board with the recommendation of the BNRC. Individual director(s) who have shareholding in the Company will abstain from voting on his/her own fees at the general meetings.

(c) Remuneration of the Group's Senior Management (excluding CEO)

The Company's remuneration policy takes into account the various levels of Senior Management based on job grade structure, roles and responsibilities and levels of accountability. This ensures that remuneration packages are just and fair. All bonuses are determined by the Board on the recommendation of the BNRC after reviewing the individual performance appraisals and achievements.

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The details of the aggregate remuneration received by the EVC, MD & GCEO and NEDs for the financial year ended 31 December 2024 are set out in the table below:

Executive Director (ED)									
Name of Directors	Salary, Bonus and Defined Contribution* (RM)	Board Committee/ Subsidiary Monthly Allowances (RM)		Meeting Allowances of Board and Board Committees (RM)		Other Allowances/ Emoluments* (RM)	Monetary Value of Benefits-in-Kind (BIK)* (RM)	Total (RM)	
		Company	Subsidiaries	Company	Subsidiaries			Company	Subsidiaries
Tan Sri Che Khalib Mohamad Noh (from 1 January 2024 to 31 December 2024)	666,000.00	-	60,000.00**	-	3,000.00**	39,001.00	-	705,001.00	63,000.00
Anwar Syahrin Abdul Ajib	1,726,112.00	-	-	-	15,000.00 ***	184,682.00	28,602.00	1,939,396.00	15,000.00
Sub-total for EDs	**2,392,112.00**	**-**	**60,000.00**	**-**	**18,000.00**	**223,683.00**	**28,602.00**	**2,644,397.00**	**78,000.00**

* *The said amounts are paid to the EVC and MD & GCEO as per their employment remuneration package.*
** *Director's monthly allowances and meeting allowances for Board meetings payable by the subsidiary of Malakoff, Alam Flora Sdn. Bhd. (AFSB), are shared on an equal basis between MMC Corporation Berhad (MMC) and the EVC who is nominated by MMC.*
*** *Meeting allowances for Board meetings payable by the subsidiaries of Malakoff, Malaysian Shoaiba Consortium Sdn. Bhd. (MSCSB) and AFSB are shared on an equal basis between Malakoff and the MD & GCEO.*

NED									
Name of Directors	Directors' fees (RM)	Board Committee/ Subsidiary Monthly Allowances (RM)		Meeting Allowances (RM)		Other Allowances[a] (RM)	Monetary Value of BIK (RM)	Total (RM)	
		Company	Subsidiaries	Company	Subsidiaries			Company	Subsidiaries
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali	360,000.00	10,800.00	-	29,500.00	12,000.00[b]	25,000.00	31,866.64[f]	457,166.64	12,000.00
Datuk Rozimi Remeli	108,000.00	84,000.00	-	64,000.00	-	49,497.00[d]	-	305,497.00	-
Dato' Mohd Naim Daruwish	108,000.00	24,000.00	-	51,500.00	-	52,186.22[e]	-	235,686.22	-
Dr. Norida Abdul Rahman	108,000.00	32,400.00	60,000.00[c]	45,500.00	4,500.00[c]	29,967.00[d]	-	215,867.00	64,500.00
Datuk Prakash Chandan Madhu Sudanan	108,000.00	70,800.00	-	64,000.00	-	25,000.00	-	267,800.00	-
Datuk Wira Roslan Ab Rahman	108,000.00	78,000.00	-	66,000.00	-	-	-	252,000.00	-
Puan Lim Tau Kien	63,000.00	27,000.00	-	26,000.00	-	20,000.00	-	136,000.00	-
Resigned during FY2024									
Datuk Ooi Teik Huat	99,580.65	27,661.29	-	49,500.00	-	25,000.00	-	201,741.94	-
Sub-total for NED	**1,062,580.65**	**354,661.29**	**60,000.00**	**396,000.00**	**16,500.00**	**226,650.22**	**31,866.64**	**2,071,758.80**	**76,500.00**
Total (ED & NEDs)	**3,454,692.65**	**354,661.29**	**120,000.00**	**396,000.00**	**34,500.00**	**450,333.22**	**60,468.64**	**4,716,155.80**	**154,500.00**
Total remuneration at Group level	**3,454,692.65**	**474,661.29**		**430,500.00**		**450,333.22**	**60,468.64**	**4,870,655.80**	

Notes:
a. Other allowances paid by Malakoff to the NEDs comprising annual leave passage and annual supplemental fees.
b. Meeting allowances for Board meetings payable by the subsidiary of Malakoff, MSCSB.
c. Monthly allowances and meeting allowances payable by the subsidiary of Malakoff, AFSB.
d. Annual leave passage & supplemental fees claimed for year 2023 and 2024.
e. Annual leave passage & supplemental fees claimed for year 2021, 2022, 2023 and 2024.
f. Benefits-in-kind paid to the Chairman of Malakoff comprising company car and reimbursement of petrol.

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PRINCIPLE B Effective Audit and Risk Management

I. Board Audit Committee (BAC)

The BAC assists the Board in carrying out its oversight responsibilities by reviewing financial information and providing an unbiased review on the effectiveness and efficiency of the Group's internal controls.

The BAC is made up of four members, all of whom are IDs. The BAC is chaired by an INED who does not hold chairmanship on the Board. The BAC members possess extensive experience in finance and energy industry who could effectively contribute to business strategy and corporate governance discussions with shrewd business acumen.

Name of BAC Members	Designation
Puan Lim Tau Kien (Chairman) Appointed on 1 July 2024 and redesignated as Chairman on 15 January 2025)	Independent Non-Executive Director
Datuk Rozimi Remeli (Redesignated as Member on 15 January 2025)	Independent Non-Executive Director
Datuk Prakash Chandran Madhu Sudanan	Independent Non-Executive Director
Datuk Wira Roslan Ab Rahman	Independent Non-Executive Director
Datuk Ooi Teik Huat (Ceased on 2 December 2024)	Non-Independent Non-Executive Director

All BAC members are financially literate and have sufficient understanding of the Group's business. This enables them to continuously apply a critical and probing view on the Group's financial reporting process, transactions and other financial information, and effectively challenge Management's assertions on the Company's financials.

The roles and responsibilities of BAC are as follows:

1. assist the Board in fulfilling its statutory and fiduciary responsibilities in examining and monitoring the Company and its subsidiaries' management of business, financial risk processes, accounting and financial reporting practices;
2. determine the adequacy and effectiveness of the administrative, operational and internal accounting controls of the Group and to ensure that the Group is operating in accordance with the prescribed procedures, code of conduct and applicable legal and regulatory requirements;
3. serve as an independent and objective party from management in the review of the financial information of the Company and Group presented by management for circulation to shareholders and the general public;
4. provide direction and oversight of the internal and external auditors of the Company to ensure their independence from management; and
5. evaluate the quality of audits conducted by the internal and external auditors on the Company and Group.

With the enhancements to COI disclosure for listed companies as mandated by Bursa Malaysia, the role of BAC is expanded to review and report to the Board, any COI situation together with the measures taken to resolve, eliminate or mitigate such conflicts.

The Company has a policy that requires a former partner of Malakoff's external auditors to observe a cooling-off period of at least three years before his/her appointment as a member of the BAC. This requirement is included in the TOR of BAC. To date, none of the BAC members has been a former key audit partner of the Company.

The BAC report for the financial year 2024 has been reviewed by the BAC to ensure its compliance with the relevant regulatory requirements and guidelines.

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Review of External Auditors

The BAC has policies and procedures to assess the suitability, objectivity and independence of the external auditors to safeguard the quality and reliability of audited financial statements.

Evaluation of the external auditors is conducted annually based on their experiences, capabilities, audit approach and independence prior to recommending their appointment or re-appointment to the shareholders for approval. The evaluation includes review on the auditors' service levels and any significant changes to their scope of work to address new business developments, for recommendation of their re-appointment to the BAC.

External auditors are evaluated on their objectivity and independence, technical competency and ability, understanding of the Group's businesses and industries, resources assigned and capability of the engagement team as well as making recommendations in areas in need of improvement.

The BAC considers the information presented in the Annual Transparency Report of the audit firm on matters covered therein including the audit firm's governance, leadership structure and measures undertaken by the audit firm to uphold audit quality and manage risks.

Policies are in place for any non-audit services proposal by external auditors to be presented to the BAC to ensure the auditors' independence is maintained.

For more detailed explanation on BAC, please refer to the BAC Report section in this Integrated Annual Report.

Internal Audit

The Group Internal Audit (GIA) supports the Board through the BAC in discharging its duties and governance responsibilities of maintaining a sound internal control system within the organisation. The internal audit function is considered an integral part of the assurance framework and GIA's mission is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight. At the same time, GIA also assists the BAC and Management to achieve the Company's goals and objectives by bringing a systematic and disciplined approach in evaluating and improving the effectiveness of internal control, risk management, whistleblowing and governance processes within the Group.

With its independent status within the Group, GIA reports directly and functionally to the BAC and administratively to the MD & GCEO. GIA is also independent of the activities and functions that it audits and performs its duties in accordance with the Internal Audit Charter, as approved by the BAC, which establishes the framework for the effective and efficient functioning of GIA. The BAC also reviews and approves the appointment and removal of the Chief Internal Auditor, performance evaluation, Annual Internal Audit Plan, budget and organisation structure of GIA to ensure that it is adequately resourced with competent staff to perform its role and function effectively.

The standards and practices adopted by GIA are aligned with the International Professional Practices Framework issued by the Institute of Internal Auditors. As at 31 December 2024, the total number of personnel in GIA was nine including the Chief Internal Auditor. The name, credential and work experience of the Chief Internal Auditor of GIA are disclosed on page 227 of this Integrated Annual Report.

Details of the internal audit function and activities are presented in the BAC Report on pages 250 to 256 of this Integrated Annual Report.

Financial Reporting

Financial procedures and standards have been put in place to assist the Board in discharging its duty of ensuring that Malakoff maintains adequate and accurate records for purposes of timely reporting of its financial statements. Ultimately, this results in better stakeholder communication enabling them to have informed assessment of Malakoff's performance and future prospects.

For the year under review, no accounting irregularities were reported by either internal or external auditors.

II. Risk Management and Internal Control

The Board has established BRIC to oversee the Group's overall risk management and integrity policies and frameworks, and to assess major investments by the Group. The BRIC consists of four members, with three members who are INED, with diverse background. Each BRIC member has vast management experience, in-dept knowledge of the industry and integrity.

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The composition of BRIC is as follows:

Name of Directors	Designation
Datuk Wira Roslan Ab Rahman (Chairman) (Redesignated as Chairman on 15 January 2025)	Independent Non-Executive Director
Dato' Mohd Naim Daruwish	Non-Independent Non-Executive Director
Datuk Prakash Chandran Madhu Sudanan	Independent Non-Executive Director
Datuk Rozimi Remeli (Resigned on 10 February 2025)	Independent Non-Executive Director
Dato' Mohamad Razif Haji Abd Mubin (Appointed on 11 March 2025)	Independent Non-Executive Director

In the discharge of its responsibility to effectively manage enterprise and integrity risks across Malakoff, the Board reviews its risk management processes and internal control procedures to ensure a sound risk management and internal control system to safeguard shareholders' investments and the assets of Malakoff.

The Management is accountable to the Board to ensure effective implementation of risk and integrity management and internal control system. The Management formulates and endorses the risk and integrity management policies, frameworks and guidelines including their implementation across the Group. The identified risks are reviewed quarterly (or as required) and appropriate control measures are applied to mitigate the identified risks. The Management also assigns accountabilities and responsibilities at appropriate levels within Malakoff and ensures that all the necessary resources are efficiently allocated to manage these risks.

Further details on the Group's risk management and internal control frameworks are described and explained in the Statement of Risk Management and Internal Control section of this Integrated Annual Report.

PRINCIPLE C Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

I. Communication with Stakeholders

Malakoff recognises the importance of understanding the expectations of stakeholders and to effectively communicate the Company's strategies, plans and actions, keeping them up to date on the Group's latest financial performance and business matters affecting the Group. To that end, we have regularly engaged with our respective stakeholders on various platforms to gauge their perspectives and insights on emerging issues that are important and impactful to both the stakeholders and the Company's business as well as operations. Among the platforms utilised are:

- Corporate Website - provides an essential platform for investors and other stakeholders to access information periodically;
- Annual/Extraordinary General Meetings - offer an opportunity to our shareholders to raise their questions and concerns on the Group's performance directly to our Board and Management;
- One-to-One and Group Meetings/Investor Conferences/ Roadshows/Site Visits - throughout the year, we held meetings with key shareholders, major institutional investors, individual shareholder groups and financial analysts to share and discuss the Group's business performance and its strategic plan;
- Integrated Annual Report - our Integrated Annual Report provides a comprehensive report on the Group's financial results, business operations and strategic direction; and
- Sustainability Advocacy – participate in panel talks, national/regional publications and conferences to keep key stakeholders abreast of the Company's ESG initiatives.

The summary of their expectations and the ways Malakoff engages in response to their expectations are provided under the Stakeholder Engagement section on pages 46 to 53 in this Integrated Annual Report.

Regular communication and engagement with stakeholders are critical for the sustainable growth of the Group's business as this gives stakeholders better insight of Malakoff and facilitates mutual understanding of each other's expectations. The Company deems that an open dialogue with relevant stakeholder groups such as regulatory agencies, employees, shareholders, investors and the general public as necessary.

Accordingly, the protection of shareholders' and stakeholders' interests both in the short and long-term is central to the way the Board operates. The Board acknowledges that effective engagement is crucial in understanding the views of the Company's stakeholders to make an informed decision.

For further information on Malakoff's financial reports, financial information, shareholders' information, AGM details and announcements uploaded to Bursa Malaysia, refer to the Investor Relations webpage at www.malakoff.com.my/investor-relations/.

Corporate Governance Overview Statement

Investor Relations Activities

The Company continues to be transparent and accountable to the investment community including our shareholders and investors recognising the importance of timely dissemination of information to shareholders and other stakeholders. The Board is also committed to ensure that the shareholders and other stakeholders are well informed of major developments of the Group with information communicated through various channels including the Integrated Annual Report, disclosures and announcements to Bursa Malaysia, press releases, dialogues, discussions and presentations at general meetings and/or conferences as well as the Investor Relations' webpage.

During the year under review, we increased our engagements with the investment community and conducted more than 50 one-to-one and group meetings, both physically and virtually. During these engagements, the Group would address the investment community's concerns, where possible, to deliver sustainable value to its shareholders. In 2024, there were increased engagements with the Company's key shareholders and the ESG investors due to the higher focus on sustainability matters. Additionally, we have been actively engaged with Bursa Malaysia, to ensure that the Group practices the highest standards of transparency and disclosure.

Refer to pages 84 to 88 of the Integrated Annual Report for further reference.

II. Conduct of General Meetings

The Board and Management implement several measures to ensure shareholders are able to participate, engage the Board and Senior Management effectively, and make an informed voting decisions at general meetings. The Board, with the assistance of the Company Secretary, has provided shareholders with sufficient notice and time to consider the resolutions that will be discussed and decided at the AGM by issuing the notice for AGM at least 28 days before the meeting.

Notice for the 18th AGM held on 25 April 2024 was sent to shareholders on 25 March 2024. The notice includes details of the resolutions to be tabled and explanations on the resolutions. Details of the resolutions proposed along with background information and reports or recommendations that are relevant were also provided in the Notice of AGM.

The 18th AGM was held virtually through live streaming and using Remote Participation and Voting (RPV) facilities. During the virtual AGM, shareholders and proxies were given opportunity to engage with the Board and Senior Management via RPV facilities which had enhanced the quality of engagement with shareholders and facilitate participation by shareholders at the AGM from remote locations. All resolutions were passed by the shareholders via RPV platform.

The minutes of meeting was made available on Malakoff's website at www.malakoff.com.my within 30 business days after the AGM.

Key Focus Areas and Future Priorities

The industry is evolving with the growth of ethical or responsible investing with a set of standards to evaluate how the companies operate in respect of the world around them, the people they deal with and whether the companies govern themselves in a responsible manner. There is increasing investment industry perception that companies that fit ESG criteria are well equipped to manage risk and operate in a sustainable manner in the future.

Hence, the Company always bears in mind in achieving higher corporate governance standards. In accomplishing this goal, the Management provides its annual update and highlight to the Board on the Company's journey of governance. With this continuous effort by the Board and Management, the Board has viewed the key focus areas and future priorities in corporate governance practices as described below:

1. The Board will look into the possibility to increase disclosure of sustainability targets, initiatives and performance through improved engagement with key sustainability bodies to encourage transparent reporting and tracking.
2. The Board remains committed to actively work towards having more women directors on the Board, depending on the availability of qualified candidates and the Board's skill requirements.

On business strategies and plans for the Group, Malakoff continues to strive for growth in its key growth areas i.e. power generation, renewable energy (RE), environmental solutions, water and strategic bets, underpinned by ESG, materiality and returns.

Corporate Governance Overview Statement

The Group has expanded the environmental solution sector through its Port Recovery Facilities, expansion of services in the concession areas and the Recovery Initiative Sustainable Eco-Facility Kuala Lumpur, to increase the recycling rate and tonnage in the surrounding area of Kuala Lumpur.

Under the RE portfolio, the Group has also engaged into various solar power generation projects including commercial and industrial solar projects in line with its objective of securing new growth businesses for the Group. The Group has secured 84 MW small hydro power plants in Kelantan, solidifying our effort to increase the Group's RE generation. Within the RE portfolio as well, the Group is also exploring opportunities in the biogas, biomass, mini-hydro and waste-to-energy segments. As part of its efforts to drive the transition towards low-carbon systems, the Group is exploring viability of green mobility infrastructure.

In view of reducing carbon emission at the Company's coal plants and ensuring availability and stability of energy into the grid, Malakoff has secured a flagship project under the National Energy Transition Roadmap to champion an initiative to co-firing biomass at the Company's Tanjung Bin Power Plant with a targeted 15% biomass capacity by 2027.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
(Pursuant to paragraph 15.26(a) of the MMLR of Bursa Malaysia)

The Board has given its assurance that the financial statements are prepared in accordance with the Act and the applicable approved accounting standards for each financial year which gives a true and fair view of the state of affairs of the Group and the Company in a transparent manner at the end of the financial year and of the results and cash flows for the financial year.

The Directors' Report for the audited financial statements of the Company and the Group is outlined on pages 265 to 270 of this Integrated Annual Report together with the details of the Company and the Group financial statements for the financial year ended 31 December 2024 which are set out on pages 271 to 390 of this Integrated Annual Report.

COMPLIANCE STATEMENT BY THE BOARD ON THE CORPORATE GOVERNANCE OVERVIEW STATEMENT

This statement on the Company's corporate governance practices is made in compliance with paragraphs 15.25 and 15.08A of the MMLR of Bursa Malaysia.

Having reviewed and deliberated this statement, the Board is satisfied that to the best of its knowledge, the Company is in compliance with the principles and practices set out in the MCCG 2021 as well as the relevant paragraphs under the MMLR of Bursa Malaysia for the financial year under review. Any practices in the MCCG 2021 which have not been implemented during the financial year would be reviewed by the Board and be implemented where practical and relevant to the Group's business.

This statement has been presented and approved by the Board at its meeting held on 21 March 2025.

Board Audit Committee Report

The Board of Directors (Board) of Malakoff Corporation Berhad (Malakoff or Company) is pleased to present the Board Audit Committee (BAC or Committee) Report for the financial year 2024 (FY2024).

COMPOSITION AND ATTENDANCE

The BAC comprises four (4) members as follows, all of whom are Non-Executive Directors (NEDs) and Independent NEDs. This meets the requirements of paragraph 15.09(1)(a) and (b) of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia).

Members of BAC	No. of Meetings Attended
Puan Lim Tau Kien *Chairman/Independent Non-Executive Director* *(Member of the Malaysian Institute of Accountants)* *(Redesignated as Chairman of BAC on 15 January 2025)* *(Appointed on 1 July 2024)*	2/2
Datuk Rozimi Remeli *Member/Independent Non-Executive Director* *(Redesignated as Member of BAC on 15 January 2025)*	5/5
Datuk Prakash Chandran Madhu Sudanan *Member/Independent Non-Executive Director*	5/5
Datuk Wira Roslan Ab Rahman *Member/Independent Non-Executive Director*	5/5
Datuk Ooi Teik Huat *Member/Non-Independent Non-Executive Director* *(Member of the Malaysian Institute of Accountants)* *(Ceased on 2 December 2024)*	5/5

MEETINGS

The BAC met five (5) times during the FY2024. The Committee also met with the External Auditors and Chief Internal Auditor separately on two (2) occasions, without Management's presence and had accordingly complied with the frequency of meeting requirement under its Terms of Reference (TOR).

The Managing Director & Group Chief Executive Officer (MD & GCEO), Chief Operating Officer, Chief Financial Officer and Chief Internal Auditor were invited to attend all BAC meetings. The involvement of senior management in the BAC meetings enabled direct communications and discussions between the BAC members and senior management in such manner that matters pertaining to the Company's and its subsidiaries' (collectively Group) financial results, operational issues, internal control, governance and internal audit matters are better appreciated by the BAC.

The External Auditors were engaged to conduct a review on the Group's interim half-year financial results. The review provided assurance to the BAC on the reliability and consistency of the Group's interim financial results announced to Bursa Malaysia as well as compliance with applicable Financial Reporting Standards. Representatives of the External Auditors were also invited to attend the BAC meetings, as and when the BAC considered appropriate.

The Company Secretaries act as the Secretaries of the BAC. The Chairman of the BAC reports the key matters discussed at each BAC meeting to the Board.

Board Audit Committee Report

ANNUAL PERFORMANCE ASSESSMENT OF BAC

The performance and effectiveness of the BAC and its members are assessed annually through the Board Committee effectiveness evaluation. The Board is satisfied that the BAC and its members have been able to discharge their functions, duties and responsibilities in accordance with the BAC's TOR in supporting the Board in ensuring that the Group upholds appropriate Corporate Governance standards. The TOR of the BAC is available for reference under the "Corporate Governance" section of the Company's website at www.malakoff.com.my.

SUMMARY OF ACTIVITIES FOR THE FY2024

(i) Financial Reporting

The BAC reviewed all four (4) quarterly financial statements of the Company with Management before making recommendation to the Board for its consideration and approval to release the same to Bursa Malaysia.

The BAC also reviewed the consolidated annual audited financial statements of the Company for the FY2024, any audit issues and reservations arising from the statutory audit with the External Auditors, prior to making recommendations to the Board for its consideration and approval.

The quarterly financial statements were prepared in accordance with the Malaysian Financial Reporting Standards (MFRS) 134, *Interim Financial Reporting* and Appendix 9B (Part A) of the MMLR of Bursa Malaysia while the consolidated annual audited financial statements were prepared in accordance with MFRS, International Financial Reporting Standards and the requirements under the Companies Act 2016.

During the review of the financial statements, the following tasks were carried out by the BAC:

(a) Discussed and reviewed with Management and External Auditors, where applicable, the accounting policies adopted and applied by the Group to ensure compliance with the applicable approved accounting standards, including the appropriateness of the accounting provisions and compliance with other statutory and regulatory requirements;

(b) Reviewed the declaration of the dividends of the Company, including the solvency test required under the Companies Act 2016, ensure the Company has adequate resources to continue in operation for the next 12 months, before such declaration of dividends were recommended to the Board for approval;

(c) Reviewed the key audit matters and their implications to the Group, and how these matters were addressed in the audit, going concern considerations and the Auditors' Report that were included in the Company's Integrated Annual Report; and

(d) Reviewed the BAC Report to ensure adherence to legal and regulatory reporting requirements and appropriate resolution of all accounting matters requiring significant judgement and recommended the same to the Board for approval.

(ii) External Audit

Where applicable, at the meetings of the BAC during FY2024, the following were reviewed and discussed with the BAC by the External Auditors, Messrs. KPMG PLT (KPMG):

(a) Reviewed the report on new and recurring significant audit findings including financial reporting issues, significant judgements made by Management and unusual events or transactions. The report includes Management's responses to the findings and their action plans to address the issues raised by the External Auditors, for BAC's notation and feedback, where necessary;

(b) Reviewed and monitored the nature and extent of the non-audit services provided by the External Auditors in accordance with the policy on non-audit services to ensure that the independence and objectivity of KPMG in performing their duties as the Group's External Auditors are safeguarded and any potential conflict of interest is being managed;

(c) Reviewed the External Auditors' 2024 Audit Plan prior to the commencement of the statutory audit for FY2024, highlighting amongst others, the engagement team involved in the statutory audit, audit timeline, scope and nature of the audit and audit focus areas, including key audit matters for the statutory audit;

(d) Discussed and recommended the proposed fees for the statutory audit for the Board's approval;

(e) Discussed and reviewed the results of the annual assessment evaluated by the BAC and Management in respect of the quality of audit, covering the External Auditors' performance, suitability and its independence as the Company's External Auditors for FY2024. The results of the assessment for FY2024 were noted by the BAC and KPMG was recommended for re-appointment as the External Auditors of the Company for FY2024. The Board at its meeting held on 21 March 2025 approved the BAC's recommendation for re-appointment of KPMG, subject to the shareholders' approval being obtained at the forthcoming 19th Annual General Meeting (AGM) of the Company; and

(f) Held two (2) private sessions with the External Auditors in February and November 2024, without the presence of the Management. The meetings provided an open and unrestricted forum for the External Auditors to discuss with the BAC the areas of concern and findings related to the Group's financial statements for the attention of BAC.

The fee for non-audit services provided by KPMG for FY2024 amounted to RM71,970 which was approved by the Chief Financial Officer in line with Clause 7.4.1 of the non-audit services policy of the Company. The non-audit services were mainly related to tax compliance services and agreed-upon procedures to verify compliance of financial covenants by certain subsidiaries of the Group.

KPMG also, pursuant to the Company's policy on non-audit services, had undertaken the necessary measures to ensure that each non-audit service engagement would not result in conflict of interest nor impair their independence and objectivity. Management had also ensured that necessary safeguards were in place when engaging KPMG to carry out non-audit services for the Group. With the measures taken by KPMG and Management, the BAC was satisfied that the non-audit services provided during the FY2024 complied with the applicable rules and standards of independence for auditors, as well as the provisions stipulated in the non-audit services policy.

KPMG had provided a written assurance to the BAC that they had implemented a number of firm wide ethics and independence systems to monitor compliance with their policies in relation to independence and ethics and had been independent throughout the audit engagement for FY2024.

(iii) Internal Audit (IA)

During the year 2024, the BAC had carried out the following:

(a) Reviewed and approved the Annual IA Plan for FY2025 to ensure adequacy of audit scope, coverage, budget, resources and authority for Group Internal Audit (GIA) to carry out its work effectively and independently;

(b) Reviewed and deliberated on the IA reports tabled during the year by GIA, which highlighted key control issues together with audit recommendations for improvement and Management's action plans to address the control deficiencies;

(c) Reviewed and deliberated on the follow-up audit reports tabled during the year by GIA on the adequacy and effectiveness of the action plans or corrective actions undertaken by Management in addressing audit issues or control deficiencies highlighted from past audit reports to ensure non-recurrence;

(d) Reviewed and deliberated on the results from ad-hoc special review assignments or audit investigations performed by GIA based on the Board and Management's request or complaints received through whistleblowing channels and recommended appropriate remedial actions/measures to be taken;

(e) Reviewed and monitored the progress and status of action plans or corrective actions undertaken by Management to ensure audit issues or control deficiencies highlighted by GIA are being addressed and rectified in a timely manner;

(f) Reviewed and assessed the effectiveness and performance of the IA function in respect of audit quality, scope, adequacy of resources and competency; and

(g) Held two (2) private sessions with the Chief Internal Auditor without the presence of the Management to ensure that there was no restriction on GIA's scope of work and to discuss any other matters that GIA wishes to escalate to the BAC.

(iv) Related Party Transactions (RPTs)

The BAC had reviewed and recommended related party transactions (RPTs) and recurrent related party transactions (RRPTs) entered into with the Company's related parties in accordance with the policies and procedures of the Company, for the Board's approval, to ensure that the transactions were fair and reasonable, undertaken in the Company's best interest and on normal commercial terms as well as not detrimental to the interest of the minority shareholders.

The Group's RPTs and RRPTs for the preceding 12 months up to each reporting quarter as well as the forecasted RPTs and RRPTs for the next 12 months period from the quarterly reporting period were also reported to the BAC and the Board on a quarterly basis. The reporting of these transactions by the Group was coordinated through the Corporate Secretarial Department with all the respective subsidiaries, departments and business units within the Group, before the same were collated and presented to the BAC and the Board. The threshold limits of the RPTs and RRPTs were also monitored accordingly to ensure compliance with the MMLR.

The GIA also assists the BAC by conducting reviews of the Group's RPTs and RRPTs to provide assurance that the transactions reported to the BAC were accurate, complete, in compliance with the MMLR and undertaken on arm's length basis and on normal commercial terms.

INTERNAL AUDIT FUNCTION

The GIA was established to support the Board through the BAC in discharging its duties and governance responsibilities of maintaining a sound internal control system within the organisation.

The IA function is considered an integral part of the assurance framework and GIA's mission is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight. At the same time, GIA also assists the BAC and Management to achieve the Company's goals by bringing an objective and disciplined approach in evaluating and improving the effectiveness of internal control, risk management, whistleblowing and governance processes within the Group. This function serves as an important source of support for the BAC in identifying weaknesses or deficiencies in internal processes and to facilitate appropriate remedial measures to be taken by the Company.

The purpose, authority, responsibility, independence and objectivity of GIA are formally defined in the IA Charter, as approved by the BAC, which establishes the framework for the effective and efficient functioning of GIA. The standards and practices adopted by GIA are aligned to the International Professional Practices Framework issued by the Institute of Internal Auditors.

GIA has an independent status within the Group and is independent of the activities and functions that it audits. GIA reports directly and functionally to the BAC and administratively to the MD & GCEO. The BAC also reviews and approves the appointment and removal of the Chief Internal Auditor, performance evaluation, Annual IA Plan, budget and organisational structure of GIA to ensure that it is adequately resourced with competent staff to perform its role and function effectively and independently.

Board Audit Committee Report

Amongst the roles and responsibilities of GIA are as follows:

(a) Provide an independent and objective assessment and assurance to the BAC and Management on the adequacy and effectiveness of key internal control system, risk management, whistleblowing and governance processes of the organisation;

(b) Develop Annual IA Plan that is aligned to the Company's strategic objectives and takes into consideration of past audit history, criticality, inputs and feedback on any risk and control concerns from the BAC and Management;

(c) Carry out IA assignments in accordance with the approved Annual IA Plan and report to the BAC on key control issues together with audit recommendations for improvement, Management's responses and agreed action plans to address the control deficiencies;

(d) Perform follow-up audits to determine whether the agreed action plans or corrective actions undertaken by Management in addressing audit issues or control deficiencies highlighted from past audit reports have been correctly implemented and adhered to consistently;

(e) Undertake ad-hoc IA assignments, special reviews or audit investigations as requested by the Board or Management and present the results to the BAC and Management;

(f) Monitor the progress of Management's agreed action plans or corrective actions in addressing audit issues or control deficiencies highlighted by GIA; and

(g) Maintain professional audit staff with sufficient knowledge, experience and skills.

In addition, GIA is also responsible for the administration and implementation of the Group's Whistleblowing Policy which provides an avenue for employees and third parties dealing with the Company to disclose cases of improper conduct such as criminal offences, fraud, corruption, non-compliance to laws and regulations, breach of policies and procedures or other malpractices to the Company. Any disclosure of improper conduct can be made verbally or in writing to the Chairman of the BAC and Chief Internal Auditor via letter or e-mail to whistleblowing@malakoff.com.my.

For FY2024, GIA had performed ten (10) audits which include full audits, follow-up audits, special review assignments and investigation covering the areas of operation, maintenance, finance, procurement, inventory management, and health, safety, security and environment.

The IA reports were tabled and presented to the BAC for deliberation, highlighting key control issues together with audit recommendations for improvement, Management's responses and agreed action plans to be implemented. The progress of these action plans is monitored by GIA and reported to the BAC on a quarterly basis.

As at 31 December 2024, the total number of personnel in GIA was nine (9) including the Chief Internal Auditor. The name, credential and work experience of the Chief Internal Auditor of GIA are disclosed on page 227 of the Integrated Annual Report 2024.

The GIA has a sufficient mix of internal auditors with various knowledge, skills and competencies to perform its function and GIA is committed to equip its auditors with adequate knowledge and proficiencies to discharge their duties and responsibilities effectively. The Company is also a corporate member of the Institute of Internal Auditors Malaysia, which enables the internal auditors in GIA to keep abreast of the latest developments in the IA practices and attend relevant trainings organised by the Institute of Internal Auditors Malaysia. The total cost incurred by GIA for FY2024 was RM2.2 million.

This BAC Report is made in accordance with the resolution of the Board duly passed on 21 March 2025.

Board Audit Committee Report

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (RRPT)

The Company had at its 18th AGM held on 25 April 2024 obtained the shareholders' mandate to allow Malakoff Group to enter into RRPT with related parties that are necessary for the day-to-day operations of the Group. The RRPT mandate is valid until the conclusion of the forthcoming 19th AGM of the Company.

In accordance with Paragraph 3.1.5 of Practice Note 12 of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad, the details of the RRPT conducted during the financial year ended 31 December 2024 pursuant to the said shareholders' mandate are as follows:

No.	Malakoff and/or its subsidiary companies	Transacting related parties	Nature of relationship	Nature of transactions	Value of transaction from 1 January 2024 to 31 December 2024 (RM'000)
			Expenses to Malakoff Group		
1	Alam Flora Sdn Bhd (AFSB) Group	DRB-HICOM Berhad (DRB) Group	DRB is a 55.92%-owned subsidiary of Etika Strategi Sdn Bhd (ESSB), a company in which Tan Sri Dato' Seri Syed Mokhtar Shah Syed Nor (TSSM) is a major shareholder	Provision of motor vehicle maintenance services by DRB Group	2,758
				Supply of scrap materials/any assets (i.e. bins, automotive, scrap loose ferrous, etc) by DRB Group	5,967
				Payment of utilities and logistics cost and/or miscellaneous expenses to DRB Group	118
				Payment of rental services (i.e. buildings, building service charges, motor vehicle, etc) to DRB Group	2,709
				Purchase of machineries, motor vehicles and bins	12,124
2	AFSB Group	MMC Corporation Berhad (MMC) Group	MMC is a major shareholder of Malakoff	Payment of utilities cost and/or miscellaneous expenses to MMC Group	1,051
				Supply of scrap materials/any assets by MMC Group	364
				Total	**25,091**
			Revenue of Malakoff Group		
3	Tuah Utama Sdn Bhd (TUSB) Group	Syed Kechik Holdings Group	Puan Sri Sharifah Zarah Syed Kechik, the spouse of TSSM, is a major shareholder of Syed Kechik Holdings Group	Development of rooftop solar photovoltaic project at premises within Syed Kechik Holdings Group	75
4	TUSB Group	MMC Group	MMC is a major shareholder of Malakoff	Development of rooftop solar photovoltaic project at premises within MMC Group	1,168

Board Audit Committee Report

No.	Malakoff and/or its subsidiary companies	Transacting related parties	Nature of relationship	Nature of transactions	Value of transaction from 1 January 2024 to 31 December 2024 (RM'000)
			Revenue of Malakoff Group		
5	TUSB Group	DRB Group	DRB is a 55.92%-owned subsidiary of ESSB, a company in which TSSM is a major shareholder	Development of rooftop solar photovoltaic project at premises within DRB Group	2,823
6	TUSB Group	Tradewinds Group	Tradewinds is a wholly-owned subsidiary of Tradewinds Group (M) Sdn. Bhd., a company in which TSSM is an indirect major shareholder;	Development of rooftop solar photovoltaic project at premises within Tradewinds Group	-
7	TUSB Group	Padiberas Group	Padiberas is a wholly-owned subsidiary of Tradewinds Group (M) Sdn. Bhd., a company in which TSSM is an indirect major shareholder;	Development of rooftop solar photovoltaic project at premises within Padiberas Group	-
8	AFSB Group	DRB Group	DRB is a 55.92%-owned subsidiary of ESSB, a company in which TSSM is a major shareholder	Provision of building maintenance services to DRB Group	19,535
				Provision of all kinds of services related to cleaning, collection and cleansing to DRB Group	2,695
9	AFSB Group	MMC Group	MMC is a major shareholder of Malakoff	Provision of all kinds of services related to cleaning, collection, cleansing and landscaping to MMC Group	43
				Provision of building maintenance services to MMC Group	5,514
				Total	**31,853**

Notwithstanding the related party disclosures already presented in the audited financial statements in accordance with Malaysian Financial Reporting Standard 124, Related Party Disclosures (MFRS 124), the above disclosures are made in order to comply with Paragraph 10.09 of the MMLR with regard to the value of RRPT conducted in accordance with the shareholders' mandate during the financial year, as the scope of related party relationships and disclosures contemplated by the MMLR are, to a certain extent, different from those of MFRS 124.

The shareholdings of the respective interested major shareholders as shown above are based on information disclosed in the Circular to Shareholders dated 26 March 2024 in relation to the proposed shareholders' mandate for RRPT.

Statement on Risk Management and Internal Control

The Board of Directors (Board) of Malakoff Corporation Berhad (Malakoff or Company) is committed to maintaining an effective risk management and internal control system at Malakoff Corporation Berhad and its subsidiaries (Malakoff Group or Group).

The Statement on Risk Management and Internal Control is made in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) and the revised guidelines on the Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers. This is also in line with the Malaysian Code on Corporate Governance (MCCG) 2021, which requires public listed companies to maintain a sound system of risk management and internal controls to provide assurance and safeguard shareholders' investments, customers' interests and company's assets.

MANAGEMENT'S & BOARD'S RESPONSIBILITY

The Management is accountable to the Board to ensure effective implementation of risk management and internal controls. The Management formulates and oversees the risk management policy, frameworks and guidelines, including their implementation across the Group. The risks are reviewed and actions to mitigate the identified risks are then recommended. The Management also assigns accountabilities and responsibilities at appropriate levels within the Group as well as ensuring that all the necessary resources are allocated to manage those risks.

The Board is responsible for the overall tone and culture towards an effective risk management and internal control system in the Group. The Board is also responsible for reviewing the adequacy and effectiveness of the Group's risk management and internal control processes. The Group's risk management process is designed such that all key risk areas are effectively managed to enable the Group to achieve its business objectives. The Board is aware that the risk management and internal control systems can only provide reasonable and not absolute assurance against the risk of material loss or the occurrence of unforeseeable circumstances.

MANAGING RISK

The Board acknowledges that risk management is fundamental in protecting and safeguarding the interests of the Group and its shareholders to ensure sustainable growth to the Group. The Group's risk management process is guided by the Enterprise Risk Management Policy and Framework (ERMPF) and ISO 31000:2018 Risk Management Guidelines.

The Board Risk and Investment Committee (BRIC) oversees the Group's risk oversight responsibilities and the overall risk management across the Group. At the management level, the Management Risk Committee (MRC) supports the BRIC in integrating risk management strategies as well as reviewing the application of risk management process across Malakoff Corporation Berhad, in accordance with the ERMPF. At the operational level, risks are managed at the respective power plants through the Plant Risk Committee (PRC). The ERMPF has been revised in 2020 to reflect the changes from the updated version of ISO 31000:2018 Risk Management Guidelines.

The risk management process can be summarised below:

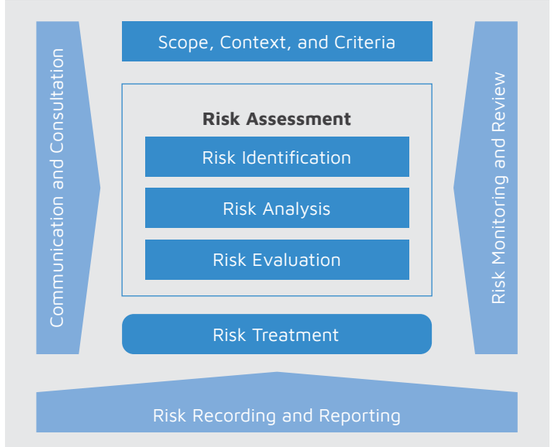

Figure 1: Risk Management Process

Statement on Risk Management and Internal Control

The Group defines risk as event that could affect the achievement of its objectives. It is measured by the likelihood of the risk occurring and the impact if the risk occurs. The ERMPF ensures that the risk assessment process of identifying, analysing, evaluating, risk treatment and risk mitigation are in place to protect the Group from material losses. It will assist the Group in making decisions and prioritising the implementation of the risk mitigation plan.

The risk matrix below depicts the likelihood and impact parameters used to measure and assess the Group's risk level:

Likelihood/Impact	Insignificant	Minor	Moderate	Major	Catastrophic
Almost Certain	6	7	8	9	10
Likely	5	6	7	8	9
Possible	4	5	6	7	8
Unlikely	3	4	5	6	7
Rare	2	3	4	5	6

Figure 2: Risk Matrix

Risk Management Process

A Corporate Digital Assurance module is used in the Enterprise Risk Management System (ERMS) to enhance the Group's risk management implementation. The scorecard owners, risk owners, control owners and action plan owners are required to provide assurances with respect to the status of all material risks, controls and management actions on a quarterly basis.

The assurances serve as proof that the owners have reviewed the registered controls and updated the Corporate Risk Scorecard System with the status of all material risks, controls and management actions.

In relation to the risk management process, the owners also certify that:

- The risks, controls and management actions information within the Corporate Risk Scorecard are accurate and up-to-date.
- Where exposure is considered acceptable, they have documented and validated that the controls are in place and effective.
- Where risks are assessed as unacceptable, management actions have been identified, including the owners and due dates to address the risks.
- To the extent that risks are perceived to be not within their control (either directly or as delegated to the immediate Management team), it will be documented and escalated to the appropriate level of Management within the Group.

In addition, the owners also confirm that the risk management process has been complied with and the information for which they are responsible for under the Corporate Risk Scorecard fairly reflects the position of the Group.

Statement on Risk Management and Internal Control

Risk Governance

On a quarterly basis, the identified risks are presented and deliberated at the MRC meeting chaired by the Managing Director and Group Chief Executive Officer (MD & GCEO). The report is subsequently tabled to the BRIC for deliberation and recommendations to the Board. The Board notes the report on the risks and the actions taken by the Management to mitigate the risks. The overview of the Group's risk reporting structure is set out below:

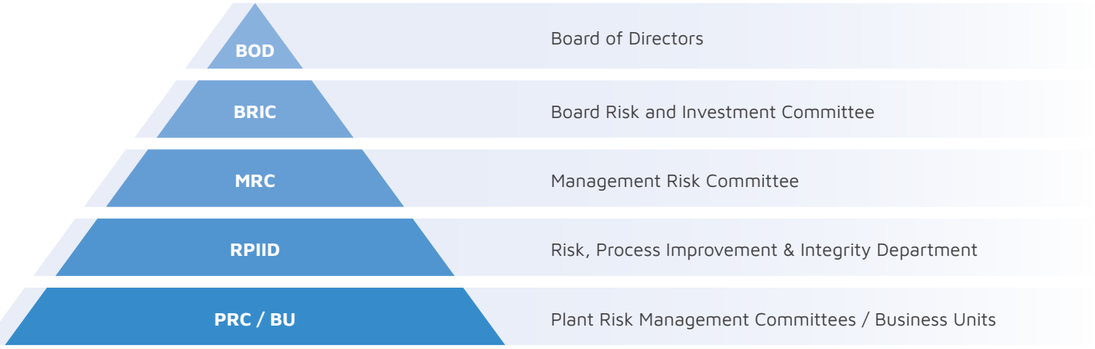

Figure 3: Risk Governance

Risk management is integrated into the Group's day-to-day business activities, while risk-based evaluation is incorporated into its decision-making process. This demonstrates the emphasis placed by the Board on the risk management agenda and underlines the importance of a well-managed risk management program. In line with this, the MRC continues to reinforce risk management importance among employees to ensure continuous improvement at all levels.

Emerging Risks

Based on Global Risks Report 2024 published by World Economic Forum, issues like ESG and cybersecurity threat have triggered organisations to strategise and put more emphasis on these topics. In view of this, the risks related to these issues have been deliberated in the risk management process through the MRC and BRIC. In addition to this, the Group has implemented several measures in line with the ERMPF regarding its operations which can be summarised as follows:

- Monitoring of information and operational technology system, cybersecurity and threat.
- Monitoring of ESG issues by Management Sustainability Committee, BRIC and Board.

Anti-Bribery and Anti-Corruption Assurance

The Group has zero tolerance towards bribery and corruption and has accordingly put in place the ISO 37001:2016 Anti-Bribery Management System (ABMS) to ensure that risks related to bribery and corruption are systematically managed.

The objective of the system is to assist the Group in mitigating the risks of involvement in bribery whilst promoting trust and confidence in business dealings, as well as enhancing integrity among all employees. The Group's ABMS has been audited and certified to ISO 37001:2016 by SIRIM QAS International Sdn. Bhd. since 2020. One of the key components in the system is the development of the bribery risk register to evaluate the adequacy and effectiveness of the Group's current controls to mitigate bribery issues. Amongst the controls that have been established are the Whistleblowing Policy, Group Code of Conduct and Limits of Authority (LOA).

Statement on Risk Management and Internal Control

The Group has established a structure which details the roles and responsibilities under the ABMS framework as described in figure 4 below. In addition to this, all employees within the Group are required to understand and comply with the ABMS requirements at all times.

Our ABMS also serves as part of compliance to Adequate Procedure requirements under Section 17A of Malaysian Anti-Corruption Commision Act 2009 as stipulated in MACC Act (Amendment) 2018.

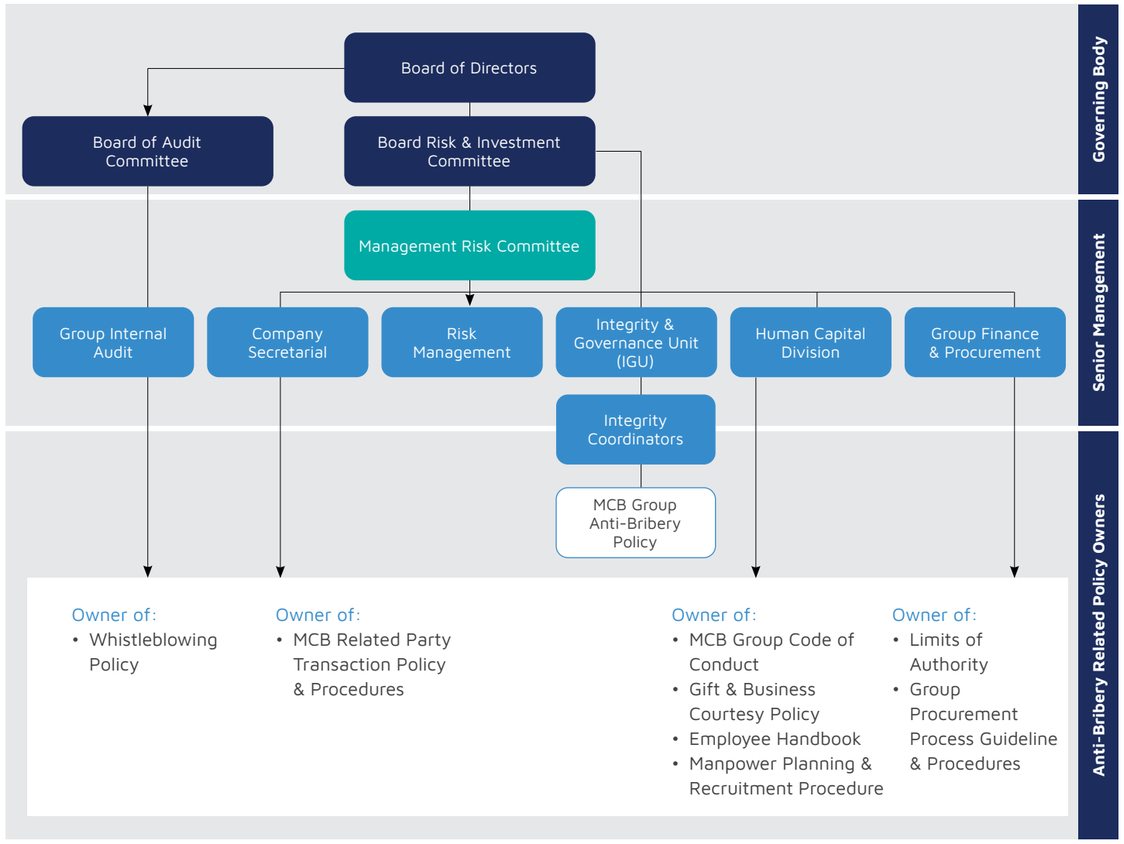

Figure 4: Anti-Bribery Management System Framework

Statement on Risk Management and Internal Control

INTERNAL CONTROL SYSTEM

The key features of the Group's control structure that provide reasonable assurance against the occurrence of events that could prevent the achievement of business objectives are as follows:

The Board

The Board of Malakoff Corporation Berhad provides direction and oversight on internal controls. The terms of reference and responsibilities are defined together with the Board Charter. The specific lines of responsibility, accountability and delegation of authority as approved by the Board to facilitate the Group's operations are the obligations of the MD & GCEO and MRC.

Business Plan, Budget and Reporting

Malakoff Corporation Berhad develops annual business plans and budgets prepared by the Management and approved by the Board before the commencement of the new financial year.

The Board reviews the actual results against budget on a quarterly basis in conjunction with the public announcement of the Group's quarterly financial results under the Main Market Listing Requirements of Bursa Securities.

The Board is also updated with the latest sustainability trends, progress of the Group's ESG roadmap, key sustainability achievements and new developments within the sustainability space, covering material risks and opportunities, through annual ESG reporting from the Management.

Policies and Procedures

Documented internal policies and procedures are in place to ensure compliance with internal controls and the relevant rules and regulations. They are reviewed regularly to ensure that any gaps in controls are addressed and where required, policies and procedures are revised to align with the prevailing business conditions.

Limits of Authority (LOA)

The LOA set out the level of authority under key business areas (financial and non-financial) of the Group. The authority limits in respect of organisational requirements such as procuring goods and services, cash transactions and contracting are clearly defined and documented. The limits are reviewed and updated regularly to reflect the current business environment, operational and structural changes, if any, of the Group.

Internal Audit

The Group Internal Audit (GIA) provides assurance on the existence, adequacy and effectiveness of internal control, risk management, whistleblowing and governance processes designed to improve and add value to the Group. This function serves as an important source of support for the Board Audit Committee (BAC) in identifying weaknesses or deficiencies in internal processes and facilitating appropriate remedial measures to be taken by the Group.

GIA reports directly and functionally to the BAC and administratively to the MD & Group CEO. GIA is independent from the functions and activities that it audits and performs its duties in accordance with the Internal Audit Charter as approved by the BAC and the International Professional Practices Framework by the Institute of Internal Auditors.

Details of the internal audit function and activities are presented in the BAC Report on pages 250 to 256 of this Integrated Annual Report.

Whistleblowing

The Group's Whistleblowing Policy sets out avenues for employees and third parties dealing with the Group with proper procedures to disclose cases of improper conduct such as criminal offences, fraud, corruption, breach of Group policies and Code of Conduct, or other malpractices.

A whistleblower is assured confidentiality of identity to the extent reasonably practicable. This includes protecting the whistleblowers from detrimental actions within the Group that may result from the disclosure of improper conduct, provided that the disclosure is made in good faith. The Whistleblowing Policy is also to ensure that fair treatment is provided to both the whistleblower and the alleged wrongdoer when a disclosure of improper conduct is made.

Disclosure of improper conduct can be made verbally or in writing to the Chairman of the BAC and the Chief Internal Auditor via letter or e-mail to [whistleblowing@malakoff.com.my].

Anti-Bribery and Anti-Corruption Policy

The 'Anti-Bribery Policy' was initially approved and adopted on 3 October 2019. Subsequently, the policy underwent a review and revision to include the term 'Anti-Corruption,' resulting in the updated policy named 'Anti-Bribery and Anti-Corruption Policy.' This revised policy was approved on 28 August 2023 to align with the requirements of ISO 37001:2016.

Statement on Risk Management and Internal Control

The implementation of the policy will further strengthen the Group's corporate governance and ensure commitment from all stakeholders to uphold the highest standards of ethical conduct, integrity and accountability in all business activities and operations of the Group. This is also in line with Section 17A of the MACC Act 2018 (the Act), which requires commercial organisations to establish adequate procedures to avert corruption.

Joint Ventures and Associates

Malakoff Corporation Berhad ensures that investment and interest in material joint ventures and/or associates are protected by having board representation at the respective joint ventures and/or associates. The management of the joint ventures and/or associates are also responsible for overseeing the operations and performance of the joint ventures and/or associates.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM EFFECTIVENESS

The Board reviews the effectiveness of the risk management and internal control system through the following monitoring and assessment mechanisms:

- A quarterly review of the Group's actual financial and operational performance against planned performance and other key financial and operational performance indicators.
- Risk, Process Improvement & Integrity Department presents the Risk Management Report to BRIC every quarter to provide an overview of the Group's key risks and action plans for mitigating the risks. The BRIC provides its views, which are then communicated to the respective risk owners by the Risk, Process Improvement & Integrity Department. The report is then escalated to the Board upon deliberation by BRIC.
- BAC deliberates and discusses reports issued by the Group Internal Audit and external auditors pertaining to financial, operational, governance, risk management and internal control matters. The status of preventive and corrective actions for issues discussed is also updated in BAC to enable monitoring of the actions.

COMMENTARY ON ADEQUACY AND EFFECTIVENESS

The risk management and internal controls defined above have been in place for the year under review and up to the date of approval of this statement for inclusion in the annual report.

In making this statement, the Board had received assurances from the MD & GCEO, Chief Financial Officer, Senior Vice President of Corporate Services & Integrity Division, Head of Risk, Process Improvement & Integrity Department and Group Internal Audit that the risk management and internal control processes are operating adequately and effectively in all material aspects for the reporting period.

The Board is of the opinion that risk management and internal control are adequate and effective in providing reasonable assurance for the year under review.

There was no major internal control weakness identified during the year under review that may result in any material loss that would require disclosure in this statement.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide (AAPG 3), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants (MIA) for inclusion in the annual report of the Group for the year ended 31 December 2024, and reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

(a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers; or

(b) is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system, including the assessment and opinion by the Board and Management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

This statement is made in accordance with the resolution of the Board dated 21 March 2025.

Additional Compliance Information

UTILISATION OF PROCEEDS

Islamic Medium-Term Notes ("IMTN") programme with a nominal value of up to RM1.2 billion, which, when combined with an Islamic Commercial Papers ("ICP") programme, has a combined issuance limit of up to RM1.2 billion under the Shariah principle of Murabahah ("ASEAN Sustainability SRI Sukuk Murabahah Programme"):

(i) On 19 July 2024, Malakoff Power Berhad ("MPB") established the ASEAN Sustainability SRI Sukuk Murabahah Programme of up to RM1.2 billion in nominal value and on even date, RM5.0 million of IMTN and RM1.0 million of ICP were issued for general corporate purposes of which the latter was redeemed during the financial year ended 31 December 2024.

(ii) Subsequently on 17 February 2025, MPB issued an IMTN of RM250 million of which the proceeds from the issuance have been utilised to finance eligible projects set out in the Sustainable Finance Frameworks, including renewable energy and environmental solutions projects.

AUDIT FEES AND NON-AUDIT FEES

	Group 2024 RM'000	Company 2024 RM'000
Audit fees	1,432	279
Non-audit fees	1,101	1,051

MATERIAL CONTRACTS

Other than those disclosed in the financial statements, there were no material contracts including contracts relating to any loans entered into by the Company and/or its subsidiaries involving interests of the Directors, Chief Executive Officer and major shareholders, either still subsisting at the end of financial year ended 31 December 2024 or entered into since the end of the previous financial year.

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Directors' Report

For the Year Ended 31 December 2024

The Directors are pleased to submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

Principal activities

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are as stated in Note 7 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 7 to the financial statements.

Results

	Group RM'000	Company RM'000
Profit for the year attributable to:		
Equity holders of the Company	268,686	72,166
Non-controlling interests	41,900	-
	310,586	72,166

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

Dividends

Since the end of the previous financial year, the Company paid:

i) a final dividend of 1.50 sen per ordinary share on 4,886,961,300 ordinary shares in issue, totalling RM73,304,420 in respect of the financial year ended 31 December 2023 on 29 May 2024.

ii) an interim dividend of 2.23 sen per ordinary share on 4,886,961,300 ordinary shares in issue, totalling RM108,979,237 in respect of the financial year ended 31 December 2024 on 25 October 2024.

Subsequent to the end of the current financial year, the Board of Directors has approved a final dividend of 2.17 sen per ordinary share on 4,886,961,300 ordinary shares in issue, totalling RM106,047,060 in respect of the financial year ended 31 December 2024.

The final dividend will be accounted for in the shareholders' equity as appropriation of retained earnings in the financial year ending 31 December 2025.

Directors' Report

For the Year Ended 31 December 2024

Directors of the Company

Directors who served during the financial year until the date of this report are:

Tan Sri Che Khalib bin Mohamad Noh (Appointed as Chairman on 1 January 2025)
Anwar Syahrin bin Abdul Ajib
Datuk Rozimi bin Remeli
Dato' Mohd Naim bin Daruwish
Dr. Norida binti Abdul Rahman
Datuk Prakash Chandran Madhu Sudanan
Datuk Wira Roslan bin Ab Rahman
Lim Tau Kien (Appointed on 1 June 2024)
Dato' Mohamad Razif bin Haji Abd Mubin (Appointed on 11 March 2025)
Datuk Ooi Teik Huat (Resigned on 2 December 2024)
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin bin Ali (Resigned on 1 January 2025)

Directors of the subsidiaries

The following is a list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) in office during the financial year until the date of this report:

Mohd Nazersham bin Mansor
Yap Leng Khim
Mohamad Lutfi bin Samsudin
Saiful Azlan bin Mahmud
Shajaratuddur bin Mohd Ibrahim
Dato' Mohamad bin Saif @ Saib
Tan Sri Abu Kassim bin Mohamed
Dato' Sri Mohd Zakaria bin Ahmad
Harun bin Halim Rasip
Ahmad Afzainizam bin Mokhtar
Siti Norbaya binti Dinyati
Nagulusamy Rajendran
James Philips Morsen
Datuk Idris bin Abdullah
Datuk Dr. Syed Muhamad bin Syed Abdul Kadir
Dato' Farisah binti Mohd Farid
Norzihan bin Mohamad
Lt Gen Dato' Sri Wan Normazlan bin Che Jaafar
Dato' Zainuddin bin Yahya
Dato' Abd Rashid bin Jabir
Noorihan binti Ali Yusoff
Lionel Fok Whye Sern
Mohd Kopli bin Yunus (Appointed on 26 April 2024)
Sanny bin Abu Bakar (Appointed on 7 May 2024)
Mazuin Ima binti Salamat (Appointed on 9 May 2024)
Subrina Thiagarajah (Appointed on 9 May 2024)
Shahrir bin Haji Abdul Latiff (Appointed on 29 May 2024)
Aimi Aizal bin Nasharuddin (Appointed on 18 September 2024)
Tan Sri Dato' Sri (Dr.) Mohamad Norza bin Zakaria (Appointed on 18 September 2024)
Nurshazwani binti Abd Malek (Appointed on 30 October 2024)

Directors' Report

For the Year Ended 31 December 2024

Directors of the subsidiaries (continued)

Dato' Mohd Zain bin Hassan (Resigned on 20 February 2024)
Mohammed Azmil bin Ismail (Resigned on 17 May 2024)
Noor Aini Adilah binti Muhamad (Resigned on 17 May 2024)
Dato' Ir. Muhammad Nazri bin Pazil (Resigned on 29 May 2024)
Hafiz bin Ismail (Alternate Director to Muhammad Nazri bin Pazil) (Resigned on 29 May 2024)
Saravanan A/L Desigamanie (Resigned on 10 December 2024)
Tengku Ierasulkhaier Putra bin Tengku Alaudin (Resigned on 3 January 2025)
Mohd Helmy bin Ibrahim (Resigned on 28 February 2025)

Directors' interests in shares

The interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2024	Bought	Sold	At 31.12.2024
Direct interests in the Company:				
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin bin Ali	50,000	-	-	50,000
Tan Sri Che Khalib bin Mohamad Noh	420,000	-	-	420,000

None of the other Directors holding office at 31 December 2024 had any interest in the shares of the Company and of its related corporations during the financial year.

The interests in the shares of the Company and of its related corporations of those who were Directors of the subsidiaries of the Company at financial year end as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2024 / date of appointment	Bought	Sold	At 31.12.2024
Direct interests in the Company:				
Datuk Dr. Syed Muhamad bin Syed Abdul Kadir	150,000	-	-	150,000
Mohd Nazersham bin Mansor	16,000	-	-	16,000
Mohamad Lutfi bin Samsudin	38,000	-	-	38,000
Saiful Azlan bin Mahmud	32,900	-	-	32,900
Shajaratuddur bin Mohd Ibrahim	26,000	-	-	26,000

None of the other Directors of the subsidiaries holding office at 31 December 2024 had any interest in the shares of the Company and of its related corporations during the financial year.

Directors' Report

For the Year Ended 31 December 2024

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 December 2024 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Salary, bonus and defined contribution	2,392	-
Fees	1,063	-
Meeting allowances	396	35
Other allowances	450	-
Other remuneration	355	120
Estimated money value of benefits-in-kind	60	-
	4,716	155

There was no arrangement during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

Issue of shares

There was no change in the issued and paid-up capital of the Company during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Indemnity and insurance costs

The total amount of insurance costs effected for Directors and Officers of the Group during the financial year is RM85,600.

There was no indemnity given to or insurance effected for the auditors of the Company.

Directors' Report

For the Year Ended 31 December 2024

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or

iv) not otherwise dealt with in this report or in the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, except for the compensation from settlement of final insurance claims amounting to RM92,825,000 and impairment loss on investments in subsidiaries amounting to RM137,105,000 as disclosed in Note 29 financial statements, the financial performance of the Group and of the Company for the financial year ended 31 December 2024 has not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Significant and subsequent events

Significant and subsequent events during the year are disclosed in Note 40 to the financial statements.

Directors' Report

For the Year Ended 31 December 2024

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remunerations of the Group and of the Company during the year are as follows:

	Group RM'000	Company RM'000
Auditors' remunerations:		
Audit fees		
- KPMG PLT	1,274	279
- Overseas affiliates of KPMG PLT	137	-
- Other audit firms	21	-
Non-audit fees		
- KPMG PLT	209	185
- Local affiliate of KPMG PLT	26	26
- Member firm of KPMG International Limited	26	-
- Other audit firms	840	840

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....

Tan Sri Che Khalib bin Mohamad Noh
Chairman

.....

Anwar Syahrin bin Abdul Ajib
Managing Director

Kuala Lumpur
21 March 2025

Statements of Financial Position

As at 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Assets					
Property, plant and equipment	2	**10,136,491**	10,454,238	**23,232**	24,843
Right-of-use assets	3	**106,947**	104,002	**15,856**	8,261
Investment properties	4	**16,300**	16,400	**-**	-
Concession assets	5	**113,203**	122,831	**-**	-
Intangible assets	6	**1,978,993**	2,260,095	**-**	-
Investments in subsidiaries	7	**-**	-	**6,424,211**	6,561,040
Investments in associates	8	**593,388**	586,110	**215,353**	215,353
Investments in joint ventures	9	**709,111**	745,099	**21,515**	21,515
Other investments	14	**-**	2,484	**-**	2,484
Derivative financial assets	10	**-**	24,309	**-**	-
Trade and other receivables	11	**5,829**	9,081	**-**	-
Deferred tax assets	12	**287,982**	275,475	**-**	-
Total non-current assets		**13,948,244**	14,600,124	**6,700,167**	6,833,496
Derivative financial assets	10	**24,493**	69,991	**-**	-
Trade and other receivables	11	**1,536,173**	1,563,347	**1,374,633**	1,288,837
Inventories	13	**1,037,529**	846,937	**-**	-
Current tax assets		**173,653**	163,639	**9,447**	9,171
Other investments	14	**831,192**	485,596	**2,484**	-
Cash and cash equivalents	15	**1,375,368**	2,571,016	**93,624**	59,843
Assets classified as held for sale	16	**86,035**	-	**-**	-
Total current assets		**5,064,443**	5,700,526	**1,480,188**	1,357,851
Total assets		**19,012,687**	20,300,650	**8,180,355**	8,191,347
Equity					
Share capital	17	**5,693,055**	5,693,055	**5,693,055**	5,693,055
Treasury shares	17	**(98,647)**	(98,647)	**(98,647)**	(98,647)
Reserves	17	**316,054**	334,228	**-**	-
(Accumulated losses)/Retained earnings		**(1,404,914)**	(1,438,891)	**1,552,326**	1,662,693
Equity attributable to owners of the Company		**4,505,548**	4,489,745	**7,146,734**	7,257,101
Perpetual sukuk	18	**800,000**	800,000	**-**	-
Non-controlling interests		**238,289**	257,102	**-**	-
Total equity		**5,543,837**	5,546,847	**7,146,734**	7,257,101

Statements of Financial Position

As at 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Liabilities					
Loans and borrowings	19	**7,016,119**	7,878,379	**-**	-
Lease liabilities		**16,646**	11,511	**7,623**	1,766
Employee benefits	20	**86,187**	88,065	**10,270**	13,354
Provision for decommissioning costs	21	**237,541**	227,080	**-**	-
Provision for concession assets	22	**180,151**	126,851	**-**	-
Deferred income	23	**2,401,935**	2,604,748	**-**	-
Deferred tax liabilities	12	**892,622**	849,949	**966**	1,102
Total non-current liabilities		**10,831,201**	11,786,583	**18,859**	16,222
Trade and other payables	24	**1,363,471**	1,453,572	**1,005,918**	912,246
Current tax liabilities		**5,697**	10,633	**-**	-
Loans and borrowings	19	**752,055**	926,700	**-**	-
Lease liabilities		**7,215**	4,520	**4,573**	2,689
Provision for decommissioning costs	21	**29,265**	52,735	**-**	-
Provision for concession assets	22	**132,353**	202,447	**-**	-
Employee benefits	20	**13,660**	7,329	**4,271**	3,089
Deferred income	23	**295,076**	309,284	**-**	-
Liabilities classified as held for sale	16	**38,857**	-	**-**	-
Total current liabilities		**2,637,649**	2,967,220	**1,014,762**	918,024
Total liabilities		**13,468,850**	14,753,803	**1,033,621**	934,246
Total equity and liabilities		**19,012,687**	20,300,650	**8,180,355**	8,191,347

The notes on pages 281 to 390 are an integral part of these financial statements.

Statements of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Revenue	25	**8,969,567**	9,066,954	**250,939**	784,161
Cost of sales		**(7,835,736)**	(8,860,102)	**-**	-
Gross profit		**1,133,831**	206,852	**250,939**	784,161
Other income		**159,364**	95,768	**15,643**	2,222
Administrative expenses		**(233,119)**	(259,442)	**(76,356)**	(77,657)
Impairment loss on investments in subsidiaries	29	**-**	-	**(137,105)**	(654,000)
Net (loss)/reversal on impairment of investments in associates	29	**(12,484)**	66,338	**-**	-
Net reversal/(loss) on impairment of financial instruments	29	**109**	148	**(663)**	3,298
Other operating expenses		**(263,522)**	(206,949)	**-**	-
Results from operating activities		**784,179**	(97,285)	**52,458**	58,024
Finance income	26	**68,449**	72,776	**51,373**	47,770
Finance costs	27	**(504,032)**	(566,874)	**(28,240)**	(32,565)
Net finance (costs)/income		**(435,583)**	(494,098)	**23,133**	15,205
Share of profit/(loss) of equity-accounted associates and joint ventures, net of tax		**109,743**	(363,534)	**-**	-
Profit/(Loss) before tax		**458,339**	(954,917)	**75,591**	73,229
Tax (expense)/benefit	28	**(147,753)**	92,984	**(3,425)**	(6,845)
Profit/(Loss) for the year	29	**310,586**	(861,933)	**72,166**	66,384
Other comprehensive (expense)/income, net of tax					
Item that will not be reclassified subsequently to profit or loss					
Remeasurement of defined benefit liabilities	30	**(761)**	(3,025)	**(250)**	(942)
Items that are or may be reclassified subsequently to profit or loss					
Cash flow hedge	30	**(1,709)**	(2,976)	**-**	-
Share of loss on hedging reserve of equity-accounted associates and joint ventures	30	**(2,218)**	(13,894)	**-**	-
Foreign currency translation differences for foreign operations	30	**(14,247)**	25,962	**-**	-
Other comprehensive (expense)/income for the year		**(18,935)**	6,067	**(250)**	(942)
Total comprehensive income/(expense) for the year		**291,651**	(855,866)	**71,916**	65,442

Statements of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Profit/(Loss) attributable to:					
Equity holders of the Company		**268,686**	(837,160)	**72,166**	66,384
Non-controlling interests		**41,900**	(24,773)	**-**	-
Profit/(Loss) for the year		**310,586**	(861,933)	**72,166**	66,384
Total comprehensive income/(expense) attributable to:					
Equity holders of the Company		**249,751**	(831,093)	**71,916**	65,442
Non-controlling interests		**41,900**	(24,773)	**-**	-
Total comprehensive income/(expense) for the year		**291,651**	(855,866)	**71,916**	65,442
Earnings/(Loss) per ordinary share (sen)					
Basic/Diluted	31	**4.44**	(18.10)		

The notes on pages 281 to 390 are an integral part of these financial statements.

Statements of Changes in Equity

For the Year Ended 31 December 2024

Group	Note	Attributable to owners of the Company: Reserves: Share capital RM'000	Treasury shares RM'000	Translation RM'000	Hedging RM'000	Accumulated losses RM'000	Total RM'000	Perpetual sukuk RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2023		5,693,055	(98,647)	10,479	314,657	(358,471)	5,561,073	800,000	334,745	6,695,818
Remeasurement of defined benefit liabilities	30	-	-	-	-	(3,025)	(3,025)	-	-	(3,025)
Cash flow hedge	30	-	-	-	(2,976)	-	(2,976)	-	-	(2,976)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	30	-	-	-	(13,894)	-	(13,894)	-	-	(13,894)
Foreign currency translation differences for foreign operations	30	-	-	25,962	-	-	25,962	-	-	25,962
Other comprehensive income/(expense) for the year		-	-	25,962	(16,870)	(3,025)	6,067	-	-	6,067
Loss for the year		-	-	-	-	(837,160)	(837,160)	-	(24,773)	(861,933)
Total comprehensive (expense)/income for the year		-	-	25,962	(16,870)	(840,185)	(831,093)	-	(24,773)	(855,866)
Distribution paid to perpetual sukuk holder		-	-	-	-	(47,200)	(47,200)	-	-	(47,200)
Acquisitions of subsidiaries	39	-	-	-	-	-	-	-	8,775	8,775
Dividends to owners of the Company	32	-	-	-	-	(193,035)	(193,035)	-	-	(193,035)
Dividends to non-controlling interests	7	-	-	-	-	-	-	-	(61,645)	(61,645)
Total transactions with owners of the Company		-	-	-	-	(193,035)	(193,035)	-	(61,645)	(254,680)
At 31 December 2023		5,693,055	(98,647)	36,441	297,787	(1,438,891)	4,489,745	800,000	257,102	5,546,847

Statements of Changes in Equity

For the Year Ended 31 December 2024

Group	Note	Attributable to owners of the Company							Non-controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Treasury shares RM'000	Reserves						
				Translation RM'000	Hedging RM'000	Accumulated losses RM'000	Total RM'000	Perpetual sukuk 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	30	-	-	-	-	(761)	(761)	-	-	(761)
Cash flow hedge	30	-	-	-	(1,709)	-	(1,709)	-	-	(1,709)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	30	-	-	-	(2,218)	-	(2,218)	-	-	(2,218)
Foreign currency translation differences for foreign operations	30	-	-	(14,247)	-	-	(14,247)	-	-	(14,247)
Other comprehensive expense for the year		-	-	(14,247)	(3,927)	(761)	(18,935)	-	-	(18,935)
Profit for the year		-	-	-	-	268,686	268,686	-	41,900	310,586
Total comprehensive income/ (expense) for the year		-	-	(14,247)	(3,927)	267,925	249,751	-	41,900	291,651
Distribution paid to perpetual sukuk holder		-	-	-	-	(51,665)	(51,665)	-	-	(51,665)
Dividends to owners of the Company	32	-	-	-	-	(182,283)	(182,283)	-	-	(182,283)
Dividends to non-controlling interests	7	-	-	-	-	-	-	-	(60,713)	(60,713)
Total transactions with owners of the Company		-	-	-	-	(182,283)	(182,283)	-	(60,713)	(242,996)
At 31 December 2024		**5,693,055**	**(98,647)**	**22,194**	**293,860**	**(1,404,914)**	**4,505,548**	**800,000**	**238,289**	**5,543,837**

The notes on pages 281 to 390 are an integral part of these financial statements.

Statements of Changes in Equity

For the Year Ended 31 December 2024

Company	Note	Share capital RM'000	Treasury shares RM'000	Retained earnings RM'000	Total equity RM'000
At 1 January 2023		5,693,055	(98,647)	1,790,286	7,384,694
Remeasurement of defined benefit liabilities	30	-	-	(942)	(942)
Other comprehensive expense for the year		-	-	(942)	(942)
Profit for the year		-	-	66,384	66,384
Total comprehensive income for the year		-	-	65,442	65,442
Dividends to owners of the Company	32	-	-	(193,035)	(193,035)
At 31 December 2023/1 January 2024		**5,693,055**	**(98,647)**	**1,662,693**	**7,257,101**
Remeasurement of defined benefit liabilities	30	-	-	(250)	(250)
Other comprehensive expense for the year		-	-	(250)	(250)
Profit for the year		-	-	72,166	72,166
Total comprehensive income for the year		-	-	71,916	71,916
Dividends to owners of the Company	32	-	-	(182,283)	(182,283)
At 31 December 2024		**5,693,055**	**(98,647)**	**1,552,326**	**7,146,734**

The notes on pages 281 to 390 are an integral part of these financial statements.

Statements of Cash Flows

For the Year Ended 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Cash flows from operating activities					
Profit/(Loss) before tax		**458,339**	(954,917)	**75,591**	73,229
Adjustments for:					
Amortisation of intangible assets		**282,583**	294,001	**-**	-
Amortisation of transaction costs of hedging instruments		**6,360**	6,755	**-**	-
Amortisation of concession assets		**12,565**	13,326	**-**	-
Depreciation of property, plant and equipment		**764,465**	795,319	**1,728**	2,276
Depreciation of right-of-use assets		**13,693**	15,497	**4,639**	4,721
Expenses related to retirement benefit plans		**11,674**	7,318	**1,378**	1,408
Dividend income		**-**	-	**(221,500)**	(754,063)
Finance income		**(68,449)**	(72,776)	**(51,373)**	(47,770)
Finance costs		**502,450**	566,004	**27,517**	32,279
Finance costs on lease liabilities		**1,582**	870	**723**	286
Loss/(Gain) arising from change in fair value of investment properties		**100**	(800)	**-**	-
Impairment loss on goodwill		**10,193**	-	**-**	-
Net (reversal)/loss on impairment of financial instruments		**(109)**	(148)	**663**	(3,298)
Net loss/(reversal) on impairment of investments in associates		**12,484**	(66,338)	**-**	-
Impairment loss on investments in subsidiaries		**-**	-	**137,105**	654,000
Net gain on derecognition of lease		**(64)**	(430)	**-**	-
(Gain)/Loss on disposal of property, plant and equipment		**(17,053)**	19,187	**(13,470)**	(4)
Net impairment loss/(reversal) on property, plant and equipment		**62**	(404)	**-**	-
Net unrealised foreign exchange gain		**(349)**	(1,233)	**-**	-
Property, plant and equipment written off		**5,733**	27,812	**-**	144
Reversal for diminution in value of consumables		**(2,061)**	(7,343)	**-**	-
Share of (profit)/loss of equity-accounted associates and joint ventures, net of tax		**(109,743)**	363,534	**-**	-
Operating profit/(loss) before changes in working capital		**1,884,455**	1,005,234	**(36,999)**	(36,792)

Statements of Cash Flows

For the Year Ended 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Cash flows from operating activities (continued)					
Operating profit/(loss) before changes in working capital		**1,884,455**	1,005,234	**(36,999)**	(36,792)
Net change in deferred income		**(217,021)**	(235,174)	**-**	-
Net change in derivatives		**518**	63	**-**	-
Net change in employee benefits		**(8,092)**	(3,311)	**(3,530)**	(200)
Net change in inventories		**(188,712)**	841,752	**-**	-
Net change in provision for decommissioning costs		**(23,470)**	(266)	**-**	-
Net change in provision for concession assets		**(16,794)**	(1,461)	**-**	-
Net change in trade and other receivables		**5,177**	523,545	**(36,771)**	(15,489)
Net change in trade and other payables		**35,869**	(111,097)	**122,022**	(436,560)
Cash generated from/(used in) operations		**1,471,930**	2,019,285	**44,722**	(489,041)
Tax paid		**(126,032)**	(299,993)	**(3,837)**	(5,454)
Tax refunded		**-**	17,236	**-**	1,398
Net cash from/(used in) operating activities		**1,345,898**	1,736,528	**40,885**	(493,097)
Cash flows from investing activities					
Change in investments in subsidiaries		**-**	-	**(276)**	-
Change in other investments		**(343,112)**	207,144	**-**	-
Acquisitions of subsidiaries, net of cash and cash equivalents acquired	39	**-**	913,106	**-**	-
Dividends received from subsidiaries		**-**	-	**221,500**	754,063
Dividends received from associates		**2,964**	2,781	**-**	-
Dividends received from joint ventures		**109,214**	188,275	**-**	-
Interest received		**64,066**	68,648	**1,686**	5,640
Purchase of property, plant and equipment		**(462,459)**	(274,112)	**(805)**	(2,191)
Purchase of concession assets		**(2,937)**	(1,528)	**-**	-
Proceeds from disposal of property, plant and equipment		**18,960**	175	**14,158**	5
Acquisition of leasehold land		**(1,448)**	(25,984)	**(189)**	-
Net cash (used in)/from investing activities		**(614,752)**	1,078,505	**236,074**	757,517

Statements of Cash Flows

For the Year Ended 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Cash flows from financing activities					
Distribution to perpetual sukuk holder		**(51,665)**	(47,200)	**-**	-
Dividends paid to owners of the Company	32	**(182,283)**	(193,035)	**(182,283)**	(193,035)
Dividends paid to non-controlling interests		**(60,713)**	(61,645)	**-**	-
Interest paid		**(585,327)**	(567,138)	**(56,592)**	(162,410)
Proceeds from borrowings		**6,000**	1,000	**-**	-
Repayment of borrowings		**(1,020,911)**	(906,546)	**-**	-
Payment of lease liabilities		**(7,291)**	(9,083)	**(4,303)**	(4,696)
Net cash used in financing activities		**(1,902,190)**	(1,783,647)	**(243,178)**	(360,141)
Net (decrease)/increase in cash and cash equivalents		**(1,171,044)**	1,031,386	**33,781**	(95,721)
Cash and cash equivalents at 1 January		**2,571,016**	1,539,630	**59,843**	155,564
Cash and cash equivalents at 31 December	15	**1,399,972**	2,571,016	**93,624**	59,843

Cash outflows for leases as a lessee

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Included in net cash from operating activities					
Payment relating to short-term leases	29	**(16,013)**	(10,052)	**-**	-
Payment relating to leases of low-value assets	29	**(225)**	(238)	**-**	-
Payment relating to variable lease payments not included in the measurement of lease liabilities	29	**(25)**	(6,195)	**-**	-
Included in net cash used in financing activities					
Interest paid in relation to lease liabilities	27	**(1,582)**	(870)	**(723)**	(286)
Payment of lease liabilities		**(7,291)**	(9,083)	**(4,303)**	(4,696)
Total cash outflows for leases		**(25,136)**	(26,438)	**(5,026)**	(4,982)

The notes on pages 281 to 390 are an integral part of these financial statements.

Notes to the Financial Statements

Malakoff Corporation Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of the principal place of business and registered office of the Company is as follows:

Principal place of business and registered office
Level 12, Block 4
Plaza Sentral
Jalan Stesen Sentral 5
50470 Kuala Lumpur

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interests in associates and joint ventures.

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are as stated in Note 7 to the financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 21 March 2025.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

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

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, Financial Instruments and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements - Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

Notes to the Financial Statements

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2025 for those amendments that are effective for annual periods beginning on or after 1 January 2025.

- from the annual period beginning on 1 January 2026 for those amendments that are effective for annual periods beginning on or after 1 January 2026.

- from the annual period beginning on 1 January 2027 for those accounting standards that are effective for annual periods beginning on or after 1 January 2027, except for MFRS 19, *Subsidiaries without Public Accountability: Disclosures*, which is not applicable to the Group and the Company.

The initial application of the abovementioned accounting standards, interpretations and amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Company.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below:

Items	Measurement bases
Derivative financial instruments	Fair value
Non-derivative financial instruments at fair value through profit or loss ("FVTPL")	Fair value
Investment properties	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less the present value of the defined benefit obligation

(c) Functional and presentation currencies

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

Notes to the Financial Statements

1. Basis of preparation (continued)

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than the following:

(i) Residual values of power plant and machinery

a) Gas-fired power plant

Estimating the residual values of power plant and machinery involves significant judgements, selection of variety of methods and assumptions that are normally based on market conditions existing at the balance sheet date. The actual residual values of the power plant and machinery however, may be different from expected. The Group's subsidiaries considered and determined recoverable values of the power plant and machinery based on the valuations derived by the independent professional valuer using the significant assumptions as disclosed in Note 2.2.

b) Coal-fired power plant

Estimating the residual values of the power plant and machinery involves significant judgements, selection of variety of methods and assumptions that are normally based on market conditions existing at the balance sheet date. The actual residual values of the power plant and machinery however, may be different from expected. The Group's subsidiaries considered and determined the recoverable values of the power plant and machinery based on the expected discounted cash flows derived using the significant assumptions as disclosed in Note 2.2.

(ii) Intangible assets and investment in associate

Measurement of recoverable amounts of cash-generating units is derived based on value in use of the cash-generating units. The significant assumptions used to derive value in use are as disclosed in Note 6.

(iii) Provision for decommissioning costs

Estimating the provision for decommissioning costs involves significant judgements and assumptions. The actual costs, however, may be different from expected. The Group's subsidiaries considered and determined the provision for decommissioning costs based on the valuations derived by the independent professional valuer using the significant assumptions as disclosed in Note 21.

(iv) Provision for concession assets

Estimating the provision for concession assets involves significant judgements, selection of variety of methods and assumptions that are normally based on past costs incurred. The actual costs, however, may be different from expected. The significant assumptions used to estimate the provision are as disclosed in Note 22.

2. Property, plant and equipment

Group	Freehold land RM'000	Buildings RM'000	Power plants RM'000	Inspection costs RM'000	Plant and machinery RM'000	Office equipment and furniture RM'000	Motor vehicles RM'000	Computers RM'000	Asset under construction RM'000	Total RM'000
Cost										
At 1 January 2023	285,004	36,890	19,106,801	2,537,388	149,952	175,957	18,744	123,666	29,838	22,464,240
Additions	-	235	9,465	181,755	27,630	12,478	1,724	4,540	36,285	274,112
Change in estimates of decommissioning costs (Note 21)	-	-	9,208	-	-	-	-	-	-	9,208
Disposals	-	-	-	(20,321)	(472)	(193)	-	(548)	-	(21,534)
Write-off	-	-	(6,179)	(20,637)	(7,062)	(371)	-	(354)	-	(34,603)
Acquisitions through business combinations (Note 39)	-	-	-	-	-	-	148	-	39,896	40,044
Net borrowing costs capitalised at 1.99% to 3.05% per annum	-	-	-	-	-	-	-	-	16,199	16,199
At 31 December 2023/ 1 January 2024	**285,004**	**37,125**	**19,119,295**	**2,678,185**	**170,048**	**187,871**	**20,616**	**127,304**	**122,218**	**22,747,666**
Additions	**-**	**529**	**20,862**	**239,713**	**18,080**	**11,420**	**3,350**	**2,994**	**165,511**	**462,459**
Disposals	**(707)**	**-**	**-**	**-**	**(2,373)**	**(902)**	**(641)**	**(777)**	**-**	**(5,400)**
Write-off	**-**	**-**	**(738)**	**(5,352)**	**(169)**	**(904)**	**-**	**(34)**	**(18)**	**(7,215)**
Net borrowing costs capitalised at 2.02% to 3.10% per annum	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**28,621**	**28,621**
Transfer to disposal group held for sale (Note 16)	**-**	**(5,574)**	**-**	**-**	**(129,997)**	**(14,473)**	**(97)**	**(2,431)**	**-**	**(152,572)**
At 31 December 2024	**284,297**	**32,080**	**19,139,419**	**2,912,546**	**55,589**	**183,012**	**23,228**	**127,056**	**316,332**	**23,073,559**

2. Property, plant and equipment (continued)

Group	Freehold land RM'000	Buildings RM'000	Power plants RM'000	Inspection costs RM'000	Plant and machinery RM'000	Office equipment and furniture RM'000	Motor vehicles RM'000	Computers RM'000	Asset under construction RM'000	Total RM'000
Accumulated depreciation and impairment loss										
At 1 January 2023										
Accumulated depreciation	-	35,860	9,177,397	1,903,922	102,595	159,274	14,854	113,121	-	11,507,023
Accumulated impairment loss	-	-	-	-	408	4	9	32	-	453
	-	35,860	9,177,397	1,903,922	103,003	159,278	14,863	113,153	-	11,507,476
Depreciation for the year	-	1,036	616,850	131,924	30,123	7,883	872	6,631	-	795,319
Disposals	-	-	-	(1,072)	(373)	(181)	-	(546)	-	(2,172)
Write-off	-	-	(1,199)	-	(5,012)	(363)	-	(217)	-	(6,791)
Impairment loss	-	-	-	-	141	51	-	10	-	202
Reversal of impairment loss	-	-	-	-	(548)	(25)	(1)	(32)	-	(606)
At 31 December 2023/ 1 January 2024										
Accumulated depreciation	**-**	**36,896**	**9,793,048**	**2,034,774**	**127,333**	**166,613**	**15,726**	**118,989**	**-**	**12,293,379**
Accumulated impairment loss	**-**	**-**	**-**	**-**	**1**	**30**	**8**	**10**	**-**	**49**
	-	**36,896**	**9,793,048**	**2,034,774**	**127,334**	**166,643**	**15,734**	**118,999**	**-**	**12,293,428**
Depreciation for the year	**-**	**221**	**586,683**	**135,696**	**27,185**	**8,808**	**964**	**4,908**	**-**	**764,465**
Disposals	**-**	**-**	**-**	**-**	**(1,750)**	**(668)**	**(298)**	**(777)**	**-**	**(3,493)**
Write-off	**-**	**-**	**-**	**(377)**	**(169)**	**(902)**	**-**	**(34)**	**-**	**(1,482)**
Impairment loss	**-**	**-**	**-**	**-**	**16**	**32**	**63**	**-**	**-**	**111**
Reversal of impairment loss	**-**	**-**	**-**	**-**	**(1)**	**(30)**	**(8)**	**(10)**	**-**	**(49)**
Transfer to disposal group held for sale (Note 16)	**-**	**(5,558)**	**-**	**-**	**(97,359)**	**(10,510)**	**(97)**	**(2,388)**	**-**	**(115,912)**
At 31 December 2024										
Accumulated depreciation	**-**	**31,559**	**10,379,731**	**2,170,093**	**55,240**	**163,341**	**16,295**	**120,698**	**-**	**12,936,957**
Accumulated impairment loss	**-**	**-**	**-**	**-**	**16**	**32**	**63**	**-**	**-**	**111**
	-	**31,559**	**10,379,731**	**2,170,093**	**55,256**	**163,373**	**16,358**	**120,698**	**-**	**12,937,068**
Carrying amounts										
At 1 January 2023	285,004	1,030	9,929,404	633,466	46,949	16,679	3,881	10,513	29,838	10,956,764
At 31 December 2023/ 1 January 2024	**285,004**	**229**	**9,326,247**	**643,411**	**42,714**	**21,228**	**4,882**	**8,305**	**122,218**	**10,454,238**
At 31 December 2024	**284,297**	**521**	**8,759,688**	**742,453**	**333**	**19,639**	**6,870**	**6,358**	**316,332**	**10,136,491**

2. Property, plant and equipment (continued)

Company	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Office equipment and furniture RM'000	Motor vehicles RM'000	Computers RM'000	Total Company RM'000
Cost							
At 1 January 2023	21,516	17,055	154	18,503	1,448	29,667	88,343
Additions	-	-	-	492	-	1,699	2,191
Disposals	-	-	-	-	-	(24)	(24)
Write-off	-	-	-	(7)	-	(349)	(356)
At 31 December 2023/ 1 January 2024	**21,516**	**17,055**	**154**	**18,988**	**1,448**	**30,993**	**90,154**
Additions	**-**	**-**	**-**	**97**	**-**	**708**	**805**
Disposals	**(688)**	**-**	**-**	**-**	**-**	**(651)**	**(1,339)**
At 31 December 2024	**20,828**	**17,055**	**154**	**19,085**	**1,448**	**31,050**	**89,620**
Accumulated depreciation							
At 1 January 2023	-	16,002	154	18,363	878	27,873	63,270
Depreciation for the year	-	383	-	118	183	1,592	2,276
Disposals	-	-	-	-	-	(23)	(23)
Write-off	-	-	-	-	-	(212)	(212)
At 31 December 2023/ 1 January 2024	**-**	**16,385**	**154**	**18,481**	**1,061**	**29,230**	**65,311**
Depreciation for the year	**-**	**299**	**-**	**150**	**183**	**1,096**	**1,728**
Disposals	**-**	**-**	**-**	**-**	**-**	**(651)**	**(651)**
At 31 December 2024	**-**	**16,684**	**154**	**18,631**	**1,244**	**29,675**	**66,388**
Carrying amounts							
At 1 January 2023	21,516	1,053	-	140	570	1,794	25,073
At 31 December 2023/ 1 January 2024	**21,516**	**670**	**-**	**507**	**387**	**1,763**	**24,843**
At 31 December 2024	**20,828**	**371**	**-**	**454**	**204**	**1,375**	**23,232**

2. Property, plant and equipment (continued)

2.1 Securities

At 31 December 2024, certain property, plant and equipment of the Group with a total carrying amount of RM8,173,867,000 (2023: RM8,589,997,000) were charged as securities for debt securities issued by subsidiaries (see Note 19).

2.2 Residual values

Estimating the residual values of power plant and machinery involves significant judgements, selection of variety of methods and assumptions that are normally based on market conditions existing at the balance sheet date. The actual residual values of the power plant and machinery, however, may be different from expected.

The residual values of power plant and machinery are as below:

Power Purchase Agreement ("PPA") Owner	Year of expiry	Residual values RM' million 2024	Residual values RM' million 2023
Gas-fired power plant			
GB3 Sdn. Bhd.	2022	**90.0**	90.0
Prai Power Sdn. Bhd.	2026	**25.0**	50.0
Segari Energy Ventures Sdn. Bhd.	2027	**170.0**	170.0
		285.0	310.0
Coal-fired power plant			
Tanjung Bin Power Sdn. Bhd.	2031	**1,924.0**	1,924.0
Tanjung Bin Energy Sdn. Bhd.	2041	**1,433.0**	1,433.0
		3,357.0	3,357.0

In assessing the appropriateness of the residual values adopted, management considered the recoverable values of the power plant and machinery based on the following methods:

a) Valuation by an independent professional valuer for gas-fired power plant

In the previous financial year, the residual values of the gas-fired power plants were reassessed based on valuation reports prepared by an independent professional valuer in December 2023. Based on assessment by the Group, the previous residual values remain appropriate except for the residual value of the Prai Power Sdn. Bhd. ("PPSB") plant following an extension of its PPA period. The valuation by the independent professional valuer was derived using the following critical assumptions:

1) The plant and machinery will continue in their present use in the business over the economic life of the assets;
2) Adequate potential profitability of the business, or continuing viability of the operation; and
3) The dismantling and removal of all equipment from the site at the end of the economic life of the assets will be the responsibility of the buyer.

Any change to the key assumptions will result in a different residual value recognised.

2. Property, plant and equipment (continued)

2.2 Residual values (continued)

b) The discounted cash flow method for coal-fired power plant

The discounted cash flows were derived using the following critical assumptions:

1) The power plants will be able to operate for another ten (10) years at the end of the concession period, in view of:
   i) the expected useful life of a coal-fired power plant;
   ii) continuous stable demand for power;
   iii) cheaper rate as compared to other power alternatives; and
   iv) Tenaga Nasional Berhad's continued reliance on Independent Power Producers.
2) An estimated tariff rate during the extension period which management deems to be reasonable based on the expected demand and the tariff rate at the end of the current PPAs;
3) Average despatch factors of 82% to 85% to reflect the future demand for power; and
4) The pre-tax discount rate of 17% per annum.

Any change to the key assumptions will result in a different residual value recognised.

2.3 Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use. All spare parts which are expected to be used for more than one period are classified under inspection costs within property, plant and equipment. Spare parts will be depreciated from the date that they are used.

The estimated useful lives for the current and comparative periods are as follows:

• Buildings	5 – 20 years
• Inspection costs	1.5 – 10 years
• Power plants and machinery	5 – 31 years
• Office equipment and furniture	3 – 10 years
• Motor vehicles	5 – 10 years
• Computers	3 – 5 years

3. Right-of-use assets

Group	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Office equipment RM'000	Total RM'000
At 1 January 2023	67,103	21,380	510	8	89,001
Additions	25,984	620	168	-	26,772
Derecognition	-	(387)	(104)	-	(491)
Remeasurement of lease liabilities	-	4,127	-	90	4,217
Depreciation for the year	(6,001)	(8,958)	(516)	(22)	(15,497)
At 31 December 2023/ 1 January 2024	**87,086**	**16,782**	**58**	**76**	**104,002**
Additions	**1,448**	**1,766**	**79**	**-**	**3,293**
Derecognition	**-**	**(1,384)**	**(28)**	**(72)**	**(1,484)**
Remeasurement of lease liabilities	**9**	**15,307**	**16**	**74**	**15,406**
Depreciation for the year	**(5,393)**	**(8,164)**	**(112)**	**(24)**	**(13,693)**
Transfer to disposal group held for sale (Note 16)	**-**	**(577)**	**-**	**-**	**(577)**
At 31 December 2024	**83,150**	**23,730**	**13**	**54**	**106,947**

Company	Leasehold land RM'000	Buildings RM'000	Total RM'000
At 1 January 2023	4,054	8,928	12,982
Depreciation for the year	(58)	(4,663)	(4,721)
At 31 December 2023/1 January 2024	**3,996**	**4,265**	**8,261**
Additions	**189**	**-**	**189**
Remeasurement of lease liabilities	**-**	**12,045**	**12,045**
Depreciation for the year	**(58)**	**(4,581)**	**(4,639)**
At 31 December 2024	**4,127**	**11,729**	**15,856**

The Group leases a number of buildings, plant and machinery and office equipment that occupy between one year and six years, with an option to renew these leases after that date, whereas the Company leases a number of buildings that occupy at three years, with an option to renew these leases after that date.

3. Right-of-use assets (continued)

3.1 Extension options

Some leases of buildings contain extension options exercisable by the Group and the Company up to three years before the end of the non-cancellable contract period. Where practicable, the Group and the Company seek to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and the Company and not by the lessors. The Group and the Company assess at lease commencement whether they are reasonably certain to exercise the extension options. The Group and the Company reassess whether they are reasonably certain to exercise the options if there is a significant event or significant change in circumstances within their control.

The extension options of all leases are currently included in the lease terms as the Group and the Company assessed that they are reasonably certain to exercise the extension options, which is supported by the high historical rate of extensions exercised by the Group and the Company. Hence, there were no potential future lease payments not included in lease liabilities.

3.2 Judgements and assumptions in relation to leases

The Group and the Company assess at lease commencement by applying judgement whether they are reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group and the Company also applied judgements and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determine the closest available borrowing rates before using judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

3.3 Securities

At 31 December 2024, certain right-of-use assets of the Group with a total carrying amount of RM30,434,000 (2023: RM34,557,000) were charged as securities for debt securities issued by subsidiaries (see Note 19).

3.4 Material accounting policy information

(a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group and the Company allocate the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group or the Company is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(c) Recognition exemption

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4. Investment properties

	Group	
	2024 RM'000	**2023 RM'000**
At fair value		
At 1 January	**16,400**	15,600
Change in fair value recognised in profit or loss	**(100)**	800
At 31 December	**16,300**	16,400

4.1 Nature of leasing activities

Investment properties consist of land and buildings that are leased to third parties.

4.2 Other income/expenses recognised in profit or loss in relation to investment properties

	Group	
	2024 RM'000	**2023 RM'000**
Lease income	**834**	821
Direct operating expenses:		
- income generating investment properties	**58**	17

The maturity analysis of operating lease payments is not disclosed as it is not material in the context of the consolidated financial statements.

4.3 Fair value information

Fair value of investment properties is categorised as follows:

	Group	
	Level 2	
	2024 RM'000	**2023 RM'000**
Land and buildings	**16,300**	16,400

Fair value of investment properties is based on valuations by an independent qualified valuer and derived using the market comparison approach. Sales price of comparable properties in close proximity is adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

4.4 Material accounting policy information

Investment properties are measured subsequently at fair value, representing open-market values determined annually by independent qualified valuer with any changes therein recognised in profit or loss for the period in which they arise.

Notes to the Financial Statements

5. Concession assets

	Group	
	2024 RM'000	**2023 RM'000**
Cost		
At 1 January	**284,998**	295,271
Additions	**2,937**	1,528
Write-off	**-**	(11,801)
At 31 December	**287,935**	284,998
Amortisation and impairment loss		
At 1 January		
Accumulated amortisation	**153,568**	152,043
Accumulated impairment loss	**8,599**	8,599
	162,167	160,642
Amortisation for the year	**12,565**	13,326
Write-off	**-**	(11,801)
At 31 December		
Accumulated amortisation	**166,133**	153,568
Accumulated impairment loss	**8,599**	8,599
	174,732	162,167
Carrying amounts		
At 1 January	**122,831**	134,629
At 31 December	**113,203**	122,831

Notes to the Financial Statements

5. Concession assets (continued)

5.1 Concession assets – Alam Flora Sdn. Bhd. ("AFSB")

AFSB, a subsidiary of the Group, entered into a Service Concession Agreement with the Federal Government of Malaysia ("Government") and Solid Waste and Public Cleansing Management Corporation ("Corporation") to undertake the Collection Services and Public Cleansing Management Services in the state of Pahang, Federal Territories of Kuala Lumpur and Putrajaya for a period of 22 years commencing from 1 September 2011.

Under the Service Concession Agreement, the Corporation shall pay AFSB monthly payment of agreed fees in consideration of AFSB's obligations. The fees are subject to review on the seventh (7th) year anniversary and subsequently on the fourteenth (14th) year anniversary of the concession. As at the reporting date, there is no change to the prevailing fees as negotiations with the Corporation to review the fees are still in progress.

Upon expiry of the concession period, AFSB shall hand over all assets purchased or obtained by the Company as required by the Corporation in operational conditions specified under the Service Concession Agreement.

5.2 Concession assets – Alam Flora Environmental Solutions Sdn. Bhd. ("AFES")

AFES, a subsidiary of the Group, entered into an agreement with the Government and Corporation to undertake the refurbishment, operation and maintenance of incinerators built by the Government in Pulau Pangkor and Cameron Highlands for a period of 6 years commencing from 6 April 2017 and 21 September 2017, respectively. Under this agreement, the Government shall, through the Corporation pay AFES monthly payment fees based on the total tonnage of waste received at the plant. The agreement for the Pulau Pangkor incinerator has been extended in year 2022 for an additional three (3) years, expiring on 7 December 2025. Following the expiry of the agreement of Cameron Highlands incinerator on 23 July 2023, the Group had written off the Cameron Highlands incinerator in the previous financial year.

5.3 Material accounting policy information

Subsequent costs and expenditures relate to infrastructure and equipment costs arising from the commitment to the concession contract and are capitalised only when it is probable that the future economic benefits of these costs and expenditures will flow to the Group. All other repair and maintenance expenses that are routine in nature, are expensed and recognised in the profit or loss as incurred.

6. Intangible assets

Group	Note	Goodwill – Alam Flora Sdn. Bhd. RM'000	Goodwill – Others RM'000	Interest over Service Concession Agreement RM'000	Interest over Power Purchase and Operation and Maintenance Agreements RM'000	Total RM'000
Cost						
At 1 January 2023		152,784	8,232	501,776	7,752,609	8,415,401
Acquisitions through business combinations	39	-	15,244	-	-	15,244
At 31 December 2023/1 January 2024/ 31 December 2024		152,784	23,476	501,776	7,752,609	8,430,645
Accumulated amortisation and impairment loss						
At 1 January 2023		-	8,232	112,924	5,767,039	5,888,195
Accumulated amortisation		-	-	112,924	5,767,039	5,879,963
Accumulated impairment loss		-	8,232	-	-	8,232
Amortisation for the year		-	-	36,421	245,934	282,355
At 31 December 2023/1 January 2024		**-**	**8,232**	**149,345**	**6,012,973**	**6,170,550**
Accumulated amortisation		-	-	149,345	6,012,973	6,162,318
Accumulated impairment loss		-	8,232	-	-	8,232
Amortisation for the year		-	-	36,520	234,389	270,909
Impairment for the year		10,193	-	-	-	10,193
At 31 December 2024		**10,193**	**8,232**	**185,865**	**6,247,362**	**6,451,652**
Accumulated amortisation		-	-	185,865	6,247,362	6,433,227
Accumulated impairment loss		10,193	8,232	-	-	18,425
		10,193	**8,232**	**185,865**	**6,247,362**	**6,451,652**
Carrying amounts						
At 1 January 2023		152,784	-	388,852	1,985,570	2,527,206
At 31 December 2023/1 January 2024		152,784	15,244	352,431	1,739,636	2,260,095
At 31 December 2024		142,591	15,244	315,911	1,505,247	1,978,993

6. Intangible assets (continued)

Intangible assets including goodwill arising from interest over Service Concession Agreement

Initial measurement

The Group generates revenue from the integrated solid waste collection and cleansing public management services in the state of Pahang, Federal Territories of Kuala Lumpur and Putrajaya under the Service Concession Agreement ("SCA") held by AFSB, the concession assets holder (see Note 5).

The fair values of the Intangible Assets arising from the SCA were measured using the Multi-Period Excess Earnings Method ("MEEM") under the income method. The underlying rationale in the MEEM was that the fair values of Intangible Assets represent the present value of the net income after taxes attributable to the Intangible Assets. The net income attributable to the Intangible Assets was the excess income after charging a fair return on all the assets that are necessary (contributory assets) to realise the net income. The contributory asset charges ("CAC") were based on the fair value of each contributory asset and represent the return on the assets. The assumption in calculating the CAC was that the owner of the Intangible Asset "rents" or "leases" the contributory assets from a hypothetical third party in an arm's length transaction in order to be able to derive income from the Intangible Assets. The present value of the expected income attributable to the Intangible Assets less CAC and taxes represents the value of the Intangible Assets.

Management had applied the following key assumptions in deriving the present value of the net income after taxes attributable to the Intangible Assets at the acquisition date:

• Remaining useful life of SCA	13.75 years (in accordance with the SCA)
• Revenue	Projected tariff rate revisions with an annualised growth rate of 2%
• Cost of sales	Projected private contractor costs based on past experience
• Capital expenditures ("CAPEX")	Expenses on concession assets replacement costs for existing SCA business
• Pre-tax discount rate	18.65%

In applying the MEEM valuation methodology, the expected cash flows were discounted to their present value equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This was calculated by weighing the required returns on debt and equity in proportion to their assumed percentages.

Impairment testing for cash-generating unit containing goodwill

Goodwill was allocated to AFSB following the completion of the acquisition of AFSB by the Group. The goodwill represents the cash-generating unit ("CGU") within the Group at which the goodwill was monitored for internal management purposes. The CGU relates to collection and cleansing management services. The Group has exercised significant judgement in assessing the CGU's recoverable amount using value in use.

The impairment test of the above CGU was based on its value in use, determined by discounting future cash flows to their present values equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This is calculated by weighing the required returns on debt and equity in proportion to its assumed percentages. The discount rate reflected the current market assessment of the time value of money and was based on the estimated cost of capital.

6. Intangible assets (continued)

Intangible assets including goodwill arising from interest over Service Concession Agreement (continued)

Impairment testing for cash-generating unit containing goodwill (continued)

The following table shows the valuation techniques used in the determination of value in use, as well as the significant assumptions used in the valuation model.

• Remaining useful life of SCA	8.75 years (in accordance with the SCA)
• Revenue	Projected tariff rate revisions with an annualised growth rate of 2%
• Cost of sales	Projected private contractor costs based on past experience
• CAPEX	Expenses on concession assets replacement costs for existing SCA business
• Pre-tax discount rate	18%

The values assigned to the key assumptions represent management's assessment of future trends in the solid waste management industry and were based on external sources and internal sources (historical data).

Consequent to the assessment, the carrying amount of the CGU of RM303,643,000 exceeded the estimated recoverable amount of RM293,450,000, hence the Group recognised an impairment loss on goodwill amounting to RM10,193,000 in the profit or loss. Adverse changes in any of the key assumptions may result in further impairment losses to be recognised.

Intangible assets arising from interest over Power Purchase (subsidiaries and associate), Power and Water Purchase (associate and joint venture), Water Purchase (joint venture) and Operation and Maintenance (subsidiaries) Agreements

The Group's revenue is substantially derived from the generation and sale of electricity energy and generating capacity in Malaysia, which is governed by the Power Purchase Agreements ("PPAs") (together with the Independent Power Producer Licences ("IPP Licences") issued by the Ministry of Energy, Water and Communications), Power and Water Purchase Agreements ("PWPAs") and Water Purchase Agreement ("WPA") held by the subsidiaries, associate and joint venture. The Operation and Maintenance Agreements ("OMAs") held by certain subsidiaries engaged in operation and maintenance are associated with the Independent Power Producers within the Group.

Upon acquisition of the subsidiaries, associates and joint venture, the Group has determined the expected cash flows to be generated from the PPAs, OMAs (together with the IPP Licences), PWPAs and WPA.

The PPAs and OMAs held by subsidiaries in Malaysia are recognised as a single asset in accordance with MFRS 138, *Intangible Assets*, in view that they are required for the generation, operation and maintenance, sale of electricity energy and generating capacity in Malaysia.

As at 31 December 2024, there are three (3) PPAs (together with the respective IPP Licences) held by the Group's power producing subsidiaries, namely Segari Energy Ventures Sdn. Bhd. ("SEV"), Tanjung Bin Power Sdn. Bhd. ("TBP") and an associate, Kapar Energy Ventures Sdn. Bhd. ("KEV") as well as three (3) OMAs held by the Group's operation and maintenance subsidiaries, namely Malakoff Power Berhad ("MPB") and Tanjung Bin O&M Berhad ("TBOM").

The PWPAs and WPA held by associate and joint venture are recognised as part of the carrying amount in the investments in associates and joint venture.

As at 31 December 2024, Hidd Power Company B.S.C. (c) ("HPC"), an associate holds one (1) PWPA and Saudi-Malaysia Water & Electricity Company Limited ("SAMAWEC"), an indirect joint venture holds one (1) PWPA and one (1) WPA.

6. Intangible assets (continued)

Intangible assets arising from interest over Power Purchase (subsidiaries and associate), Power and Water Purchase (associate and joint venture), Water Purchase (joint venture) and Operation and Maintenance (subsidiaries) Agreements (continued)

The PPAs, PWPAs, WPA and OMAs are the key documents that govern the underlying strength of the Group's cash flows, which provide for, inter alia, the electricity tariff, supply, operations and maintenance and all other terms to be met by the subsidiaries, associates and joint venture.

Intangible assets arising from interest over Power Purchase (subsidiaries and associate), Power and Water Purchase (associate) and Operation and Maintenance (subsidiaries) Agreements

Initial measurement

The fair values of the Intangible Assets arising from the PPAs, PWPA, and OMAs were measured using the Multi-Period Excess Earnings Method ("MEEM") under the income method. The underlying rationale in the MEEM was that the fair values of Intangible Assets represent the present value of the net income after taxes attributable to the Intangible Assets. The net income attributable to the Intangible Assets was the excess income after charging a fair return on all the assets that are necessary (contributory assets) to realise the net income. The contributory asset charges ("CAC") were based on the fair value of each contributory asset and represent the return on the assets. The assumption in calculating the CAC was that the owner of the Intangible Asset "rents" or "leases" the contributory assets from a hypothetical third party in an arm's length transaction in order to be able to derive income from the Intangible Assets. The present value of the expected income attributable to the Intangible Assets less CAC and taxes represents the value of the Intangible Assets.

Management had applied the following key assumptions in deriving the present value of the net income after taxes attributable to the Intangible Assets at the acquisition date:

• Remaining useful life of PPAs/PWPA/OMAs	2 – 25 years (in accordance with the respective PPAs, PWPA and OMAs)
• Dependable Capacity ("DC"):	
- Power	350 MW – 2,420 MW
- Water	17,047 m^3/hour
• Capacity Factor:	
- Power	10% – 75% of DC
- Water	91% – 99% of DC
• Net Output:	
- Electrical (million kW/hour)	213 – 11,197
- Water (thousand m^3)	67,370 – 73,771
• Capacity Rate:	
- Power (RM/kW/month)	11.35 – 50.00
- Water (RM/m^3/month)	1,222 – 1,339
• Fixed Operating Rate under Revenue (RM/kW/month)	4.00 – 10.50
• Variable Operating Rate under Revenue:	
- Power (RM/kW/month)	0.013 – 4.775
- Water (RM/m^3/month)	58.20 – 116.40
• Fuel price (RM/mmBtu)	4.60 – 13.70
• CAC	17.77% – 28.00% of revenue

In applying the MEEM valuation methodology, the expected cash flows were discounted to their present value equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This was calculated by weighing the required returns on debt and equity in proportion to their assumed percentages. The applied pre-tax discount rate ranges from 7.5% to 9% per annum.

6. Intangible assets (continued)

Intangible assets arising from interest over Power and Water Purchase and Water Purchase Agreements (joint venture)

Initial measurement

The Group's revenue is also derived from the generation and sale of desalinated water and electricity in the Kingdom of Saudi Arabia, which is governed by the PWPA and WPA.

The fair values of the Intangible Assets arising from the PWPA and WPA were measured using the MEEM under the income method. The underlying rationale in the MEEM was that the fair values of Intangible Assets represent the present value of the net income after taxes attributable to the Intangible Assets. The net income attributable to the Intangible Assets was the excess income after charging a fair return on all the assets that are necessary (contributory assets) to realise the net income. The CAC were based on the fair value of each contributory asset and represent the return on the assets. The assumption in calculating the CAC was that the owner of the Intangible Asset "rents" or "leases" the contributory assets from a hypothetical third party in an arm's length transaction in order to be able to derive income from the Intangible Assets. The present value of the expected income attributable to the Intangible Assets less CAC and taxes represents the value of the Intangible Assets.

Management had applied the following key assumptions in deriving the present value of the net income after taxes attributable to the Intangible Assets at the acquisition date:

• Contracted tariff	Agreed tariff as per PWPA and WPA
• Residual value	10% of Engineering, Procurement, and Construction Cost ("EPCC") net of decommissioning costs as the terminal value
• CAPEX	Expenses on power plants and machinery replacement

In applying the MEEM valuation methodology, the expected cash flows were discounted to their present value equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This was calculated by weighing the required returns on debt and equity in proportion to their assumed percentages. The applied pre-tax discount rate was 44% per annum.

Interest over Power Purchase and Operation and Maintenance Agreements (subsidiaries)

Interest over Power Purchase and Operation and Maintenance Agreements of subsidiaries have finite useful lives and are subject to impairment assessment only if there is an indication of impairment. There is no indication of impairment during the current and previous financial years.

6. Intangible assets (continued)

Interest over Power and Water Purchase Agreement in HPC (associate)

Impairment testing for cash-generating unit containing goodwill and interest over Power and Water Purchase Agreement in HPC (associate)

Goodwill was allocated to HPC following the completion of the acquisition of HPC by the Group. The goodwill represented the CGU within the Group at which the goodwill was monitored for internal management purposes. The CGU also included interest over PWPA in HPC. During the financial year, in the view that HPC's PWPA is approaching expiry in year 2027 with no extension period expected based on latest assessment performed by the Group, an impairment assessment was carried out on the recoverable amount of its investment in HPC using value in use.

The impairment test of the above CGU was based on value in use, determined by discounting future cash flows to their present values equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This was calculated by weighing the required returns on debt and equity in proportion to its assumed percentages. The discount rate reflected the current market assessment of the time value of money and was based on the estimated cost of capital.

The following table shows the valuation techniques used in the determination of value in use, as well as the significant assumptions used in the valuation model.

• Remaining useful life of PWPA	2.75 years (in accordance with remaining tenure of original PWPA)
• Plant availability	Plant availability projected based on past experience
• Power and water despatch	Power and water despatch projected based on past experience
• Pre-tax discount rate	11.50%

The values assigned to the key assumptions represent management's assessment of future trends in the power and water desalination industry and were based on external sources and internal sources (historical data).

Consequent to the assessment, the carrying amount of the CGU of RM340,021,000 exceeded the estimated recoverable amount of RM302,494,000, hence the Group recognised an impairment loss amounting to RM37,527,000 in profit or loss (see Note 8). Adverse changes in any of the key assumptions may result in further impairment losses to be recognised.

Interest over Power and Water Purchase Agreement and Water Purchase Agreement in SAMAWEC (joint venture)

Interest over PWPA and WPA in SAMAWEC has finite useful lives and is subject to impairment assessment only if there is an indication of impairment. There is no indication of impairment during the financial year.

6.1 Material accounting policy information

(a) Recognition and measurement

Intangible assets, other than goodwill, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

6. Intangible assets (continued)

6.1 Material accounting policy information (continued)

(b) Amortisation

Amortisation is recognised in profit or loss based on straight-line basis over the estimated useful lives of intangible assets.

The estimated useful lives for the current and comparative periods are as follows:

• Interest over Power Purchase Agreements	2 – 25 years
• Interest over Power and Water Purchase and Water Purchase Agreements	10 – 15 years
• Interest over Operation and Maintenance Agreements	2 – 25 years
• Interest over Service Concession Agreement	13.75 years

7. Investments in subsidiaries

	Note	Company 2024 RM'000	2023 RM'000
At cost			
Unquoted shares		**8,135,017**	8,134,741
Unquoted preference shares		**880,453**	880,453
Amount due from a subsidiary	7.1	**109,355**	109,355
Capital contribution to subsidiaries	7.2	**3,793**	3,793
Less: Accumulated impairment losses	7.3	**(2,704,407)**	(2,567,302)
		6,424,211	6,561,040

7.1 Amount due from a subsidiary is non-trade in nature, unsecured and non-interest bearing. The amount has no fixed payment date and the subsidiary has the right to defer the payment.

7.2 Capital contribution to subsidiaries is considered as a long-term source of capital to its subsidiaries, of which any repayment of the amount is solely at the discretion of the subsidiaries. These contributions are accounted for as the Company's net shareholders' investments in its subsidiaries and are stated at cost.

7.3 During the financial year, the Company continued to assess the recoverability of its investments in subsidiaries which have 10 years or less in the remaining tenure of their PPAs based on fair value less costs of disposal estimated using the market approach. The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation techniques used.

Consequent to the impairment tests carried out, the total carrying amount of certain investments in subsidiaries of RM6,561,000,000 (2023: RM7,215,000,000) exceeded the recoverable amount of RM6,423,895,000 (2023: RM6,561,000,000). As a result, the Company recognised an impairment loss amounting to RM137,105,000 (2023: RM654,000,000) in profit or loss.

7. Investments in subsidiaries (continued)

7.4 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investments are classified as held for sale or distribution.

Details of subsidiaries are as follows:

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2024	2023	Principal activities
Direct subsidiaries					
1.	Segari Energy Ventures Sdn. Bhd.	Malaysia	**93.75**	93.75	Design, construction, operation and maintenance of a combined cycle power plant, generation and sale of electrical energy and generating capacity of the power plant
2.	GB3 Sdn. Bhd.	Malaysia	**75**	75	Design, construction, operation and maintenance of a combined cycle power plant, generation and sale of electrical energy and generating capacity of the power plant
3.	Prai Power Sdn. Bhd.	Malaysia	**100**	100	Design, construction, operation and maintenance of a combined cycle power plant, generation and sale of electrical energy and generating capacity of the power plant
4.	Tanjung Bin Power Sdn. Bhd.	Malaysia	**90**	90	Design, engineering, procurement, construction, installation and commissioning, testing, operation and maintenance of a 2,100 MW coal-fired electricity generating facility and sale of electrical energy and generating capacity of the power plant
5.	Hypergantic Sdn. Bhd.	Malaysia	**100**	100	Investment holding
6.	Tanjung Bin Energy Sdn. Bhd.	Malaysia	**100**	100	Design, engineering, procurement, construction, installation and commissioning, testing, operation and maintenance of a 1,000 MW coal-fired electricity generating facility
7.	Malakoff Technical Solutions Sdn. Bhd.	Malaysia	**100**	100	Investment holding company and provision of operation and maintenance and any related services
8.	Malakoff Utilities Sdn. Bhd.	Malaysia	**100**	100	Build, own and operate an electricity distribution system and a centralised chilled water plant system
9.	Malakoff Engineering Sdn. Bhd.	Malaysia	**100**	100	Provision of engineering and project management services

Notes to the Financial Statements

7. Investments in subsidiaries (continued)

Details of subsidiaries are as follows (continued):

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2024	2023	Principal activities
Direct subsidiaries (continued)					
10.	Spring Assets Limited	British Virgin Islands	**100**	100	Dormant
11.	Malakoff Capital (L) Limited	Federal Territory of Labuan, Malaysia	**100**	100	Dormant
12.	Malakoff International Limited	Cayman Islands	**100**	100	Offshore – Investment holding
13.	Tuah Utama Sdn. Bhd.	Malaysia	**100**	100	Investment holding
14.	Desa Kilat Sdn. Bhd.	Malaysia	**54**	54	Land reclamation, development and/or sale of reclaimed land
15.	Malakoff Power Berhad	Malaysia	**100**	100	Operation and maintenance of power plants
16.	Malakoff R&D Sdn. Bhd.	Malaysia	**100**	100	Promoting, developing, acquiring and enhancing the Group's capacity and innovation in the energy business
17.	Tunas Pancar Sdn. Bhd.	Malaysia	**100**	100	Investment holding
18.	Malakoff Solar Sdn. Bhd.	Malaysia	**100**	100	Developing, operating and maintaining solar photovoltaic projects
19.	Radiant Summit Global Limited	British Virgin Islands	**100**	100	Investment holding
20.	Yan Energy Ventures Sdn. Bhd.	Malaysia	**100**	100	Developing, financing, constructing, operating and maintaining power plant project(s)
21.	PDP Gen Two Sdn. Bhd.#	Malaysia	**65**	-	Developing, financing, constructing, operating and maintaining power plant project(s)
Indirect subsidiaries					
Held through Tanjung Bin Energy Sdn. Bhd.					
22.	Tanjung Bin Energy Issuer Berhad	Malaysia	**100**	100	Administer and manage the development of a 1,000 MW coal-fired electricity generating facility

Notes to the Financial Statements

7. Investments in subsidiaries (continued)

Details of subsidiaries are as follows (continued):

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2024	2023	Principal activities
Indirect subsidiaries (continued)					
Held through Malakoff Technical Solutions Sdn. Bhd.					
23.	Natural Analysis Sdn. Bhd.[∞]	Malaysia	**100**	100	Dormant
24.	TJSB Services Sdn. Bhd.	Malaysia	**100**	100	Provision of maintenance, repair and overhaul and any related services to power plants and any other plants of similar main and auxiliary operating systems
25.	TJSB International Limited	Cayman Islands	**100**	100	Offshore – Investment holding
26.	TJSB Global Sdn Bhd	Malaysia	**100**	100	Investment holding
27.	PT. Teknik Janakuasa^	Indonesia	**95**	95	Provision of operation and maintenance services to power plant and/or other utility plants
28.	Rising O&M Engineering Services Sdn. Bhd.	Malaysia	**70**	70	Provision of operations and maintenance services to renewable energy producer and developer and its related activities
Held through TJSB International Limited					
29.	TJSB International (Shoaiba) Limited	British Virgin Islands	**100**	100	Offshore – Investment holding
30.	TJSB Middle East Limited	British Virgin Islands	**100**	100	Operation and maintenance services for power plants
Held through Malakoff Engineering Sdn. Bhd.					
31.	MESB Project Management Sdn. Bhd.[∞]	Malaysia	**100**	100	Dormant
Held through Malakoff International Limited					
32.	Malakoff Gulf Limited	British Virgin Islands	**100**	100	Offshore – Investment holding
33.	Malakoff Technical (Dhofar) Limited	British Virgin Islands	**100**	100	Offshore – Investment holding

Notes to the Financial Statements

7. Investments in subsidiaries (continued)

Details of subsidiaries are as follows (continued):

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2024	2023	Principal activities
Indirect subsidiaries (continued)					
Held through Malakoff International Limited (continued)					
34.	Malakoff AlDjazair Desal Sdn. Bhd.	Malaysia	**100**	100	Investment holding
35.	Malakoff Oman Desalination Company Limited	British Virgin Islands	**100**	100	Offshore – Investment holding
36.	Malakoff Hidd Holding Company Limited	Guernsey	**100**	100	Asset, property, investment, intellectual property and other holding companies
37.	Pacific Goldtree Sdn. Bhd.	Malaysia	**100**	100	Investment holding
Held through Tuah Utama Sdn. Bhd.					
38.	Green Biogas Sdn. Bhd.	Malaysia	**100**	100	Developing, operating and maintaining biogas power plant project
39.	Malakoff Radiance Sdn. Bhd.	Malaysia	**100**	100	Developing, operating and maintaining rooftop solar projects
40.	Southern Biogas Sdn. Bhd.	Malaysia	**100**	100	Developing, operating and maintaining biogas power plant project
41.	RP Hydro (Kelantan) Sdn. Bhd.	Malaysia	**70**	70	Developing, financing, operating and maintaining of hydropower and renewable energy projects
Held through Malakoff AlDjazair Desal Sdn. Bhd.					
42.	Tlemcen Desalination Investment Company SAS[∞]	France	**70**	70	Offshore – Investment holding
Held through Malakoff Hidd Holding Company Limited					
43.	Malakoff Summit Hidd Holding Company Limited	Guernsey	**57.14**	57.14	Asset, property, investment, intellectual property and other holding companies
Held through Malakoff Power Berhad					
44.	Tanjung Bin O&M Berhad	Malaysia	**100**	100	Operation and maintenance of power plant
45.	PDP O&M Sdn. Bhd.[∞]	Malaysia	**100**	100	Operation and maintenance of power plant

Notes to the Financial Statements

7. Investments in subsidiaries (continued)

Details of subsidiaries are as follows (continued):

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2024	2023	Principal activities
Indirect subsidiaries (continued)					
Held through Hypergantic Sdn. Bhd.					
46.	Port Dickson Power Berhad	Malaysia	**100**	100	Independent power producer licensed by the Government to supply electricity exclusively to Tenaga Nasional Berhad
Held through Pacific Goldtree Sdn. Bhd.					
47.	Skyfirst Power Sdn. Bhd.	Malaysia	**100**	100	Investment holding
Held through Tunas Pancar Sdn. Bhd.					
48.	Alam Flora Sdn. Bhd.	Malaysia	**97.37**	97.37	Provision of integrated solid waste collection and public cleansing management services
49.	Genesis Facility Solutions Sdn. Bhd.♣	Malaysia	**100**	-	Facility management
Held through Alam Flora Sdn. Bhd.					
50.	Alam Flora Environmental Solutions Sdn. Bhd.	Malaysia	**97.37**	97.37	Provision of integrated solid waste management services, recycling and integrated facility management services
Held through Malakoff Gulf Limited					
51.	Desaru Investments (Cayman Isl.) Limited[∞]	Cayman Islands	**100**	100	Offshore – Investment holding
52.	Malaysian Shoaiba Consortium Sdn. Bhd.	Malaysia	**80**[+]	80[+]	Investment holding

^ Not audited by member firms of KPMG International
∞ No requirement to be audited
+ Represents 40% interest held through Malakoff Gulf Limited and 40% interest held through Desaru Investments (Cayman Isl.) Limited, a wholly-owned subsidiary of Malakoff Gulf Limited
 # On 18 September 2024, PDP Gen Two Sdn. Bhd. was incorporated with issued and paid-up share capital of RM100, comprising 100 ordinary shares, of which the Company holds 65% equity interest whilst a third party holds 35% equity interest, respectively.
♣ On 8 March 2024, the Group through its wholly-owned subsidiary, Tunas Pancar Sdn. Bhd., completed the incorporation of Genesis Facility Solutions Sdn. Bhd. with a total share capital of RM2, comprising 2 ordinary shares, which have been issued and fully paid up.

7. Investments in subsidiaries (continued)

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

Group	Tanjung Bin Power Sdn. Bhd. RM'000	Malaysian Shoaiba Consortium Sdn. Bhd. RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
2024				
NCI percentage of ownership interest and voting interest	**10%**	**20%**		
Carrying amount of NCI	**142,004**	**43,662**	**52,623**	**238,289**
Profit/(Loss) allocated to NCI	**46,564**	**(875)**	**(3,789)**	**41,900**
Summarised financial information before intra-group eliminations				
As at 31 December				
Non-current assets	**3,958,383**	**454,845**		
Current assets	**2,536,451**	**38,317**		
Non-current liabilities	**(3,425,429)**	**-**		
Current liabilities	**(1,649,370)**	**(1,496)**		
Net assets	**1,420,035**	**491,666**		
Year ended 31 December				
Revenue	**4,726,124**	**98,177**		
Profit for the year	**465,637**	**93,801**		
Total comprehensive income	**465,637**	**93,801**		
Cash flows from/(used in) operating activities	**577,773**	**(2,170)**		
Cash flows (used in)/from investing activities	**(213,911)**	**97,380**		
Cash flows used in financing activities	**(636,674)**	**(208,900)**		
Net decrease in cash and cash equivalents	**(272,812)**	**(113,690)**		
Dividends paid to NCI	**(16,500)**	**(41,780)**	**(2,433)**	**(60,713)**

7. Investments in subsidiaries (continued)

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows (continued):

Group	Tanjung Bin Power Sdn. Bhd. RM'000	Malaysian Shoaiba Consortium Sdn. Bhd. RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
2023				
NCI percentage of ownership interest and voting interest	10%	20%		
Carrying amount of NCI	111,940	86,317	58,845	257,102
Loss allocated to NCI	(17,592)	(1,528)	(5,653)	(24,773)
Summarised financial information before intra-group eliminations				
As at 31 December				
Non-current assets	4,039,941	454,845		
Current assets	2,647,972	151,953		
Non-current liabilities	(3,899,378)	-		
Current liabilities	(1,669,139)	(33)		
Net assets	1,119,396	606,765		
Year ended 31 December				
Revenue	5,337,999	159,521		
(Loss)/Profit for the year	(169,493)	151,880		
Total comprehensive (expense)/income	(169,493)	151,880		
Cash flows from/(used in) operating activities	834,139	(8,720)		
Cash flows from investing activities	226,003	158,771		
Cash flows used in financing activities	(767,056)	(73,500)		
Net increase in cash and cash equivalents	293,086	76,551		
Dividends paid to NCI	(30,000)	(14,700)	(16,945)	(61,645)

Notes to the Financial Statements

8. Investments in associates

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
At cost					
Quoted shares:					
- outside Malaysia		**67,048**	67,048	**-**	-
Unquoted shares:					
- in Malaysia		**471,258**	471,258	**1,112,228**	1,112,228
- outside Malaysia		**553**	553	**-**	-
Redeemable preference shares		**307,430**	307,430	**307,430**	307,430
Capital contribution	8.1	**215,353**	215,353	**215,353**	215,353
Pre-acquisition reserves		**100,592**	100,592	**-**	-
Share of post-acquisition reserves		**(65,654)**	(90,568)	**-**	-
		1,096,580	1,071,666	**1,635,011**	1,635,011
Add: Intangible assets					
Goodwill		**399,146**	399,045	**-**	-
Interest over PPA and PWPA		**939,073**	939,073	**-**	-
		1,338,219	1,338,118	**-**	-
Less: Amortisation of intangible assets					
At 1 January		**(404,317)**	(399,078)	**-**	-
Amortisation for the year		**(5,253)**	(5,239)	**-**	-
At 31 December		**(409,570)**	(404,317)	**-**	-
Less: Accumulated impairment loss					
At 1 January		**(1,419,357)**	(1,485,695)	**(1,419,658)**	(1,419,658)
Impairment loss for the year	8.2	**(37,527)**	(96,065)	**-**	-
Reversal of impairment loss during the year	8.3	**25,043**	162,403	**-**	-
		(12,484)	66,338	**-**	-
At 31 December		**(1,431,841)**	(1,419,357)	**(1,419,658)**	(1,419,658)
		593,388	586,110	**215,353**	215,353
Fair value of quoted shares					
Level 1		**38,167**	47,070	**-**	-

Notes to the Financial Statements

8. Investments in associates (continued)

8.1 Capital contribution to an associate is considered as a long-term source of capital to the associate, in which any repayment of the amount is solely at the discretion of the associate. These contributions are accounted for as the Group and the Company's net shareholders' investments in its associate and are stated at cost less impairment loss, if any.

8.2 During the financial year, the Group recognised an impairment loss on its investment in HPC of RM37,527,000 (2023: RM96,065,000) in profit or loss (see Note 6).

8.3 During the financial year, the Group recorded a reversal of impairment loss on its investment in KEV of RM25,043,000 (2023: RM162,403,000). The Group had in previous years recorded an impairment in KEV and carried the investment at RM215,353,000. Based on further assessment during the current financial year, the recoverable amount based on its value in use remained at RM215,353,000. Hence, the share of losses amounting to RM25,043,000 arising from the investment in KEV resulted in a corresponding reversal of impairment loss.

8.4 Material accounting policy information

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses.

Details of associates are as follows:

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2024	Effective ownership interest and voting interest (%) 2023	Principal activities
Direct associate					
1.	Kapar Energy Ventures Sdn. Bhd.	Malaysia	**40**	40	Generation and sale of electricity
Indirect associates					
2.	Oman Technical Partners Limited	British Virgin Islands	**43.48**	43.48	Offshore - Investment holding
3.	Al-Imtiaz Operation and Maintenance Company Limited	Kingdom of Saudi Arabia	**40**	40	Implementation of operation and maintenance contracts for stations of electrical power generation and water desalination
4.	Hyflux-TJSB Algeria SPA	Algeria	**49**	49	Operation and maintenance of water desalination plant
5.	Hidd Power Company B.S.C. (c)	Bahrain	**40**	40	Building, operation and maintenance of power and water stations for special purposes (specific supply only)
6.	Muscat City Desalination Company S.A.O.G	Sultanate of Oman	**32.5**	32.5	Generation and sale of desalinated water
7.	Saudi-Malaysia Operation & Maintenance Services Company Limited	Kingdom of Saudi Arabia	**20**	20	Operation and maintenance of power and water desalination plant

Notes to the Financial Statements

8. Investments in associates (continued)

Nature of relationship with the Group

The associates provide the Group with strategic access to power generation and water desalination industry in Malaysia, the Middle East and North Africa region.

Summarised financial information

The following table summarises the information of the Group's material associates, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interests in the associates.

Group 2024	Kapar Energy Ventures Sdn. Bhd. 40% RM'000	Hidd Power Company B.S.C. (c) 40% RM'000	Muscat City Desalination Company S.A.O.G 32.5% RM'000
Summarised financial information			
As at 31 December			
Non-current assets	**1,047,487**	**1,686,485**	**931,878**
Current assets	**1,776,836**	**315,863**	**46,835**
Non-current liabilities	**(130,179)**	**(538,073)**	**(617,345)**
Current liabilities	**(1,151,235)**	**(348,431)**	**(74,457)**
Net assets	**1,542,909**	**1,115,844**	**286,911**
Year ended 31 December			
(Loss)/Profit for the year	**(62,607)**	**93,813**	**30,258**
Other comprehensive income	**-**	**5,390**	**2,909**
Total comprehensive (expense)/income	**(62,607)**	**99,203**	**33,167**
Included in the total comprehensive (expense)/income are:			
Revenue	**3,140,589**	**1,872,375**	**216,368**
Depreciation and amortisation	**(1,569)**	**(421,345)**	**(30,400)**	
Finance costs	**(36,765)**	**(74,952)**	**(31,529)**
Tax expense	**(4,668)**	**-**	**(4,932)**

Notes to the Financial Statements

8. Investments in associates (continued)

The following table summarises the information of the Group's material associates, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interests in the associates (continued).

Group 2024	Kapar Energy Ventures Sdn. Bhd. RM'000	Hidd Power Company B.S.C. (c) RM'000	Muscat City Desalination Company S.A.O.G RM'000	Other individually immaterial associates RM'000	Total RM'000
Reconciliation of net assets to carrying amount					
As at 31 December					
Group's share of net assets, after consolidation adjustments	**1,209,202**	**740,486**	**79,284**	**(3,743)**	**2,025,229**
Less: Accumulated impairment loss	**(993,849)**	**(437,992)**	**-**	**-**	**(1,431,841)**
Carrying amount in the statements of financial position	**215,353**	**302,494**	**79,284**	**(3,743)**	**593,388**
Group's share of results, after consolidation adjustments					
Year ended 31 December					
Group's share of (loss)/profit for the year	**(25,043)**	**37,525**	**9,834**	**2,461**	**24,777**
Group's share of other comprehensive income	**-**	**2,156**	**945**	**-**	**3,101**
Group's share of total comprehensive (expense)/income	**(25,043)**	**39,681**	**10,779**	**2,461**	**27,878**
Other information					
Dividends received	**-**	**-**	**(2,964)**	**-**	**(2,964)**

Notes to the Financial Statements

8. Investments in associates (continued)

The following table summarises the information of the Group's material associates, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interests in the associates (continued).

Group 2023	Kapar Energy Ventures Sdn. Bhd. 40% RM'000	Hidd Power Company B.S.C. (c) 40% RM'000	Muscat City Desalination Company S.A.O.G 32.5% RM'000
Summarised financial information			
As at 31 December			
Non-current assets	1,253,620	2,121,998	978,398
Current assets	1,567,965	331,480	44,598
Non-current liabilities	(358,505)	(1,079,056)	(676,472)
Current liabilities	(936,448)	(329,490)	(76,642)
Net assets	1,526,632	1,044,932	269,882
Year ended 31 December			
(Loss)/Profit for the year	(406,009)	(832,301)	29,154
Other comprehensive income/(expense)	-	14,663	(4,042)
Total comprehensive (expense)/income	(406,009)	(817,638)	25,112
Included in the total comprehensive (expense)/income are:			
Revenue	3,060,771	1,813,058	219,944
Depreciation and amortisation	(1,304)	(291,300)	(29,917)
Finance costs	(43,945)	(94,456)	(33,247)
Tax benefit/(expense)	4,843	-	(5,498)

Notes to the Financial Statements

8. Investments in associates (continued)

The following table summarises the information of the Group's material associates, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interests in the associates (continued).

Group 2023	Kapar Energy Ventures Sdn. Bhd. RM'000	Hidd Power Company B.S.C. (c) RM'000	Muscat City Desalination Company S.A.O.G RM'000	Other individually immaterial associates RM'000	Total RM'000
Reconciliation of net assets to carrying amount					
As at 31 December					
Group's share of net assets, after consolidation adjustments	1,234,245	705,956	71,474	(6,208)	2,005,467
Less: Accumulated impairment loss	(1,018,892)	(400,465)	-	-	(1,419,357)
Carrying amount in the statements of financial position	215,353	305,491	71,474	(6,208)	586,110
Group's share of results, after consolidation adjustments					
Year ended 31 December					
Group's share of (loss)/profit for the year	(162,403)	(332,921)	9,471	-	(485,853)
Group's share of other comprehensive income/(expense)	-	5,865	(1,314)	-	4,551
Group's share of total comprehensive (expense)/income	(162,403)	(327,056)	8,157	-	(481,302)
Other information					
Dividends received	-	-	(1,869)	(912)	(2,781)

Notes to the Financial Statements

9. Investments in joint ventures

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
At cost				
Unquoted shares:				
- in Malaysia	**22,586**	22,586	**21,515**	21,515
- outside Malaysia	**432,466**	432,466	**-**	-
Pre-acquisition reserves	**317,731**	317,731	**-**	-
Share of post-acquisition reserves	**(95,950)**	(66,383)	**-**	-
	676,833	706,400	**21,515**	21,515
Add: Intangible assets				
At 1 January/31 December	**66,500**	66,500	**-**	-
Less: Amortisation of intangible assets				
At 1 January	**(27,801)**	(21,394)	**-**	-
Amortisation for the year	**(6,421)**	(6,407)	**-**	-
At 31 December	**(34,222)**	(27,801)	**-**	-
	709,111	745,099	**21,515**	21,515

9.1 Material accounting policy information

Investments in joint ventures are measured in the Company's statement of financial position at cost less any impairment losses.

Notes to the Financial Statements

9. Investments in joint ventures (continued)

Details of joint ventures are as follows:

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2024	2023	Principal activities
Direct joint venture					
1.	ZEC Solar Sdn. Bhd.	Malaysia	**49**	49	Installation of non-electric solar energy collections wholesale of a variety of goods without any particular specialisation
Indirect joint ventures					
2.	Malakoff Gas Malaysia Cogen O&M Sdn. Bhd.	Malaysia	**51**	51	Developing, marketing, and providing operation and maintenance services for cogeneration plants in Malaysia
3.	Almiyah Attilemcania SPA	Algeria	**35.7**	35.7	Construction, operation and maintenance of a desalination plant and marketing of desalinated water produced
4.	Saudi-Malaysia Water & Electricity Company Limited ("SAMAWEC")	Kingdom of Saudi Arabia	**40**	40	Offshore – Investment holding
5.	Muscat City Desalination Operation and Maintenance Company LLC	Sultanate of Oman	**50**	50	Operation and maintenance of pump stations and pipelines, installation and repair of electric power and transformer plants and telecommunications and radar plants, export and import offices, and laying and maintenance of all kinds of pipes, business agencies (excluding portfolio and securities) and wholesale of industrial chemicals
6.	TJZ Suria Sdn. Bhd.	Malaysia	**51**	51	Provision of operation, maintenance and repair services of the solar photovoltaic energy generating facility ("Facility") and the associated transmission line and facilities for the development and operation of the Facility
Associates held by SAMAWEC					
7.	Shuaibah Water & Electricity Company Limited	Kingdom of Saudi Arabia	**24**	24	Design, construction, commissioning, testing, possession, operation and maintenance of crude oil-fired power generation and water desalination plant

Notes to the Financial Statements

9. Investments in joint ventures (continued)

Details of joint ventures are as follows (continued):

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2024	2023	Principal activities
Indirect joint ventures (continued)					
Associates held by SAMAWEC (continued)					
8.	Shuaibah Expansion Holding Company Limited	Kingdom of Saudi Arabia	**24**	24	Development, construction, ownership, operation and maintenance of the Shuaibah Phase 3 Expansion independent water producer ("IWP"), transport and sale of water and undertake all works and activities related thereto, directly or through another company holding most of its shares or stock
9.	Shuaibah Expansion Project Company Limited	Kingdom of Saudi Arabia	**23.8**	23.8	Development, construction, possession, operation and maintenance of the Shuaibah Phase 3 Expansion IWP, transfer and sell water and all relevant works and activities

Nature of relationship with the Group

The joint ventures provide the Group with strategic access to renewable energy, power generation and water desalination industry in Malaysia, the Middle East and North Africa region.

Although the Group does not hold 50% of effective ownership interest and voting interest in most of the joint ventures, the Group has accounted for the investments in these entities as joint ventures because based on the joint venture agreements, the key decisions related to these entities require unanimous consent from all shareholders.

Notes to the Financial Statements

9. Investments in joint ventures (continued)

Summarised financial information

The following table summarises the information of the Group's material joint ventures, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interests in the joint ventures.

	SAMAWEC 2024 RM'000	2023 RM'000
Summarised financial information		
As at 31 December		
Non-current assets	**5,330,931**	6,186,289
Current assets	**631,978**	727,346
Non-current liabilities	**(1,840,242)**	(2,667,928)
Current liabilities	**(820,318)**	(795,578)
Net assets	**3,302,349**	3,450,129
Cash and cash equivalents	**327,176**	410,938
Non-current financial liabilities (excluding trade and other payables and provisions)	**(1,774,783)**	(2,601,718)
Current financial liabilities (excluding trade and other payables and provisions)	**(633,340)**	(594,567)
Year ended 31 December		
Profit for the year	**352,370**	379,524
Other comprehensive expense	**(22,110)**	(8,415)
Total comprehensive income	**330,260**	371,109
Included in the total comprehensive income are:		
Revenue	**864,360**	899,094
Depreciation and amortisation	**(35,635)**	(35,871)
Interest expense	**(174,875)**	(204,186)
Income tax expense	**(22,932)**	(24,464)

9. Investments in joint ventures (continued)

The following table summarises the information of the Group's material joint ventures, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interests in the joint ventures (continued).

Group 2024	SAMAWEC RM'000	Other individually immaterial joint ventures RM'000	Total RM'000
Reconciliation of net assets to carrying amount			
As at 31 December			
Group's share of net assets, after consolidation adjustments	**681,154**	**27,957**	**709,111**
Carrying amount in the statements of financial position	**681,154**	**27,957**	**709,111**
Group's share of results, after consolidation adjustments			
Year ended 31 December			
Group's share of profit for the year	**72,464**	**12,502**	**84,966**
Group's share of other comprehensive expense	**(5,319)**	**-**	**(5,319)**
Group's share of total comprehensive income	**67,145**	**12,502**	**79,647**
Other information			
Dividends received	**(98,177)**	**(11,037)**	**(109,214)**
2023			
Reconciliation of net assets to carrying amount			
As at 31 December			
Group's share of net assets, after consolidation adjustments	718,603	26,496	745,099
Carrying amount in the statements of financial position	718,603	26,496	745,099
Group's share of results, after consolidation adjustments			
Year ended 31 December			
Group's share of profit for the year	112,140	10,179	122,319
Group's share of other comprehensive expense	(18,445)	-	(18,445)
Group's share of total comprehensive income	93,695	10,179	103,874
Other information			
Dividends received	(159,520)	(28,755)	(188,275)

10. Derivative financial assets/(liabilities)

	2024			2023		
	Nominal value RM'000	Assets RM'000	Liabilities RM'000	Nominal value RM'000	Assets RM'000	Liabilities RM'000
Group						
Non-current						
Derivatives used for hedging						
- Cross currency interest rate swaps	-	-	-	58,494	24,309	-
Current						
Derivatives used for hedging						
- Cross currency interest rate swaps	**58,494**	**24,493**	**-**	150,697	69,991	-
	58,494	**24,493**	**-**	150,697	69,991	-
	58,494	**24,493**	**-**	209,191	94,300	-

Cross currency interest rate swaps are used to achieve an appropriate mix of fixed and floating interest rates exposure within the Group's policy. The Group entered into cross currency interest rate swaps, to hedge its interest rate and foreign exchange risks. The cross currency interest rate swaps were entered into for a period of 15 years.

Notes to the Financial Statements

11. Trade and other receivables

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Non-current					
Other receivables		**-**	1,025	**-**	-
Deferred expenses	11.1	**5,779**	8,006	**-**	-
Other assets		**50**	50	**-**	-
		5,829	9,081	**-**	-
Current					
Trade					
Trade receivables		**1,287,228**	1,306,013	**-**	-
Non-trade					
Deferred expenses	11.1	**2,227**	600	**-**	-
Amounts due from subsidiaries	11.2	**-**	-	**1,364,566**	1,282,116
Amounts due from associates	11.2	**1,419**	50,388	**82**	82
Amounts due from related parties	11.2	**38,647**	14,897	**1,639**	612
Amounts due from joint ventures	11.2	**1,421**	512	**816**	-
Amounts due from related companies	11.2	**-**	-	**76**	709
Other receivables		**81,398**	70,024	**1,000**	1,449
Deposits and prepayments		**123,833**	120,913	**6,454**	3,869
		248,945	257,334	**1,374,633**	1,288,837
		1,536,173	1,563,347	**1,374,633**	1,288,837
		1,542,002	1,572,428	**1,374,633**	1,288,837

11.1 Deferred expenses

Deferred expenses comprise the difference between capacity payments received from Tenaga Nasional Berhad and capacity payments recognised in profit or loss in relation to the PPA. The amount is recognised in profit or loss on a straight-line basis over the term of the PPA.

Notes to the Financial Statements

11. Trade and other receivables (continued)

11.2 Amounts due from subsidiaries, associates, related parties, joint ventures and related companies

Amounts due from subsidiaries, associates, related parties, joint ventures and related companies are unsecured, interest free and repayable on demand, except for the following balances which are subject to interest:

	2024 RM'000	2023 RM'000
Group		
Amounts due from associates	**-**	46,254
Interest rate per annum	**-**	2%
Company		
Amounts due from subsidiaries	**881,095**	800,664
Interest rate per annum	**5.05% - 5.9%**	4.97% - 5.9%

11.3 Offsetting of financial assets and financial liabilities

The following table provides information of financial assets and liabilities that have been set off for presentation purpose:

	Note	Gross amount RM'000	Balances that are set off RM'000	Net carrying amount in the statements of financial position RM'000
Company				
2024				
Amounts due from subsidiaries		**1,608,749**	**(244,183)**	**1,364,566**
Amounts due to subsidiaries	24	**(1,238,584)**	**244,183**	**(994,401)**
2023				
Amounts due from subsidiaries		1,532,409	(250,293)	1,282,116
Amounts due to subsidiaries	24	(1,151,143)	250,293	(900,850)

The Company's amounts due from and due to subsidiaries are set off for presentation purposes because they have enforceable right to set off and it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes to the Financial Statements

12. Deferred tax assets/(liabilities)

Recognised deferred tax assets/(liabilities)

Deferred tax assets/(liabilities) are attributable to the following:

	Assets		Liabilities		Net	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Group						
Property, plant and equipment	**-**	-	**(2,033,495)**	(2,132,984)	**(2,033,495)**	(2,132,984)
Lease liabilities	**1,128**	4,494	**-**	-	**1,128**	4,494
Right-of-use assets	**-**	-	**(8,138)**	(10,835)	**(8,138)**	(10,835)
Investment properties	**-**	-	**(305)**	(315)	**(305)**	(315)
Concession assets	**-**	1,580	**(24,378)**	(27,448)	**(24,378)**	(25,868)
Provisions	**129,032**	130,087	**-**	-	**129,032**	130,087
Intangible assets	**-**	-	**(391,821)**	(450,311)	**(391,821)**	(450,311)
Unutilised tax losses	**44,040**	103,528	**-**	-	**44,040**	103,528
Unutilised capital allowances	**1,032,588**	1,110,247	**-**	-	**1,032,588**	1,110,247
Deferred income	**645,361**	697,303	**-**	-	**645,361**	697,303
Others	**1,348**	180	**-**	-	**1,348**	180
Tax assets/(liabilities)	**1,853,497**	2,047,419	**(2,458,137)**	(2,621,893)	**(604,640)**	(574,474)
Set-off of tax	**(1,565,515)**	(1,771,944)	**1,565,515**	1,771,944	**-**	-
Net tax assets/(liabilities)	**287,982**	275,475	**(892,622)**	(849,949)	**(604,640)**	(574,474)
Company						
Property, plant and equipment	**-**	-	**(1,079)**	(1,147)	**(1,079)**	(1,147)
Right-of-use assets	**-**	-	**(2,814)**	(1,024)	**(2,814)**	(1,024)
Lease liabilities	**2,927**	1,069	**-**	-	**2,927**	1,069
Tax assets/(liabilities)	**2,927**	1,069	**(3,893)**	(2,171)	**(966)**	(1,102)
Set-off of tax	**(2,927)**	(1,069)	**2,927**	1,069	**-**	-
Net tax liabilities	**-**	-	**(966)**	(1,102)	**(966)**	(1,102)

Notes to the Financial Statements

12. Deferred tax assets/(liabilities) (continued)

Movement in temporary differences during the year

	At 1.1.2023 RM'000	Recognised in profit or loss (Note 28) RM'000	Recognised in other comprehensive income (Note 30) RM'000	At 31.12.2023/ 1.1.2024 RM'000	Recognised in profit or loss (Note 28) RM'000	Recognised in other comprehensive income (Note 30) RM'000	Transfer to disposal group held for sale (Note 16) RM'000	At 31.12.2024 RM'000
Group								
Property, plant and equipment	(2,244,312)	111,328	-	(2,132,984)	92,195	-	7,294	**(2,033,495)**
Lease liabilities	5,772	(1,278)	-	4,494	(3,229)	-	(137)	**1,128**
Right-of-use assets	(11,335)	500	-	(10,835)	2,561	-	136	**(8,138)**
Investment properties	(234)	(81)	-	(315)	10	-	-	**(305)**
Concession assets	(28,721)	2,853	-	(25,868)	1,490	-	-	**(24,378)**
Provisions	132,153	(2,949)	883	130,087	(267)	110	(898)	**129,032**
Intangible assets	(511,546)	61,235	-	(450,311)	58,490	-	-	**(391,821)**
Unutilised tax losses	27,617	75,911	-	103,528	(59,488)	-	-	**44,040**
Unutilised capital allowances	1,114,615	(4,368)	-	1,110,247	(77,659)	-	-	**1,032,588**
Deferred income	753,600	(56,297)	-	697,303	(51,942)	-	-	**645,361**
Others	180	-	-	180	1,168	-	-	**1,348**
Net tax liabilities	(762,211)	186,854	883	(574,474)	(36,671)	110	6,395	**(604,640)**
Company								
Property, plant and equipment	(998)	(149)	-	(1,147)	68	-	-	**(1,079)**
Right-of-use assets	(2,143)	1,119	-	(1,024)	(1,790)	-	-	**(2,814)**
Lease liabilities	2,196	(1,127)	-	1,069	1,858	-	-	**2,927**
Net tax liabilities	(945)	(157)	-	(1,102)	136	-	-	**(966)**

Notes to the Financial Statements

12. Deferred tax assets/(liabilities) (continued)

12.1 Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2024 RM'000	**2023 RM'000**
Unutilised tax losses	**152,665**	137,626
Other deductible temporary differences	**266,806**	279,815
	419,471	417,441
Tax at 24% (2023: 24%)	**100,673**	100,186

In accordance with the provision of the Finance Act 2021, the unutilised tax losses are available for utilisation in the next ten (10) years, for which, any excess at the end of the tenth (10th) year, will be disregarded. Deferred tax assets have not been recognised in respect of this item because it is not probable that future taxable profit will be available against which the subsidiaries can utilise the benefits.

Tax losses for which no deferred tax asset was recognised expire as follows:

	Group	
Expiring in	**2024 RM'000**	**2023 RM'000**
Year of assessment 2028	**121,926**	121,926
Year of assessment 2029	**10,511**	10,511
Year of assessment 2030	**434**	434
Year of assessment 2031	**4,755**	4,755
Year of assessment 2032	**6,523**	-
Year of assessment 2033	**8,516**	-
	152,665	137,626

12.2 Global minimum top-up tax

As at 31 December 2023, the government of Malaysia ("MY") has enacted new legislation to implement the global minimum top-up tax. The Group does not expect to be subjected to any material top-up tax in relation to its foreign operations. However, since the newly enacted tax legislation in MY will only come into effect in year 2025, there is no current tax impact for the year ended 31 December 2024.

The Group is currently performing a detailed assessment of the financial impact that may arise from the implementation of the global minimum top-up tax.

Notes to the Financial Statements

12. Deferred tax assets/(liabilities) (continued)

12.3 Temporary mandatory relief from deferred tax accounting

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

12.4 Material accounting policy information

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying values at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

13. Inventories

	Group	
	2024 RM'000	**2023 RM'000**
Consumables	**440,370**	432,263
Coal	**525,227**	336,942
Diesel fuel	**71,932**	77,732
	1,037,529	846,937
Recognised in profit or loss:		
Inventories recognised as cost of sales	**5,144,859**	6,554,012
Reversal for diminution in value of consumables*	**(2,061)**	(7,343)

* The reversal for diminution in value of consumables are included in cost of sales.

13.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

14. Other investments

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Non-current					
Investment in Redeemable Cumulative Convertible Preference Shares ("RCCPS")	14.1	-	2,484	-	2,484
Current					
RCCPS	14.1	**2,484**	-	**2,484**	-
Deposits with licensed banks and other licensed corporations with maturity more than 3 months					
– amortised cost		**716,785**	310,303	**-**	-
– fair value through profit or loss		**111,923**	175,293	**-**	-
	14.2	**831,192**	485,596	**2,484**	-
		831,192	488,080	**2,484**	2,484

14.1 As of 31 December 2024, the Company intends to redeem the RCCPS within 12 months after the end of reporting period and hence reclassified the RCCPS as current assets.

14.2 Included in other investments of the Group is an amount of RM192,942,000 (2023: RM36,450,000) placed with a licensed bank and a licensed corporation which are related parties of the Group.

14.3 Material accounting policy information

Deposits with licensed banks and other licensed corporations

The Group classifies deposits with licensed banks and licensed corporations not held for working capital purposes that have a maturity of more than three (3) months as other investments.

15. Cash and cash equivalents

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Deposits with licensed banks and other licensed corporations with maturity less than 3 months	**1,228,717**	1,289,541	**79,253**	38,119
Cash and bank balances	**171,255**	1,281,475	**14,371**	21,724
Cash and cash equivalents in the statements of cash flows	**1,399,972**	2,571,016	**93,624**	59,843
Transfer to disposal group held for sale (Note 16)	**(24,604)**	-	**-**	-
Cash and cash equivalents in the statements of financial position	**1,375,368**	2,571,016	**93,624**	59,843

Included in cash and cash equivalents of the Group are RM815,450,000 (2023: RM1,877,792,000) that are placed in the designated accounts which are jointly operated with Securities Trustees in accordance with the trust deed of the Islamic financing facilities entered by the Group (see Note 19).

Included in cash and cash equivalents of the Group and of the Company are RM260,750,000 (2023: RM435,753,000) and RM882,000 (2023: RM1,037,000), respectively placed with a licensed bank and a licensed corporation which are related parties of the Group.

16. Disposal group held for sale

On 17 October 2024, the Directors approved the proposed 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 a third party, KJ Technical Services Sdn. Bhd., a wholly-owned subsidiary of KJTS Group Berhad for the proposed disposal of its entire 100% equity interest in MUSB for a total cash consideration of RM65,500,000. The transaction is expected to be completed by May 2025.

In relation thereto, the relevant assets and liabilities of MUSB as at 31 December 2024 has been presented as a disposal group held for sale as follows:

Assets classified as held for sale

	Note	2024 RM'000
Property, plant and equipment	2	**36,660**
Right-of-use assets	3	**577**
Inventories		**181**
Trade and other receivables		**23,271**
Current tax assets		**742**
Cash and cash equivalents	15	**24,604**
Total assets		**86,035**

Notes to the Financial Statements

16. Disposal group held for sale (continued)

Liabilities classified as held for sale

	Note	2024 RM'000
Trade and other payables		**(31,880)**
Lease liabilities	19	**(582)**
Deferred tax liabilities	12	**(6,395)**
Total liabilities		**(38,857)**

17. Capital and reserves

Share capital

Group and Company	Number of shares 2024 '000	Amount 2024 RM'000	Number of shares 2023 '000	Amount 2023 RM'000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares				
At 1 January/31 December	**5,000,000**	**5,693,055**	5,000,000	5,693,055

17.1 Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. In respect of the Company's treasury shares that are held by the Group, all rights are suspended until those shares are reissued.

Notes to the Financial Statements

17. Capital and reserves (continued)

17.2 Treasury shares

In accordance with Section 127 of the Companies Act 2016, all repurchased shares of the Company are held as treasury shares. As at 31 December 2024, the total number of treasury shares held is 2.26% of the total number of issued shares of the Company.

Group and Company	Number of shares 2024 '000	Amount 2024 RM'000	Number of shares 2023 '000	Amount 2023 RM'000
Treasury shares				
At 1 January/31 December	**113,039**	**98,647**	113,039	98,647

17.3 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than RM.

17.4 Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedges related to hedged transactions that have not yet occurred.

18. Perpetual sukuk

Group	2024 RM'000	2023 RM'000
Nominal value		
At 1 January/31 December	**800,000**	800,000

In 2017, Tanjung Bin Energy Sdn. Bhd., a wholly-owned subsidiary of the Company had issued unrated perpetual sukuk of RM800 million in nominal value in accordance with Shariah principle of Wakalah Bi Al-Istithmar ("Sukuk Wakalah") with an unconditional and irrevocable subordinated cash deficiency support from the Company.

Details of the Sukuk Wakalah are as follows:

a) The perpetual sukuk has no fixed redemption date and the subsidiary has an option to redeem all or part of the perpetual sukuk at the end of the seventh year from date of issuance and thereafter on each subsequent periodic distribution date;

b) The perpetual sukuk is unsecured and carries a periodic distribution rate of 5.9% per annum, payable semi-annually from year 1 to year 7. Thereon, the periodic distribution rate shall be 1% above the prevailing periodic distribution rate;

Notes to the Financial Statements

18. Perpetual sukuk (continued)

Details of the Sukuk Wakalah are as follows (continued):

c) The subsidiary has the right to defer the payment of the periodic distribution amount by giving the required deferral notice. Deferred periodic distribution, if any, will be cumulative but will not earn additional profits thus, there will be no compounding effect; and

d) The holder of perpetual sukuk shall have no voting rights at any general meeting of the shareholders of the subsidiary.

Based on the underlying issuing terms, the perpetual sukuk has been classified as equity in the financial statements.

18.1 Material accounting policy information

Perpetual sukuk is classified as equity as there is no contractual obligation to redeem the instrument. The perpetual sukuk is redeemable only at the option of the Company's subsidiary. Profit distribution on perpetual sukuk is recognised in the consolidated statement of changes in equity in the period in which it is declared.

19. Loans and borrowings

	Note	Group 2024 RM'000	2023 RM'000
Non-current			
Secured			
Sukuk Ijarah medium-term notes	19.1	**1,312,221**	1,644,355
Sukuk medium-term notes	19.2	**1,314,202**	1,431,089
Sukuk Wakalah	19.3.1	**165,000**	165,000
Sukuk Wakalah	19.3.2	**949,696**	955,690
Sukuk Murabahah	19.4	**3,275,000**	3,410,000
Senior USD term loan	19.5	**-**	84,055
USD term loan	19.6	**-**	188,190
		7,016,119	7,878,379
Current			
Secured			
Sukuk Ijarah medium-term notes	19.1	**360,000**	340,000
Sukuk medium-term notes	19.2	**145,100**	190,000
Sukuk Murabahah	19.4	**135,000**	125,000
Senior USD term loan	19.5	**81,955**	208,570
USD term loan	19.6	**-**	32,130
Islamic medium-term notes	19.7	**-**	1,000
Unsecured			
Redeemable Preference Shares	19.8	**30,000**	30,000
		752,055	926,700
		7,768,174	8,805,079

Notes to the Financial Statements

19. Loans and borrowings (continued)

19.1 Sukuk Ijarah medium-term notes issued by Tanjung Bin Power Sdn. Bhd. ("TBP")

Security

The Sukuk Ijarah medium-term notes are secured over TBP's property, plant and equipment and right-of-use assets with a carrying amount of RM3,499,825,000 (2023: RM3,720,013,000) and RM25,957,000 (2023: RM29,803,000), respectively.

Significant covenant

TBP is required to maintain a debt-to-equity ratio of not more than 80:20 and a finance service cover ratio of at least 1.25 times.

19.2 Sukuk medium-term notes issued by Malakoff Power Berhad ("MPB")

The Sukuk medium-term notes consist of Sukuk Murabahah and the ASEAN Sustainability Sustainable and Responsible Investment (SRI) Sukuk Murabahah Programme established during the current financial year.

Security

The Sukuk medium-term notes are secured over an irrevocable and unconditional guarantee under the principle of Kafalah from the Company, and an assignment and charge over the designated accounts of the Company and MPB.

Significant covenant

The Company and MPB are required to maintain an aggregated debt-to-equity ratio not exceeding 1:1 and a Group debt-to-equity ratio not exceeding 5.5:1. In addition, the Company and MPB are required to maintain a finance service cover ratio of at least 1.50 times, for covenant related to ASEAN Sustainability SRI Sukuk.

19.3 Sukuk Wakalah issued by subsidiaries of the Company

19.3.1 Sukuk Wakalah issued by Tanjung Bin O&M Berhad ("TBOM")

Security

The Sukuk Wakalah is secured over the Operation and Maintenance Agreement, Sub Operation and Maintenance Agreement and Asset Sales Agreement held by TBOM and all the balances in TBOM's designated accounts.

Significant covenant

TBOM is required to maintain a debt-to-equity ratio of not more than 80:20 and a finance service cover ratio of at least 1.25 times.

Notes to the Financial Statements

19. Loans and borrowings (continued)

19.3 Sukuk Wakalah issued by subsidiaries of the Company (continued)

19.3.2 Sukuk Wakalah issued by RP Hydro (Kelantan) Sdn. Bhd. ("RPHK")

Security

The Sukuk Wakalah is secured over all the balances in RPHK's designated accounts.

Significant covenant

RPHK is required to maintain a debt-to-equity ratio of not more than 80:20 and an aggregate finance service cover ratio of not less than 1.25 times, which will only take effect when all plants of RPHK achieve commercial operation date.

19.4 Sukuk Murabahah issued by Tanjung Bin Energy Sdn. Bhd. ("TBE")

Security

The Sukuk Murabahah is secured over TBE's property, plant and equipment and right-of-use assets with a carrying amount of RM4,674,042,000 (2023: RM4,869,984,000) and RM4,477,000 (2023: RM4,754,000), respectively.

Significant covenant

TBE is required to maintain a debt-to-equity ratio of not more than 80:20 and a finance service cover ratio of not less than 1.25:1.

19.5 Senior USD term loan drawndown by Tanjung Bin Energy Issuer Berhad ("TBEI")

Security

The Senior USD term loan is secured over TBE's property, plant and equipment and right-of-use assets as disclosed in Note 19.4.

Significant covenant

TBEI is required to maintain a debt-to-equity ratio of not more than 80:20 and a finance service cover ratio of not less than 1.25:1.

19.6 USD term loan drawndown by Malakoff International Limited ("MIL")

Security

The USD term loan was secured over a guarantee provided by the Company, MIL's designated account and MIL's investment in a subsidiary.

Significant covenant

The Guarantor (the Company) was required to maintain a debt-to-equity ratio of not more than 1:1 and a Group debt-to-equity ratio of not more than 5.5:1.

Notes to the Financial Statements

19. Loans and borrowings (continued)

19.7 Islamic medium-term notes issued by Alam Flora Sdn. Bhd. ("AFSB")

Security

The Islamic medium-term notes were secured over an assignment and charge over AFSB's designated account.

Significant covenant

AFSB together with its related company, AFES, were required to maintain an aggregate debt-to-equity ratio of not more than 1.25 times and a finance service over ratio of not less than 1.25 times.

19.8 Redeemable Preference Shares issued by TBP

In 2018, TBP had converted its subordinated loan notes of RM30,000,000 into Redeemable Preference Shares ("RPS").

The features of the RPS are as follows:

(i) Dividend

(a) Holders of the RPS shall be entitled to receive an annual fixed dividend of 7.5% per annum.
(b) Dividends on the RPS shall be non-cumulative.
(c) Dividends on the RPS shall be payable on the date that the dividends are paid on ordinary shares issued by the issuer.

(ii) Redemption of RPS

The holders have the discretion to redeem the RPS at any time from the Issue Date up to the Maturity Date, subject to issuer meeting the requirements stated under the Companies Act.

(iii) Voting

The RPS shall carry no right to vote at any general meeting of the issuer except on a resolution for the winding up and on any resolutions that may affect the rights and privileges of the RPS holders.

19. Loans and borrowings (continued)

19.9 Reconciliation of movements of liabilities to cash flows arising from financing activities

Group	At 1.1.2024 RM'000	Net changes from financing cash flows RM'000	Acquisition of new lease and remeasurement of lease liabilities RM'000	Foreign exchange movements RM'000	Others RM'000	Transfer to disposal group held for sale (Note 16) RM'000	At 31.12.2024 RM'000
Sukuk Ijarah medium-term notes	**1,984,355**	**(340,000)**	**-**	**-**	**27,866**	**-**	**1,672,221**
Sukuk medium-term notes	**1,621,089**	**(184,900)**	**-**	**-**	**23,113**	**-**	**1,459,302**
Sukuk Wakalah	**165,000**	**-**	**-**	**-**	**-**	**-**	**165,000**
Sukuk Wakalah	**955,690**	**-**	**-**	**-**	**(5,994)**	**-**	**949,696**
Sukuk Murabahah	**3,535,000**	**(125,000)**	**-**	**-**	**-**	**-**	**3,410,000**
Senior USD term loan	**292,625**	**(143,090)**	**-**	**(67,580)**	**-**	**-**	**81,955**
USD term loan	**220,320**	**(220,921)**	**-**	**601**	**-**	**-**	**-**
Islamic medium-term notes	**1,000**	**(1,000)**	**-**	**-**	**-**	**-**	**-**
Redeemable Preference Shares	**30,000**	**-**	**-**	**-**	**-**	**-**	**30,000**
Lease liabilities	**16,031**	**(7,291)**	**17,486**	**-**	**(1,783)**	**(582)**	**23,861**
	8,821,110	**(1,022,202)**	**17,486**	**(66,979)**	**43,202**	**(582)**	**7,792,035**
Company							
Lease liabilities	**4,455**	**(4,303)**	**12,234**	**-**	**(190)**	**-**	**12,196**

19. Loans and borrowings (continued)

19.9 Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

Group	At 1.1.2023 RM'000	Net changes from financing cash flows RM'000	Acquisition of new lease and remeasurement of lease liabilities RM'000	Changes arising from acquisitions of subsidiaries RM'000	Foreign exchange movements RM'000	Others RM'000	At 31.12.2023 RM'000
Sukuk Ijarah medium-term notes	2,272,987	(320,000)	-	-	-	31,368	1,984,355
Sukuk medium-term notes	1,947,622	(320,000)	-	-	-	(6,533)	1,621,089
Sukuk Wakalah	180,000	(15,000)	-	-	-	-	165,000
Sukuk Wakalah	-	-	-	955,164	-	526	955,690
Sukuk Murabahah	3,600,000	(65,000)	-	-	-	-	3,535,000
Senior RM term loan	63,636	(63,636)	-	-	-	-	-
Senior USD term loan	407,713	(91,700)	-	-	(23,388)	-	292,625
USD term loan	241,450	(31,210)	-	-	10,080	-	220,320
Islamic medium-term notes	-	1,000	-	-	-	-	1,000
Redeemable Preference Shares	30,000	-	-	-	-	-	30,000
Lease liabilities	21,030	(9,083)	4,084	-	-	-	16,031
	8,764,438	(914,629)	4,084	955,164	(13,308)	25,361	8,821,110
Company							
Lease liabilities	9,151	(4,696)	-	-	-	-	4,455

20. Employee benefits

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Defined benefit obligations	**101,394**	97,024	**16,001**	17,965
Fair value of plan assets	**(1,547)**	(1,630)	**(1,460)**	(1,522)
Net defined benefit liabilities	**99,847**	95,394	**14,541**	16,443
Non-current	**86,187**	88,065	**10,270**	13,354
Current	**13,660**	7,329	**4,271**	3,089
	99,847	95,394	**14,541**	16,443

Notes to the Financial Statements

20. Employee benefits (continued)

The Group's Staff Retirement Benefits Scheme ("the Scheme") provides pension benefits for eligible employees upon retirement. Malakoff Corporation Berhad, Malakoff Technical Solutions Sdn. Bhd., Malakoff Radiance Sdn. Bhd., Alam Flora Sdn. Bhd., Malakoff Utilities Sdn. Bhd., Malakoff Engineering Sdn. Bhd. and Malakoff Power Berhad (collectively referred to as "employer") participate and contribute to the Scheme.

The following table shows a reconciliation from the opening balance to the closing balance for the net defined benefit liabilities and its components:

Movements in defined benefit obligations

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Defined benefit obligations at 1 January	**97,024**	89,552	**17,965**	16,236
Included in profit or loss				
Current service costs	**7,726**	3,192	**803**	849
Interest costs	**4,063**	4,344	**686**	766
	11,789	7,536	**1,489**	1,615
Included in other comprehensive expense				
Actuarial loss arising from:				
- Financial assumptions	**672**	3,576	**76**	643
	672	3,576	**76**	643
Others				
Benefits paid directly by the employer	**(4,330)**	(464)	**(2,297)**	-
Benefits paid by the plan	**(3,761)**	(3,176)	**(2,865)**	(3,176)
Intercompany benefits transfer	**-**	-	**1,633**	3,176
Intercompany staff transfer	**-**	-	**-**	(529)
	(8,091)	(3,640)	**(3,529)**	(529)
Defined benefit obligations at 31 December	**101,394**	97,024	**16,001**	17,965

Notes to the Financial Statements

20. Employee benefits (continued)

Movements in fair value of plan assets

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Plan assets at 1 January	**(1,630)**	(2,073)	**(1,522)**	(1,943)
Included in profit or loss				
Interest income	**(115)**	(218)	**(111)**	(207)
	(115)	(218)	**(111)**	(207)
Included in other comprehensive expense				
Loss on asset valuation	**199**	332	**174**	299
	199	332	**174**	299
Others				
Benefits paid by the plan	**3,761**	3,176	**2,865**	3,176
Employer contributions	**(3,762)**	(2,847)	**(2,866)**	(2,847)
	(1)	329	**(1)**	329
Plan assets at 31 December	**(1,547)**	(1,630)	**(1,460)**	(1,522)

Movements in net defined benefit liabilities

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Net defined benefit liabilities at 1 January	**95,394**	87,479	**16,443**	14,293
Included in profit or loss				
Current service costs	**7,726**	3,192	**803**	849
Interest costs	**3,948**	4,126	**575**	559
	11,674	7,318	**1,378**	1,408
Included in other comprehensive expense				
Actuarial loss arising from:				
- Financial assumptions	**672**	3,576	**76**	643
Loss on asset valuation	**199**	332	**174**	299
	871	3,908	**250**	942

Notes to the Financial Statements

20. Employee benefits (continued)

Movements in net defined benefit liabilities (continued)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Others				
Benefits paid directly by the employer	**(4,330)**	(464)	**(2,297)**	-
Employer contributions	**(3,762)**	(2,847)	**(2,866)**	(2,847)
Intercompany benefits transfer	**-**	-	**1,633**	3,176
Intercompany staff transfer	**-**	-	**-**	(529)
	(8,092)	(3,311)	**(3,530)**	(200)
Net defined benefit liabilities at 31 December	**99,847**	95,394	**14,541**	16,443

The Group expects to pay RM8,428,000 in contributions to the plan assets in 2025 (2023: RM3,427,000 in contributions to plan assets in 2024).

Plan assets

The major categories of plan assets are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysian government securities	**-**	502	**-**	468
Cash and cash equivalents	**1,547**	1,128	**1,460**	1,054
	1,547	1,630	**1,460**	1,522

Actuarial assumptions

Principal actuarial assumptions at the end of the reporting period (expressed as weighted averages):

	Group		Company	
	2024	2023	2024	2023
Discount rate	**4.10%**	4.20%	**4.10%**	4.20%
Salary inflation	**5.33%**	5.33%	**5.33%**	5.33%

As at 31 December 2024, the weighted average duration of the Scheme is approximately 6 years (2023: 7 years).

Notes to the Financial Statements

20. Employee benefits (continued)

Sensitivity analysis

Reasonably possible changes at the reporting date to the significant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

	Group		Company	
	RM'000 Increase	RM'000 Decrease	RM'000 Increase	RM'000 Decrease
Discount rate (1% movement)				
2024	**(5,631)**	**6,285**	**(722)**	**801**
2023	(5,922)	6,647	(796)	902
Salary inflation (1% movement)				
2024	**8,385**	**(7,607)**	**1,161**	**(1,065)**
2023	7,584	(6,838)	1,073	(939)

21. Provision for decommissioning costs

	Note	Group	
		2024 RM'000	2023 RM'000
At 1 January		**279,815**	260,847
Provision made during the year	2	**-**	9,208
Provision used during the year		**(23,470)**	(266)
Unwinding of discount		**10,461**	10,026
At 31 December		**266,806**	279,815
Non-current		**237,541**	227,080
Current		**29,265**	52,735
		266,806	279,815

Provision for decommissioning costs is the estimated costs that the Group will have to incur in removing or dismantling the power plants at the end of their respective PPA terms. The present value is derived by discounting the decommissioning costs over the remaining useful lives of the power plants based on the appropriate discount rates.

Notes to the Financial Statements

21. Provision for decommissioning costs (continued)

21.1 Coal-fired power plants

The provision for decommissioning costs for the coal-fired power plants was based on valuation reports prepared by an independent professional valuer in previous years. The decommissioning costs of coal-fired power plants estimated were derived using the following significant assumptions:

- All storage tanks will be emptied by the most economical means prior to the commencement of the decommissioning;
- All building contents, plant and equipment will be removed; and
- Pre-tax discount rates of 5.12% to 5.71% per annum.

During the current financial year, the Group has assessed and determined that the provision for decommissioning costs for coal-fired power plants remains appropriate.

21.2 Gas-fired power plants

The provision for decommissioning costs for the gas-fired power plants was based on valuation reports prepared by an independent professional valuer in previous years. The decommissioning costs of gas-fired power plants estimated were derived using the following significant assumptions:

- All building contents, plant and equipment will be removed;
- All buildings and structures will be removed, including pile caps. Piles will be left on site; and
- Pre-tax discount rate of 3.87% per annum.

During the current financial year, the Group has assessed and determined that the provision for decommissioning costs for gas-fired power plants remains appropriate.

21.3 Material accounting policy information

Provision for decommissioning costs which arises principally in connection with the power plants is measured by independent professional valuers, whereby the present value is calculated using amounts discounted over the existing PPAs. The liability is recognised (together with a corresponding amount as part of the power plants) once an obligation crystallises in the period when a reasonable estimate can be made. The unwinding of the discount is recognised as part of "finance costs".

Notes to the Financial Statements

22. Provision for concession assets

	Group	
	2024 RM'000	**2023 RM'000**
At 1 January	**329,298**	330,759
Provision made during the year	**5,398**	5,756
Provision used during the year	**(24,211)**	(9,106)
Unwinding of discount	**2,019**	1,889
At 31 December	**312,504**	329,298
Non-current	**180,151**	126,851
Current	**132,353**	202,447
	312,504	329,298

The Group has contractual obligations to maintain the assets required to provide collection services and public cleansing services to a specified standard under the Service Concession Agreement (see Note 5). The provision has been made based on expected replacement costs at appropriate intervals, and was derived using the following significant assumptions:

- Equipment is due for replacement every 4 years;
- Bins and vehicles are due for replacement every 9 years;
- The model of certain vehicles will be standardised during the replacement; and
- Pre-tax discount rate of 4.60% per annum.

22.1 Material accounting policy information

A provision is recognised based on the contractual obligations that the Group must fulfill as a condition of the Group's licence to maintain the infrastructure to a specified standard and to restore the infrastructure which has deteriorated below specific conditions as stated under Service Concession Agreement. The liability is recognised once an obligation crystallises in the period when a reasonable estimate can be made. The unwinding of the discount is recognised as part of "cost of sales".

23. Deferred income

	Group	
	2024 RM'000	**2023 RM'000**
At 1 January	**2,914,032**	3,149,206
Additions	**92,263**	88,339
Recognised in profit or loss	**(309,284)**	(323,513)
At 31 December	**2,697,011**	2,914,032
Non-current	**2,401,935**	2,604,748
Current	**295,076**	309,284
	2,697,011	2,914,032

23. Deferred income (continued)

Deferred income comprises the difference between capacity payments received from Tenaga Nasional Berhad and capacity payments recognised in profit or loss in relation to the PPAs. The amount is recognised in profit or loss on a straight-line basis over the terms of the respective PPAs.

24. Trade and other payables

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Trade					
Trade payables		**834,786**	914,974	**-**	-
Non-trade					
Other payables		**161,095**	124,911	**2,823**	2,816
Accrued expenses	24.1	**356,821**	407,670	**8,036**	7,896
Amounts due to subsidiaries	24.2	**-**	-	**994,401**	900,850
Amounts due to related parties	24.2	**10,769**	6,017	**658**	684
		528,685	538,598	**1,005,918**	912,246
		1,363,471	1,453,572	**1,005,918**	912,246

24.1 Accrued expenses

As at 31 December 2024, included in accrued expenses of the Group are interest expense payable on loans and borrowings of RM82,980,000 (2023: RM116,099,000) and provision for cess fund of RM45,912,000 (2023: RM60,781,000).

24.2 Amounts due to subsidiaries and related parties

Amounts due to subsidiaries and related parties are unsecured, interest free and repayable on demand, except for amounts due to subsidiaries of RM506,000,000 (2023: RM500,000,000), which are subject to an interest rate of 5.50% - 6.90% (2023: 5.50%) per annum.

25. Revenue

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Revenue from contracts with customers	**6,970,802**	7,055,051	**25,755**	27,337
Other revenue				
- Capacity income	**1,994,829**	2,009,004	**-**	-
- Rental income from estate	**1,072**	612	**1,072**	612
- Dividends from subsidiaries	**-**	-	**221,500**	754,063
- Others	**2,864**	2,287	**2,612**	2,149
	1,998,765	2,011,903	**225,184**	756,824
Total revenue	**8,969,567**	9,066,954	**250,939**	784,161

25.1 Disaggregation of revenue

Revenue from contracts with customers of the Company represents management fee income received/receivable from certain subsidiaries based in Malaysia which is recognised in profit or loss over time when services are rendered. The payment term is generally a credit period of 30 days from invoice date.

Group	2024 RM'000	2023 RM'000
Major products and service		
Energy income	**5,931,876**	6,007,815
Electricity distribution	**173,253**	172,439
Operation and maintenance fees	**9,699**	2,465
Concession business	**788,136**	677,783
Solid waste, tipping fees and recycling	**43,365**	162,029
Integrated facility management	**24,473**	32,520
	6,970,802	7,055,051

Notes to the Financial Statements

25. Revenue (continued)

25.1 Disaggregation of revenue (continued)

Group	2024 RM'000	2023 RM'000
Timing and recognition		
Over time	**6,927,437**	6,893,022
At a point in time	**43,365**	162,029
	6,970,802	7,055,051
Primary geographical market		
Malaysia	**6,970,802**	7,055,051
Revenue from contracts with customers	**6,970,802**	7,055,051
Other revenue	**1,998,765**	2,011,903
Total revenue	**8,969,567**	9,066,954

25.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods and services	Timing of revenue recognition or method used to recognise revenue	Significant payment terms
Energy income	Revenue is recognised over time as the customer simultaneously receives and consumes the electricity provided by the entity.	Credit period of 30 days from invoice date.
Electricity distribution	Revenue is recognised over time as the customer simultaneously receives and consumes the electricity provided by the entity.	Credit period of 30 days from invoice date.
Operation and maintenance fees	Revenue is recognised over time as and when the operation and maintenance services are performed by the entity.	Credit period of 30 days from invoice date.
Concession business	Revenue is recognised over time when the services are performed by the entity.	Credit period of 30 to 60 days from invoice date.
Solid waste, tipping fees and recycling	Revenue is recognised at a point in time when the services are performed by the entity.	Credit period of 30 to 60 days from invoice date.

Notes to the Financial Statements

25. Revenue (continued)

25.2 Nature of goods and services (continued)

The following information reflects the typical transactions of the Group (continued):

Nature of goods and services	Timing of revenue recognition or method used to recognise revenue	Significant payment terms
Integrated facility management	Revenue is recognised over time as the customer simultaneously receives and consumes the services provided by the entity.	Credit period of 30 to 60 days from invoice date.
Capacity income	Revenue is recognised on a straight-line basis where the PPAs are considered to be or to contain an operating lease.	Credit period of 30 days from invoice date.

26. Finance income

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest income of financial assets calculated using the effective interest method that are at amortised cost	**94,056**	69,906	**51,373**	47,770
Interest income of financial assets that are measured at fair value through profit or loss	**4,559**	13,369	**-**	-
	98,615	83,275	**51,373**	47,770
Recognised in profit or loss	**68,449**	72,776	**51,373**	47,770
Capitalised into qualifying assets as a reduction of borrowing costs:				
- Property, plant and equipment	**30,166**	10,499	**-**	-
	98,615	83,275	**51,373**	47,770

Notes to the Financial Statements

27. Finance costs

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Interest expense of financial liabilities that are not at fair value through profit or loss	**550,776**	582,676	**27,517**	32,279
Interest expense on lease liabilities	**1,582**	870	**723**	286
Other finance costs	**10,461**	10,026	**-**	-
	562,819	593,572	**28,240**	32,565
Recognised in profit or loss	**504,032**	566,874	**28,240**	32,565
Interest expense of financial liabilities that are not at fair value through profit or loss capitalised into qualifying assets:				
- Property, plant and equipment	**58,787**	26,698	**-**	-
	562,819	593,572	**28,240**	32,565

Notes to the Financial Statements

28. Tax expense/(benefit)

Recognised in profit or loss

	Note	Group		Company	
		2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Current tax expense					
Current year		**113,799**	90,792	**4,265**	5,376
(Over)/Under provision in prior year		**(2,717)**	3,078	**(704)**	1,312
		111,082	93,870	**3,561**	6,688
Deferred tax expense					
Origination and reversal of temporary differences		**34,062**	(183,983)	**(178)**	157
Under/(Over) provision in prior year		**2,609**	(2,871)	**42**	-
	12	**36,671**	(186,854)	**(136)**	157
Total tax expense/(benefit)		**147,753**	(92,984)	**3,425**	6,845
Reconciliation of tax expense					
Profit/(Loss) for the year		**310,586**	(861,933)	**72,166**	66,384
Total tax expense/(benefit)		**147,753**	(92,984)	**3,425**	6,845
Profit/(Loss) before tax		**458,339**	(954,917)	**75,591**	73,229
Income tax calculated using Malaysian tax rate of 24% (2023: 24%)		**110,001**	(229,180)	**18,142**	17,575
Non-taxable income		**(20,345)**	(31,661)	**(48,817)**	(170,417)
Non-deductible expenses		**84,056**	12,705	**34,762**	158,375
Effect of deferred tax assets not recognised		**487**	67,697	**-**	-
Effect of share of results of associates and joint ventures		**(26,338)**	87,248	**-**	-
(Over)/Under provision in prior year					
- current tax		**(2,717)**	3,078	**(704)**	1,312
- deferred tax		**2,609**	(2,871)	**42**	-
		147,753	(92,984)	**3,425**	6,845

Notes to the Financial Statements

29. Profit/(Loss) for the year

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Profit/(Loss) for the year is arrived at after charging/ (crediting):				
Auditors' remunerations:				
Audit fees:				
- KPMG PLT	**1,274**	1,078	**279**	255
- Overseas affiliates of KPMG PLT	**137**	85	**-**	-
- Other audit firms	**21**	19	**-**	-
Non-audit fees:				
- KPMG PLT*	**209**	214	**185**	185
- Local affiliate of KPMG PLT	**26**	15	**26**	15
- Overseas affiliates of KPMG PLT	**-**	80	**-**	-
- Member firm of KPMG International Limited	**26**	36	**-**	-
- Other audit firms	**840**	1,554	**840**	1,494
Material (income)/expenses				
Amortisation of intangible assets	**282,583**	294,001	**-**	-
Amortisation of transaction costs of hedging instruments	**6,360**	6,755	**-**	-
Amortisation of concession assets	**12,565**	13,326	**-**	-
Compensation from settlement of final insurance claims	**(92,825)**	-	**-**	-
Contribution and corporate social responsibility	**14,486**	21,615	**2,144**	2,414
Depreciation of property, plant and equipment	**764,465**	795,319	**1,728**	2,276
Depreciation of right-of-use assets	**13,693**	15,497	**4,639**	4,721
(Gain)/Loss on disposal of property, plant and equipment	**(17,053)**	19,187	**(13,470)**	(4)
Net loss/(reversal) on impairment of investments in associates	**12,484**	(66,338)	**-**	-
Impairment loss on investments in subsidiaries	**-**	-	**137,105**	654,000
Impairment loss on goodwill	**10,193**	-	**-**	-
Reversal for diminution in value of consumables	**(2,061)**	(7,343)	**-**	-

Notes to the Financial Statements

29. Profit/(Loss) for the year (continued)

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Profit/(Loss) for the year is arrived at after charging/ (crediting) (continued):				
Material (income)/expenses (continued)				
Personnel expenses (including key management personnel):				
- Contribution to Employees Provident Fund	**31,716**	35,254	**5,370**	5,814
- Expenses related to retirement benefit plans	**11,674**	7,318	**1,378**	1,408
- Wages, salaries and others	**285,470**	294,371	**32,742**	36,439
Property, plant and equipment written off	**5,733**	27,812	**-**	144
Realised foreign exchange loss/(gain)	**125**	7,697	**15**	(2)
Unrealised foreign exchange gain	**(349)**	(1,233)	**-**	-
Zakat expenses	**5,073**	6,548	**1,085**	1,076
Expenses arising from leases				
Expenses relating to short-term leases^	**16,013**	10,052	**-**	-
Expenses relating to leases of low-value assets^	**225**	238	**-**	-
Expenses relating to variable lease payments not included in the measurement of lease liabilities@	**25**	6,195	**-**	-
Net (reversal)/loss on impairment of financial instruments				
Financial assets at amortised cost	**(109)**	(148)	**663**	(3,298)

* The non-audit fees paid/payable for the current and previous financial years were mainly related to limited review of interim financial information and agreed-upon procedures to verify the compliance of financial covenants by certain subsidiaries of the Group in accordance with the requirements of the lenders.

^ The Group leases a number of properties, machineries and motor vehicles with contract terms not more than one year. These leases are short-term. The Group also leases a number of office equipment with contract terms of 1 year to 5 years. These leases are low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

@ The Group leases a number of machineries which are charged based on per trip basis (usage) and accounted for as variable lease payments that do not depend on an index or rate. No lease liability has been recognised at the lease commencement date.

30. Other comprehensive income

Group	Before tax RM'000	Tax benefit RM'000	Net of tax RM'000
2024			
Item that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liabilities	**(871)**	**110**	**(761)**
Items that are or may be reclassified subsequently to profit or loss			
Cash flow hedge - Loss arising during the year	**(1,709)**	**-**	**(1,709)**
Share of loss on hedging reserve of equity-accounted associates and joint ventures	**(2,218)**	**-**	**(2,218)**
Foreign currency translation differences for foreign operations - Losses arising during the year	**(14,247)**	**-**	**(14,247)**
	(18,174)	**-**	**(18,174)**
	(19,045)	**110**	**(18,935)**
2023			
Item that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liabilities	(3,908)	883	(3,025)
Items that are or may be reclassified subsequently to profit or loss			
Cash flow hedge - Loss arising during the year	(2,976)	-	(2,976)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	(13,894)	-	(13,894)
Foreign currency translation differences for foreign operations - Gains arising during the year	25,962	-	25,962
	9,092	-	9,092
	5,184	883	6,067
Company			
2024			
Item that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liabilities	**(250)**	**-**	**(250)**
2023			
Item that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liabilities	(942)	-	(942)

31. Earnings/(Loss) per ordinary share

Basic/Diluted earnings/(loss) per ordinary share

The calculation of basic/diluted earnings/(loss) per ordinary share is based on the profit/(loss) attributable to equity holders after distribution on perpetual sukuk and a weighted average number of ordinary shares outstanding, calculated as follows:

Group	2024	2023
Profit/(Loss) attributable to equity holders (RM'000)	**268,686**	(837,160)
Distribution to perpetual sukuk holder, net of tax (RM'000)	**(51,665)**	(47,200)
Profit/(Loss) attributable to ordinary shareholders (RM'000)	**217,021**	(884,360)
Weighted average number of ordinary shares at 31 December ('000)	**4,886,961**	4,886,961
Basic/Diluted earnings/(loss) per ordinary share (sen)	**4.44**	(18.10)

There is no dilution in earnings/(loss) per ordinary share as the Group has no shares and/or other instruments with potential dilutive effects as at 31 December 2024 and 31 December 2023.

32. Dividends

Dividends recognised by the Company:

	Sen per share	Total amount RM'000	Date of payment
2024			
Final 2023 ordinary share	**1.50**	**73,304**	**29 May 2024**
Interim 2024 ordinary share	**2.23**	**108,979**	**25 October 2024**
Total amount		**182,283**	
2023			
Final 2022 ordinary share	2.45	119,731	26 May 2023
Interim 2023 ordinary share	1.50	73,304	27 October 2023
Total amount		193,035	

Subsequent to the end of the current financial year, the Board of Directors has approved a final dividend of 2.17 sen per ordinary share on 4,886,961,300 ordinary shares in issue, totalling RM106,047,060 in respect of the financial year ended 31 December 2024.

The final dividend will be accounted for in the shareholders' equity as appropriation of retained earnings in the financial year ending 31 December 2025.

Notes to the Financial Statements

33. Operating segments

As the Group continues to explore and diversify its portfolio of assets both domestically and internationally, Management, for the purpose of making informed decisions, monitors and reports the operating results, of which the Managing Director/Group Chief Executive Officer ("the chief operating decision-maker") regularly reviews and analyses the operating results of local and foreign segments in a manner consistent with the Group's internal reporting.

The following summary describes the operations in each of the Group's reportable segments:

- Power generation — Includes power generation business and water desalination services.
- Waste management and environmental services — Includes waste management services and environmental services.

Other non-reportable segments comprise operations related to renewable energy business, operation and maintenance services, rental of investment property and investment holding. None of these segments met the quantitative thresholds for reporting segments in 2024 and 2023.

Segment assets

The segment assets consist of property, plant and equipment, investment properties, concession assets, intangible assets, other investments, derivative financial assets, trade and other receivables, deferred tax assets, inventories, current tax assets, cash and cash equivalents of the segment. Investments in associates and joint ventures are excluded from the segment assets. The segment assets are presented in a manner that is consistent with the internal reporting provided to Management for the allocation of resource and assessment of segment performance.

Segment liabilities

The segment liabilities consist of loans and borrowings, lease liabilities, employee benefits, provision for decommissioning costs, provision for concession assets, deferred income, derivative financial liabilities, deferred tax liabilities, trade and other payables and current tax liabilities of the segment. The segment liabilities are presented in a manner that is consistent with the internal reporting provided to Management for the allocation of resource and assessment of segment performance.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment and right-of-use assets.

Notes to the Financial Statements

33. Operating segments (continued)

	Power generation			Waste Management and Environmental Services			Others			Elimination[A]			Consolidated		
	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000
2024															
Revenue from external customers	**7,919,093**	-	**7,919,093**	**855,974**	**16,507**	**872,481**	**194,500**	-	**194,500**	-	-	-	**8,969,567**	-	**8,969,567**
Inter-segment revenue	-	-	-	**127,374**	**98,208**	**1,233,044**	**1,038,544**	**279,301**	**1,317,845**	**(1,055,051)**	**(279,301)**	**(1,334,352)**	**199,540**	**111,046**	**310,586**
Total segment revenue	**7,919,093**	-	**7,919,093**	**872,481**	**1,233,044**	**279,301**	**1,512,345**	**(1,055,051)**	**(279,301)**	**(1,334,352)**	**8,969,567**	-	**8,969,567**		
Profit after tax	**357,434**	**119,825**	**477,259**	**127,374**	**98,208**	**281,667**	**379,875**	**(383,476)**	**(290,446)**	**(673,922)**	**199,540**	**111,046**	**310,586**		
2023															
Revenue from external customers	8,011,898	-	8,011,898	872,332	182,724	-	182,724	-	-	-	9,066,954	-	9,066,954		
Inter-segment revenue	-	-	-	-	1,478,762	249,857	1,728,619	(1,478,762)	(249,857)	(1,728,619)	-	-	-		
Total segment revenue	8,011,898	-	8,011,898	872,332	1,661,486	249,857	1,911,343	(1,478,762)	(249,857)	(1,728,619)	9,066,954	-	9,066,954		
Loss after tax	(472,705)	(211,310)	(684,015)	112,633	710,559	233,801	944,360	(974,011)	(260,900)	(1,234,911)	(623,524)	(238,409)	(861,933)		

[A] Inter-segment transactions are eliminated on consolidation.

33. Operating segments (continued)

	Power generation			Waste Management and Environmental Services	Others			Elimination	Consolidated
	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Local RM'000	Foreign RM'000	Total RM'000	Total RM'000	Total RM'000
At 31 December 2024									
Segment assets	**13,875,957**	**-**	**13,875,957**	**771,501**	**13,179,942**	**2,053,566**	**15,233,508**	**(12,170,778)**	**17,710,188**
Investments in associates	-	-	-	-	**215,353**	**49,917**	**265,270**	**328,118**	**593,388**
Investments in joint ventures	-	-	-	-	**22,586**	**485,005**	**507,591**	**201,520**	**709,111**
	13,875,957	**-**	**13,875,957**	**771,501**	**13,417,881**	**2,588,488**	**16,006,369**	**(11,641,140)**	**19,012,687**
Segment liabilities	**11,938,222**	**-**	**11,938,222**	**488,970**	**5,242,959**	**929,542**	**6,172,501**	**(5,130,843)**	**13,468,850**
Capital expenditure	**442,777**	**-**	**442,777**	**14,869**	**6,261**	**-**	**6,261**	**-**	**463,907**
At 31 December 2023									
Segment assets	15,840,733	-	15,840,733	763,263	12,831,832	2,144,700	14,976,532	(12,611,087)	18,969,441
Investments in associates	-	-	-	-	215,353	49,917	265,270	320,840	586,110
Investments in joint ventures	-	-	-	-	22,586	485,005	507,591	237,508	745,099
	15,840,733	-	15,840,733	763,263	13,069,771	2,679,622	15,749,393	(12,052,739)	20,300,650
Segment liabilities	13,918,993	-	13,918,993	514,526	4,241,517	1,078,818	5,320,335	(5,000,051)	14,753,803
Capital expenditure	239,263	-	239,263	13,394	21,441	-	21,441	14	274,112

33. Operating segments (continued)

	Power generation			Waste Management and Environmental Services	Others			Consolidated		
	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000
As at 31 December 2024										
Reversal for diminution in value of consumables	**2,208**	**-**	**2,208**	**(6)**	**(141)**	**-**	**(141)**	**2,061**	**-**	**2,061**
Amortisation of intangible assets	**(144,314)**	**(11,674)**	**(155,988)**	**(36,520)**	**(90,075)**	**-**	**(90,075)**	**(270,909)**	**(11,674)**	**(282,583)**
Amortisation of transaction costs of hedging instruments	**(6,360)**	**-**	**(6,360)**	**-**	**-**	**-**	**-**	**(6,360)**	**-**	**(6,360)**
Amortisation of concession assets	**-**	**-**	**-**	**(12,565)**	**-**	**-**	**-**	**(12,565)**	**-**	**(12,565)**
Depreciation of property, plant and equipment	**(744,221)**	**-**	**(744,221)**	**(10,495)**	**(9,749)**	**-**	**(9,749)**	**(764,465)**	**-**	**(764,465)**
Depreciation of right-of-use assets	**(4,463)**	**-**	**(4,463)**	**(4,872)**	**(4,358)**	**-**	**(4,358)**	**(13,693)**	**-**	**(13,693)**
Gain on disposal of property, plant and equipment	**4,760**	**-**	**4,760**	**(1,158)**	**13,451**	**-**	**13,451**	**17,053**	**-**	**17,053**
Expenses related to retirement benefit plans	**-**	**-**	**-**	**(638)**	**(11,036)**	**-**	**(11,036)**	**(11,674)**	**-**	**(11,674)**
Net reversal on impairment of financial instruments	**-**	**-**	**-**	**121**	**(12)**	**-**	**(12)**	**109**	**-**	**109**
Net impairment loss on property, plant and equipment	**-**	**-**	**-**	**(62)**	**-**	**-**	**-**	**(62)**	**-**	**(62)**
Property, plant and equipment written off	**(5,818)**	**-**	**(5,818)**	**85**	**-**	**-**	**-**	**(5,733)**	**-**	**(5,733)**
Net unrealised foreign exchange gain	**-**	**-**	**-**	**-**	**349**	**-**	**349**	**349**	**-**	**349**
	(898,208)	**(11,674)**	**(909,882)**	**(66,110)**	**(101,571)**	**-**	**(101,571)**	**(1,065,889)**	**(11,674)**	**(1,077,563)**

33. Operating segments (continued)

	Power generation			Waste Management and Environmental Services			Others			Consolidated		
	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000
As at 31 December 2023												
Reversal for diminution in value of consumables	(4,646)	-	(4,646)	(66)	-	(66)	12,055	-	12,055	7,343	-	7,343
Amortisation of intangible assets	(156,024)	(11,646)	(167,670)	(36,421)	-	(36,421)	(89,910)	-	(89,910)	(282,355)	(11,646)	(294,001)
Amortisation of transaction costs of hedging instruments	(6,755)	-	(6,755)	-	-	-	-	-	-	(6,755)	-	(6,755)
Amortisation of concession assets	-	-	-	(13,326)	-	(13,326)	-	-	-	(13,326)	-	(13,326)
Depreciation of property, plant and equipment	(772,178)	-	(772,178)	(10,750)	-	(10,750)	(12,391)	-	(12,391)	(795,319)	-	(795,319)
Depreciation of right-of-use assets	(5,148)	-	(5,148)	(5,264)	-	(5,264)	(5,085)	-	(5,085)	(15,497)	-	(15,497)
Loss on disposal of property, plant and equipment	(19,249)	-	(19,249)	(110)	-	(110)	172	-	172	(19,187)	-	(19,187)
Expenses related to retirement benefit plans	-	-	-	-	-	-	(7,318)	-	(7,318)	(7,318)	-	(7,318)
Net reversal on impairment of financial instruments	-	-	-	148	-	148	-	-	-	148	-	148
Net impairment reversal on property, plant and equipment	-	-	-	4	-	4	400	-	400	404	-	404
Property, plant and equipment written off	(25,617)	-	(25,617)	-	-	-	(2,195)	-	(2,195)	(27,812)	-	(27,812)
Net unrealised foreign exchange gain	-	-	-	-	-	-	(384)	1,617	1,233	1,233	1,617	1,233
	(989,617)	(11,646)	(1,001,263)	(65,785)	-	(65,785)	(104,656)	1,617	(103,039)	(1,160,058)	(10,029)	(1,170,087)

33. Operating segments (continued)

Geographical information

The local and foreign segments are managed on a worldwide basis, with operating facilities in Malaysia, Indonesia and Middle East.

Geographic revenue information is based on geographical location of the customers, which are solely derived from Malaysia (see Note 25). Geographic non-current assets are based on the geographical location of the assets, which are solely derived from Malaysia. The amounts of non-current assets do not include investments in associates and joint ventures, and deferred tax assets.

Major customers

The following is a major customer with revenue equal or more than 10% of the Group's total revenue:

	Revenue	
Group	**2024 RM'000**	**2023 RM'000**
Tenaga Nasional Berhad	**7,919,093**	8,011,898

34. Financial instruments

34.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

a) Amortised cost ("AC")
b) Fair value through profit or loss ("FVTPL")
   - Mandatorily required by MFRS 9
c) Derivatives used for hedging

Group	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000	Derivatives used for hedging RM'000
2024				
Financial assets				
Trade and other receivables*	**1,420,324**	**1,420,324**	**-**	**-**
Other investments	**831,192**	**716,785**	**114,407**	**-**
Cash and cash equivalents	**1,375,368**	**1,375,368**	**-**	**-**
Derivative financial assets	**24,493**	**-**	**-**	**24,493**
	3,651,377	**3,512,477**	**114,407**	**24,493**

Notes to the Financial Statements

34. Financial instruments (continued)

34.1 Categories of financial instruments (continued)

Group	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000	Derivatives used for hedging RM'000
2024				
Financial liabilities				
Loans and borrowings	**(7,768,174)**	**(7,768,174)**	**-**	**-**
Trade and other payables*	**(1,358,088)**	**(1,358,088)**	**-**	**-**
	(9,126,262)	**(9,126,262)**	**-**	**-**

Company	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000
2024			
Financial assets			
Trade and other receivables*	**1,372,496**	**1,372,496**	**-**
Other investments	**2,484**	**-**	**2,484**
Cash and cash equivalents	**93,624**	**93,624**	**-**
	1,468,604	**1,466,120**	**2,484**
Financial liabilities			
Trade and other payables	**(1,005,918)**	**(1,005,918)**	**-**

Notes to the Financial Statements

34. Financial instruments (continued)

34.1 Categories of financial instruments (continued)

Group	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000	Derivatives used for hedging RM'000
2023				
Financial assets				
Trade and other receivables*	1,443,867	1,443,867	-	-
Other investments	488,080	310,303	177,777	-
Cash and cash equivalents	2,571,016	2,571,016	-	-
Derivative financial assets	94,300	-	-	94,300
	4,597,263	4,325,186	177,777	94,300
Financial liabilities				
Loans and borrowings	(8,805,079)	(8,805,079)	-	-
Trade and other payables*	(1,449,391)	(1,449,391)	-	-
	(10,254,470)	(10,254,470)	-	-

Company	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000
2023			
Financial assets			
Trade and other receivables*	1,287,531	1,287,531	-
Other investments	2,484	-	2,484
Cash and cash equivalents	59,843	59,843	-
	1,349,858	1,347,374	2,484
Financial liabilities			
Trade and other payables	(912,246)	(912,246)	-

* Excludes non-financial instruments

Notes to the Financial Statements

34. Financial instruments (continued)

34.2 Net gains and losses arising from financial instruments

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Net gains/(losses) on:				
Financial assets measured at amortised cost	**94,156**	63,590	**50,700**	51,068
Financial liabilities measured at amortised cost	**(550,544)**	(582,676)	**(27,522)**	(32,279)
Financial assets measured at fair value through profit or loss mandatorily required by MFRS 9	**4,559**	16,586	**-**	-
Derivatives used for hedging				
- Recognised in other comprehensive income	**(1,709)**	(2,976)	**-**	-
	(453,538)	(505,476)	**23,178**	18,789

34.3 Financial risk management

The Group has exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

34.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior periods.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis through the review of the receivables ageing. Credit evaluations are performed on significant customers requiring credit over a certain amount. The Group does not require collateral in respect of trade receivables.

Notes to the Financial Statements

34. Financial instruments (continued)

34.4 Credit risk (continued)

Trade receivables (continued)

Risk management objectives, policies and processes for managing the risk (continued)

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to the enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statements of financial position.

Concentration of credit risk

At the end of the reporting period, the Group has a concentration of credit risk in the form of trade debts due from Tenaga Nasional Berhad and Solid Waste and Public Cleansing Management Corporation, representing approximately 89% (2023: 87%) of the total receivables of the Group.

The exposure of credit risk for trade receivables as at the end of the current and previous reporting periods by geographic region was solely domestic.

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 30 days. The Group's debt recovery process is as follows:

a) Above 30 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the commercial team; and
b) Above 90 days past due, the Group will initiate a legal proceeding against the customer.

The Group uses an allowance matrix to measure Expected Credit Losses ("ECLs") of trade receivables.

Loss rates are based on actual credit loss experience over the past three years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are not significant for the purpose of impairment calculation for the year.

34. Financial instruments (continued)

34.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment losses (continued)

The following table provides information about the exposure to credit risk and ECLs for trade receivables.

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
2024			
Not past due	**1,267,394**	**-**	**1,267,394**
Past due 1 – 30 days	**8,054**	**-**	**8,054**
Past due 31 – 120 days	**3,865**	**-**	**3,865**
Past due more than 120 days	**10,264**	**(2,349)**	**7,915**
	1,289,577	**(2,349)**	**1,287,228**
2023			
Not past due	1,292,556	(132)	1,292,424
Past due 1 – 30 days	5,983	(559)	5,424
Past due 31 – 120 days	2,891	(264)	2,627
Past due more than 120 days	7,461	(1,923)	5,538
	1,308,891	(2,878)	1,306,013

34. Financial instruments (continued)

34.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment losses (continued)

The movements in the allowance for impairment in respect of trade receivables during the financial year are shown below:

Group	Lifetime ECL RM'000
At 1 January 2023	3,026
Net remeasurement of loss allowance	(148)
At 31 December 2023/1 January 2024	**2,878**
Net remeasurement of loss allowance	**(529)**
At 31 December 2024	**2,349**

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is probable, the amount considered irrecoverable is written off against the receivables.

Cash and cash equivalents and deposits with licensed banks and other licensed corporations

The cash and cash equivalents and deposits are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material.

Other receivables

Credit risk on other receivables are mainly arising from interest receivables, deposits paid for office buildings and fixtures rented. These deposits will be received at the end of each lease term. The Group manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Notes to the Financial Statements

34. Financial instruments (continued)

34.4 Credit risk (continued)

Other receivables (continued)

Interest receivables are due from banks and financial institutions that have a low credit risk. In addition, some of the bank balances are insured by government agencies. Consequently, the Group is of the view that the loss allowance is not material.

The movements in the allowance for impairment in respect of other receivables during the financial year are shown below:

	Group RM'000	Company RM'000
Lifetime ECL		
At 1 January 2023/31 December 2023/1 January 2024	**12,681**	**5,516**
Net remeasurement of loss allowance	**420**	**420**
At 31 December 2024	**13,101**	**5,936**

Financial guarantees

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, *Revenue from Contracts with Customers*.

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their loans on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM1,459,302,000 (2023: RM1,841,409,000) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiaries' secured loans.

Notes to the Financial Statements

34. Financial instruments (continued)

34.4 Credit risk (continued)

Financial guarantees (continued)

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

Related company loans and advances

Risk management objectives, policies and processes for managing the risk

The Group and the Company provide loans and advances to related companies, which include subsidiaries, associates, related parties, joint ventures and related companies. The Group and the Company monitor the results of the related companies regularly, as well as their ability to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Related company loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

Generally, the Group and the Company consider related company loans and advances to have low credit risk. It is assumed that there is a significant increase in credit risk when a related company's financial position deteriorates significantly. As the Group and the Company are able to determine the timing of payments of the related company's loans and advances when they are payable, loans and advances are considered to be in default when the related companies are not able to pay when demanded. A related company's loans and advances are considered to be credit impaired when:

a) the related company is unlikely to repay its loans or advances to the Company in full;
b) the related company's loans and advances are overdue for more than 365 days; or
c) the related company is continuously loss making and has a deficit in shareholders' fund.

34. Financial instruments (continued)

34.4 Credit risk (continued)

Related company loans and advances (continued)

Recognition and measurement of impairment loss (continued)

The Group and the Company determine the probability of default for these loans and advances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for related companies' loans and advances.

Group	Gross carrying amount RM'000	Impairment loss allowances RM'000	Net balance RM'000
2024			
Low credit risk	**41,487**	**-**	**41,487**
2023			
Low credit risk	65,797	-	65,797
Company			
2024			
Low credit risk	**1,249,820**	**-**	**1,249,820**
Significant increase in credit risk	**181,990**	**(64,631)**	**117,359**
	1,431,810	**(64,631)**	**1,367,179**
2023			
Low credit risk	1,186,617	-	1,186,617
Significant increase in credit risk	161,290	(64,388)	96,902
	1,347,907	(64,388)	1,283,519

There was no loss allowance made on the Group's related companies' loans and advances during the financial year (2023: Nil).

34. Financial instruments (continued)

34.4 Credit risk (continued)

Related company loans and advances (continued)

Recognition and measurement of impairment loss (continued)

The movements in the allowance for impairment in respect of related companies' loans and advances during the financial year are as follows:

	Group RM'000	Company RM'000
Lifetime ECL		
At 1 January 2023	-	(67,686)
Net remeasurement of loss allowance	-	3,298
At 31 December 2023/1 January 2024	**-**	**(64,388)**
Net remeasurement of loss allowance	**-**	**(243)**
At 31 December 2024	**-**	**(64,631)**

34.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents deemed adequate by management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis in relation to the Group's and the Company's financial liabilities could occur significantly earlier, or at significantly different amounts.

34. Financial instruments (continued)

34.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000	More than 5 years RM'000
2024							
Financial liabilities							
Secured							
Sukuk Ijarah medium-term notes	**1,672,221**	**5.12 - 5.34**	**2,011,702**	**452,194**	**433,054**	**1,126,454**	**-**
Sukuk medium-term notes	**1,459,302**	**4.41 - 6.25**	**2,044,802**	**240,339**	**177,320**	**949,963**	**677,180**
Sukuk Wakalah	**165,000**	**5.27 - 5.60**	**192,083**	**8,881**	**68,881**	**114,321**	**-**
Sukuk Wakalah	**949,696**	**5.09 - 6.15**	**1,731,494**	**56,203**	**111,640**	**437,956**	**1,125,695**
Sukuk Murabahah	**3,410,000**	**5.50 - 6.31**	**4,509,179**	**438,331**	**391,326**	**1,624,205**	**2,055,317**
Senior USD term loan	**81,955**	**5.80**	**83,129**	**83,129**	**-**	**-**	**-**
	7,738,174		**10,572,389**	**1,279,077**	**1,182,221**	**4,252,899**	**3,858,192**
Unsecured							
Redeemable Preference Shares	**30,000**	**7.50**	**30,000**	**30,000**	**-**	**-**	**-**
Trade and other payables^	**1,358,088**	**-**	**1,358,088**	**1,358,088**	**-**	**-**	**-**
Lease liabilities	**23,861**	**5.12 - 5.73**	**27,054**	**7,982**	**9,686**	**5,730**	**3,656**
	9,150,123		**11,987,531**	**2,675,147**	**1,191,907**	**4,258,629**	**3,861,848**

34. Financial instruments (continued)

34.5 Liquidity risk (continued)

Maturity analysis (continued)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments (continued):

Group	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000	More than 5 years RM'000
2023							
Financial liabilities							
Secured							
Sukuk Ijarah medium-term notes	1,984,355	5.01 - 5.45	2,461,029	449,174	451,842	1,243,663	316,350
Sukuk medium-term notes	1,621,089	5.55 - 6.25	2,335,467	295,775	235,230	696,634	1,107,828
Sukuk Wakalah	165,000	5.27 - 5.60	200,939	8,856	8,881	167,371	15,831
Sukuk Wakalah	955,690	5.09 - 6.15	1,729,943	56,222	55,762	192,900	1,425,059
Sukuk Murabahah	3,535,000	5.40 - 6.31	4,842,277	333,098	438,331	1,437,323	2,633,525
Senior USD term loan	292,625	5.80	305,037	219,781	85,256	-	-
		SOFR + margin					
USD term loan	220,320	2.00	249,193	41,824	40,333	167,036	-
Islamic medium-term notes	1,000	4.60	1,000	1,000	-	-	-
	8,775,079		12,124,885	1,405,730	1,315,635	3,904,927	5,498,593
Unsecured							
Redeemable Preference Shares	30,000	7.50	30,000	30,000	-	-	-
Trade and other payables^	1,449,391	-	1,449,391	1,449,391	-	-	-
Lease liabilities	16,031	3.88 - 5.73	19,679	6,535	4,190	4,760	4,194
	10,270,501		13,623,955	2,891,656	1,319,825	3,909,687	5,502,787

^ Excludes non-financial instruments

34. Financial instruments (continued)

34.5 Liquidity risk (continued)

Maturity analysis (continued)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments (continued):

Company	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000
2024						
Financial liabilities						
Unsecured						
Other payables and accruals	**11,517**	**-**	**11,517**	**11,517**	**-**	**-**
Amounts due to subsidiaries	**506,000**	**5.50 - 6.90**	**533,914**	**533,914**	**-**	**-**
Amounts due to subsidiaries	**488,401**	**-**	**488,401**	**488,401**	**-**	**-**
Lease liabilities	**12,196**	**5.12 - 5.50**	**12,990**	**5,069**	**5,069**	**2,852**
Financial guarantees	**-**	**-**	**1,459,302**	**1,459,302**	**-**	**-**
	1,018,114		**2,506,124**	**2,498,203**	**5,069**	**2,852**
2023						
Financial liabilities						
Unsecured						
Other payables and accruals	11,396	-	11,396	11,396	-	-
Amounts due to subsidiaries	500,000	5.50	527,500	527,500	-	-
Amounts due to subsidiaries	400,850	-	400,850	400,850	-	-
Lease liabilities	4,455	3.88 - 5.50	4,713	2,809	635	1,269
Financial guarantees	-	-	1,841,409	1,841,409	-	-
	916,701		2,785,868	2,783,964	635	1,269

34. Financial instruments (continued)

34.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

Currency risk

The Group is exposed to foreign currency risk on sales, purchases, cash and cash equivalents and borrowings that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are Indonesian Rupiah ("IDR"), US Dollar ("USD") and Australian Dollar ("AUD").

Risk management objectives, policies and processes for managing the risk

The Group hedges certain of its foreign currency denominated loans and borrowings. The Group uses cross currency interest rate swaps to hedge its foreign currency risk. The cross currency interest rate swaps have maturity of less than one year after the end of the reporting period.

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period is as follows:

	IDR RM'000	USD RM'000	AUD RM'000
2024			
Deposits with licensed banks	**-**	**71,532**	**-**
Cash and bank balances	**7,439**	**2,185**	**-**
Trade and other receivables	**-**	**26,012**	**24**
Trade and other payables	**-**	**(71,434)**	**-**
Net exposure	**7,439**	**(28,295)**	**24**
2023			
Deposits with licensed banks	-	89,923	-
Cash and bank balances	7,974	34,063	-
Loans and borrowings	-	(220,320)	-
Trade and other receivables	-	21,283	17,833
Trade and other payables	-	(73,231)	-
Net exposure	7,974	(148,282)	17,833

34. Financial instruments (continued)

34.6 Market risk (continued)

Currency risk (continued)

Currency risk sensitivity analysis

Foreign currency risk arises from Group entities which have functional currencies other than Ringgit Malaysia ("RM"). A 10% (2023: 10%) strengthening of the RM against the following currencies would have increased/(decreased) post-tax profit by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Profit or loss	
	2024 RM'000	2023 RM'000
Group		
IDR	**(565)**	(606)
USD	**(2,150)**	11,269
AUD	**(2)**	(1,355)
	(2,717)	9,308

A 10% (2023: 10%) weakening of RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

Interest rate risk

The Group's fixed rate deposits and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

In managing interest rate risk, the Group maintains a balanced portfolio consisting mainly fixed rated instruments. All interest rate exposures are monitored and managed proactively by the Group's management. The Group has also entered into interest rate swap and cross currency interest rate swaps in order to hedge against the floating rate exposure. At 31 December 2024, the cross currency interest rate swaps mature over the next year, matching the maturity of the floating rate bank loans.

34. Financial instruments (continued)

34.6 Market risk (continued)

Interest rate risk (continued)

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed rate instruments				
- Financial assets	**2,157,932**	1,862,053	**967,853**	854,932
- Financial liabilities	**(7,792,035)**	(8,600,790)	**(518,196)**	(504,455)
Floating rate instruments				
- Financial liabilities	**-**	(220,320)	**-**	-

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. The Company also does not account for any fixed rate financial assets at fair value through profit or loss.

At the reporting date, if the fixed rate financial assets classified as fair value through profit or loss have been 1% (2023: 1%) higher/lower, with all other variables held constant, the Group's profit or loss would have increased/(decreased) by RM1,119,000 (2023: RM1,753,000) arising as a result of changes in the fair value of the financial assets classified as fair value through profit or loss.

Notes to the Financial Statements

34. Financial instruments (continued)

34.6 Market risk (continued)

Interest rate risk (continued)

Interest rate risk sensitivity analysis (continued)

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bps") in interest rates at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	Profit or loss		Equity	
	100 bps increase RM'000	**100 bps decrease RM'000**	**100 bps increase RM'000**	**100 bps decrease RM'000**
2024				
Cross currency interest rate swaps	**-**	**-**	**(85)**	**85**
Cash flow sensitivity (net)	**-**	**-**	**(85)**	**85**
2023				
Floating rate instruments	(2,203)	2,203	-	-
Cross currency interest rate swaps	-	-	(1,186)	1,186
Cash flow sensitivity (net)	(2,203)	2,203	(1,186)	1,186

Notes to the Financial Statements

34. Financial instruments (continued)

34.7 Hedging activities

Currency risk – Transactions in foreign currency

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective functional currencies of the Group. The functional currency of Group companies is primarily the Ringgit Malaysia ("RM"). The currency in which these transactions are primarily denominated is the US Dollar ("USD").

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and
- changes in the timing of the hedged transactions.

Interest rate risk

To manage interest rate risk exposure, the Group partly enters into fixed-rate instruments and partly borrows at a floating rate and uses interest rate swaps as hedges of the variability in cash flows attributable to movements in interest rates.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts.

The Group assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and
- differences in repricing dates between the swaps and the borrowings.

Cash flow hedge

The Group applied the requirements of MFRS 9, *Financial Instruments* for hedge accounting. The Group has elected to account for the entire swap as a hedging instrument in its entirety. The forward element of these swaps is not separately accounted for from its spot element. Accordingly, the change in fair value of the entire swap is recognised in the hedging reserve in equity.

The Group entered into various interest rate swap ("IRS") and cross currency interest rate swaps ("CCIRS") to hedge the interest rate risk and foreign exchange risk in relation to the variability in cash flows on the floating rate RM and USD loans.

34. Financial instruments (continued)

34.7 Hedging activities (continued)

Cash flow hedge (continued)

The Group held the following instruments to hedge exposures to changes in foreign currency and interest rates.

Group	Maturity: Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000
2024			
Foreign currency and interest rate risks			
Cross currency interest rate swaps			
Net exposure	**58,494**	**-**	**-**
Fixed interest rate	**5.80%**	**-**	**-**
Fixed foreign exchange rate (RM/USD)	**3.149**	**-**	**-**
2023			
Foreign currency and interest rate risks			
Cross currency interest rate swaps			
Net exposure	150,697	58,494	-
Fixed interest rate	5.80%	5.80%	-
Fixed foreign exchange rate (RM/USD)	3.149	3.149	-

The amounts at the reporting date relating to items designated as hedged items were as follows:

Group	Change in value used for calculation of hedge ineffectiveness RM'000	Cash flow hedge reserve RM'000
2024		
Foreign currency and interest rate risks		
Cross currency interest rate swaps	(522)	(1,709)
2023		
Foreign currency and interest rate risks		
Cross currency interest rate swaps	(478)	(2,668)
Interest rate risk		
Interest rate swap	415	(308)

34. Financial instruments (continued)

34.7 Hedging activities (continued)

Cash flow hedge (continued)

The amounts at the reporting date relating to items designated as hedged instruments were as follows:

Group	Nominal amount RM'000	Carrying amount: Assets RM'000	Liabilities RM'000	Line item in the statement of financial position where the hedging instrument is included
2024				
Foreign currency and interest rate risks				
Cross currency interest rate swaps	**(58,494)**	**24,493**	**-**	***Derivative financial assets***
2023				
Foreign currency and interest rate risks				
Cross currency interest rate swaps	(209,191)	94,300	-	*Derivative financial assets*

34. Financial instruments (continued)

34.7 Hedging activities (continued)

Cash flow hedge (continued)

The amounts at the reporting date relating to hedge effectiveness were as follows:

Group	Changes in the value of hedging instrument recognised in other comprehensive income RM'000	Hedge ineffectiveness recognised in profit or loss RM'000	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from hedge reserve to profit or loss RM'000	Line item in profit or loss affected by the reclassification
2024					
Foreign currency and interest rate risks					
Cross currency interest rate swaps	**(69,285)**	**(522)**	***Other operating expenses***	**67,576**	***Other operating expenses***
2023					
Foreign currency and interest rate risks					
Cross currency interest rate swaps	(26,055)	(478)	*Other operating expenses*	23,387	*Other operating expenses*
Interest rate risk					
Interest rate swap	(308)	415	*Other operating expenses*	-	*Other operating expenses*

34. Financial instruments (continued)

34.7 Hedging activities (continued)

Cash flow hedge (continued)

The following table provides reconciliation by risk category of components of equity and analysis of other comprehensive income items, net of tax, resulting from cash flow hedge accounting.

	Hedging reserve	
Group	**2024 RM'000**	**2023 RM'000**
At 1 January	**297,787**	314,657
Changes in fair value:		
Cross currency interest rate swaps	**(69,285)**	(26,055)
Interest rate swap	**-**	(308)
Amount reclassified to profit or loss:		
Cross currency interest rate swaps	**67,576**	23,387
Share of hedging reserve of equity-accounted associates and joint ventures	**(2,218)**	(13,894)
At 31 December	**293,860**	297,787

34.8 Fair value information

The carrying amounts of cash and cash equivalents, deposits with licensed banks, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

34. Financial instruments (continued)

34.8 Fair value information (continued)

The table below analyses financial instruments carried at fair value.

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
2024										
Financial assets										
Derivative financial assets:										
Cross currency interest rate swaps	-	24,493	-	24,493	-	-	-	-	24,493	24,493
Other investments:										
Investment in RCCPS	-	-	2,484	2,484	-	-	-	-	2,484	2,484
Other investments	-	111,923	-	111,923	-	-	-	-	111,923	111,923
	-	136,416	2,484	138,900	-	-	-	-	138,900	138,900
Financial liabilities										
Loans and borrowings										
Secured:										
Sukuk Ijarah medium-term notes	-	-	-	-	-	(1,793,142)	-	(1,793,142)	(1,793,142)	(1,672,221)
Sukuk medium-term notes	-	-	-	-	-	(1,704,698)	-	(1,704,698)	(1,704,698)	(1,459,302)
Sukuk Wakalah	-	-	-	-	-	(170,094)	-	(170,094)	(170,094)	(165,000)
Sukuk Wakalah	-	-	-	-	-	(1,093,419)	-	(1,093,419)	(1,093,419)	(949,696)
Sukuk Murabahah	-	-	-	-	-	(3,681,571)	-	(3,681,571)	(3,681,571)	(3,410,000)
	-	-	-	-	-	(8,442,924)	-	(8,442,924)	(8,442,924)	(7,656,219)

34. Financial instruments (continued)

34.8 Fair value information (continued)

The table below analyses financial instruments carried at fair value (continued).

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
2023										
Non-Current										
Financial assets										
Derivative financial assets:										
Cross currency interest rate swaps	-	94,300	-	94,300	-	-	-	-	94,300	94,300
Other investments:										
Investment in RCCPS	-	-	2,484	2,484	-	-	-	-	2,484	2,484
Other investments	-	175,293	-	175,293	-	-	-	-	175,293	175,293
	-	269,593	2,484	272,077	-	-	-	-	272,077	272,077
Financial liabilities										
Loans and borrowings										
Secured:										
Sukuk Ijarah medium-term notes	-	-	-	-	-	(2,148,602)	-	(2,148,602)	(2,148,602)	(1,984,355)
Sukuk medium-term notes	-	-	-	-	-	(1,905,548)	-	(1,905,548)	(1,905,548)	(1,621,089)
Sukuk Wakalah	-	-	-	-	-	(171,153)	-	(171,153)	(171,153)	(165,000)
Sukuk Wakalah	-	-	-	-	-	(1,065,799)	-	(1,065,799)	(1,065,799)	(955,690)
Sukuk Murabahah	-	-	-	-	-	(3,815,526)	-	(3,815,526)	(3,815,526)	(3,535,000)
Senior USD term loan	-	-	-	-	-	-	(287,303)	(287,303)	(287,303)	(292,625)
USD term loan	-	-	-	-	-	-	(221,748)	(221,748)	(221,748)	(220,320)
	-	-	-	-	-	(9,106,628)	(509,051)	(9,615,679)	(9,615,679)	(8,774,079)

34. Financial instruments (continued)

34.8 Fair value information (continued)

Level 2 fair value

Derivatives

The CCIRS instruments entered by a subsidiary in Malaysia are not actively traded therefore market-based prices are not readily available. The fair values of the instruments are calculated based on the present value of future principal and interest cash flows. The spot rates, forward rates and foreign exchange rates used to calculate present value are directly observable from the market.

Other investments

Fair value of other investments is determined by reference to statements provided by the respective financial institutions, with which the placements were entered into.

Non-derivative financial liabilities

Fair value of the long-term borrowings which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial year (2023: no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as the key unobservable inputs used in the valuation models.

Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Loans and borrowings	Discounted cash flows using applicable and prevailing rates at the reporting date

34. Financial instruments (continued)

34.8 Fair value information (continued)

Valuation process applied by the Group for Level 3 fair value

The Group has an established control framework with respect to the measurement of fair values of financial instruments. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

34.9 Material accounting policy information

The Group applies settlement date accounting for regular way purchase or sale of financial assets.

35. Capital management

The Group's objectives when managing capital are to maintain a strong capital base and to safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

35.1 The Company's debt-to-equity ratio is applied to the following loans and borrowings:

a) Sukuk medium-term notes issued by Malakoff Power Berhad ("MPB")

For Sukuk medium-term notes issued by MPB, the Company and MPB are required to maintain an aggregated debt-to-equity ratio of not more than 1:1.

The aggregated debt-to-equity ratios were as follows:

	2024	2023
Aggregated debt-to-equity ratio of the Company and MPB	**0.26:1**	0.34:1

b) USD term loan drawndown by Malakoff International Limited ("MIL")

For USD term loan, drawndown by MIL, the Company was required to maintain a debt-to-equity ratio of not more than 1:1.

The debt-to-equity ratios were as follows:

	2024	2023
Company debt-to-equity ratio	**0.25:1**	0.33:1

Notes to the Financial Statements

35. Capital management (continued)

35.2 The Group's debt-to-equity ratio is applied to the following loans and borrowings:

a) Sukuk medium-term notes issued by MPB
b) USD term loan drawndown by MIL

For Sukuk medium-term notes issued and drawndown by MPB and USD term loan held by MIL, the Group is required to maintain its debt-to-equity ratio of not more than 5.5:1.

The debt-to-equity ratios were as follows:

	2024	2023
Group debt-to-equity ratio	**1.58:1**	1.60:1

Debt covenants in relation to subsidiaries are disclosed in Note 19.

There were no changes in the Group's approach to capital management during the financial year.

36. Capital and other commitments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Plant and equipment				
Contracted but not provided for	**1,067,417**	510,327	**231**	722

37. Contingencies

Provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

Contingent liabilities not considered remote

Litigations

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.

Notes to the Financial Statements

37. Contingencies (continued)

Contingent liabilities not considered remote (continued)

Litigations (continued)

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 Singapore International Arbitration Center ("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.

37. Contingencies (continued)

Contingent liabilities not considered remote (continued)

Litigations (continued)

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.

The Group is of the view that it is premature to form a define view on the outcome of this case.

38. Related parties

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the following transactions are shown in Notes 11, 14, 15 and 24.

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
i. Associates				
Secondment fees	**-**	-	**2,169**	2,149
Dividends received	**2,964**	2,781	**-**	-
ii. Joint ventures				
Dividends received	**109,214**	188,275	**-**	-
iii. Subsidiaries				
Management fees	**-**	-	**25,755**	27,337
Dividends received	**-**	-	**221,500**	754,063
Secondment fees	**-**	-	**408**	-
Interest income on advances to subsidiaries	**-**	-	**49,687**	42,130
Interest expense on advances from subsidiaries	**-**	-	**(27,517)**	(32,279)

38. Related parties (continued)

Significant related party transactions (continued)

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
iv. Other related parties				
Sales	**31,853**	29,992	**-**	-
Purchases	**(12,967)**	(13,417)	**-**	-
Purchases of assets	**(12,124)**	(766)	**-**	-
Interest received	**14,104**	7,937	**-**	-
Brokerage fees on insurance policies	**(4,196)**	(4,240)	**-**	-
Insurance on directors, staff and vehicles	**-**	-	**(1,000)**	(934)
Secondment fees	**-**	-	**35**	-
Rental income from estate	**1,072**	612	**1,072**	612
v. Key management personnel				
Directors of the Company				
- Salary, bonus and defined contribution	**2,392**	2,901	**2,392**	2,901
- Fees	**1,063**	1,077	**1,063**	1,077
- Meeting allowances	**431**	419	**396**	382
- Other allowances	**450**	177	**450**	177
- Other remuneration	**475**	475	**355**	330
- Estimated monetary value of benefits-in-kind	**60**	121	**60**	121
	4,871	5,170	**4,716**	4,988
Directors of the subsidiaries				
- Meeting allowances	**47**	36	**-**	-
- Other remuneration	**420**	370	**-**	-
	467	406	**-**	-
Other key management personnel				
- Salary, bonus and defined contribution	**3,525**	3,878	**3,525**	3,878
	8,863	9,454	**8,241**	8,866

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

39. Acquisitions of subsidiaries

In prior year, on 7 September 2023, Tuah Utama Sdn. Bhd. ("TUSB") and Malakoff Technical Solutions Sdn. Bhd. ("MTSSB"), wholly-owned subsidiaries of the Company had completed the acquisitions of 70% equity interests in RP Hydro (Kelantan) Sdn. Bhd. ("RPHK") and Rising O&M Engineering Services Sdn. Bhd. ("ROMES") for a total cash consideration of RM35.0 million and RM0.7 million, respectively. In the 4 months to 31 December 2023, the subsidiaries contributed loss of RM158,000 with no revenue derived. If the acquisition had occurred on 1 January 2023, management estimates the consolidated loss for the financial year would have been RM862,516,000. In determining these amounts, management had assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2023.

The following summarised the major classes of consideration transferred, and the recognised amounts of assets acquired, and liabilities assumed at the acquisition date:

Fair value of consideration transferred

	Group 2023 RM'000
Cash and cash equivalents	35,720

Identifiable assets acquired and liabilities assumed

	Note	Group 2023 RM'000
Property, plant and equipment	2	40,044
Other receivables		992
Cash and cash equivalents		948,826
Other payables		(5,447)
Borrowings	19	(955,164)
Total identifiable net assets		29,251

Net cash inflow arising from acquisitions of subsidiaries

	Group 2023 RM'000
Purchase consideration settled in cash and cash equivalents	(35,720)
Cash and cash equivalents acquired	948,826
	913,106

39. Acquisitions of subsidiaries (continued)

Goodwill

Goodwill was recognised as a result of the acquisitions as follows:

	Group 2023 RM'000
Total consideration transferred	35,720
Fair value of identifiable net assets	(29,251)
Non-controlling interests, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquirees	8,775
Goodwill	15,244

Acquisition-related costs

The Group incurred acquisition-related costs for RM943,000 related to external legal fees and due diligence costs. The acquisition-related costs had been included in other expenses in the Group's consolidated statement of profit or loss and other comprehensive income.

39.1 Material accounting policy information

The Group elects to measure the non-controlling interests in the acquiree at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Notes to the Financial Statements

40. Significant and subsequent events

40.1 Proposed disposal of a subsidiary - Malakoff Utilities Sdn. Bhd.

On 17 October 2024, the Directors approved the proposed 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 a third party, KJ Technical Services Sdn. Bhd., a wholly-owned subsidiary of KJTS Group Berhad for the proposed disposal of its entire 100% equity interest in MUSB for a total cash consideration of RM65,500,000. The transaction is expected to be completed by May 2025.

40.2 Acquisitions of Zec Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd.

On 23 May 2024, the Company entered into a conditional Share Sale and Purchase Agreement ("SSPA") with a third party, Zelleco Engineering Sdn. Bhd. ("Zelleco") for the proposed acquisition of 51% equity interests in ZEC Solar Sdn. Bhd. ("ZEC Solar") and 49% equity interests in TJZ Suria Sdn. Bhd. ("TJZ Suria"), respectively, for an initial total purchase consideration of RM27,000,000. ZEC Solar owns and operates a 29MW large-scale solar facility in Kota Tinggi, Johor, under a 21-year SPPA, while TJZ Suria provides operations and maintenance services to ZEC Solar.

On 31 January 2025, the Company completed the acquisitions of the 51% and 49% equity interests in ZEC Solar and TJZ Suria, respectively for a total cash consideration of RM29,000,000 following fulfilment of the conditions precedent and completion of the SSPA. With the completion of the acquisitions, both ZEC Solar and TJZ Suria became wholly-owned subsidiaries of the Company.

40.3 Acquisition of E-Idaman Sdn. Bhd.

On 27 October 2023, Tuah Utama Sdn. Bhd. ("TUSB"), a wholly-owned subsidiary of the Company entered into a SSPA with a third party, Metacorp Berhad for the proposed acquisition of 49% equity interest in E-Idaman Sdn. Bhd. ("E-Idaman"). The principal activities of E-Idaman are that of investment holding and the provision of project management, consultancy and contracting services in the field of solid waste management. E-Idaman through its wholly-owned subsidiary, Environment Idaman Sdn. Bhd., provides waste collection and disposal services for municipal wastes under a 22-year concession granted by the Government of Malaysia for the provision of solid waste collection and public cleansing management services in Kedah and Perlis.

On 28 February 2025, TUSB completed the acquisition of 49% equity interest in E-Idaman for a total cash consideration of RM118,200,000.

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 271 to 390 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....

Tan Sri Che Khalib bin Mohamad Noh
Chairman

.....

Anwar Syahrin bin Abdul Ajib
Managing Director

Kuala Lumpur
21 March 2025

Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, **Mohd Nazersham bin Mansor**, the officer primarily responsible for the financial management of Malakoff Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 271 to 390 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Mohd Nazersham bin Mansor, NRIC: 730416-14-5671, MIA CA34453, at Kuala Lumpur in the Federal Territory on 21 March 2025.

.....

Mohd Nazersham bin Mansor

Before me:

Independent Auditors' Report

To the Members of Malakoff Corporation Berhad (Registration No. 200601011818 (731568-V)) (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Malakoff Corporation Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 271 to 390.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements section* of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Independent Auditors' Report

To the Members of Malakoff Corporation Berhad (Registration No. 200601011818 (731568-V)) (Incorporated in Malaysia)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. The matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Group **Valuation of goodwill of Alam Flora Sdn. Bhd.**	
Refer to Note 6 – Intangible assets	
The key audit matter	**How the matter was addressed in our audit**
The Group has goodwill amounting to RM153 million arising from the acquisition of Alam Flora Sdn. Bhd. ("AFSB") in 2019. During the year, the Group has performed an impairment assessment and recognised an impairment loss of RM10.2 million in profit or loss. We focused on goodwill arising from the acquisition of AFSB as the carrying amount is material and the impairment test is sensitive to a possible change in assumptions. There are significant judgements involved in forecasting and discounting of future cash flows, which is the basis of assessment of impairment over goodwill.	We performed the following audit procedures, among others: • We evaluated the Group's cash flow projections and the process by which they were developed. We compared the projections to business plans approved by the Board of Directors and also compared previous projections to actual results to assess the performance of the business and the accuracy of the forecasting; • We obtained confirmation that the key assumptions were subject to oversight from the Directors; • We evaluated and challenged the following key assumptions used in the cash flows projections: - Revenue – we assessed the reasonableness of the estimated revenue in the projections based on past actual revenue recorded and read the clauses in the service concession agreement governing tariff rate revisions; - Cost of sales – we assessed the reasonableness of private contractor costs used in the projections based on past actual costs incurred and incorporating inflationary factors; - Capital expenditures ("CAPEX") – we compared CAPEX assumptions in the cash flows to the budget approved by the Directors; and - Discount rate – our own valuation specialist compared the discount rate used against other industry players and external sources. • We assessed whether the Group's disclosures about the sensitivity of the outcome of the impairment assessment to changes in key assumptions reflected the risks inherent in the valuation of goodwill.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Independent Auditors' Report

To the Members of Malakoff Corporation Berhad (Registration No. 200601011818 (731568-V)) (Incorporated in Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon (continued)

Our opinion on the financial statements of the Group and of the Company does not cover the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Independent Auditors' Report

To the Members of Malakoff Corporation Berhad (Registration No. 200601011818 (731568-V)) (Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 7 to the financial statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya
21 March 2025

Eric Kuo Sze-Wei
Approval Number: 03473/11/2025 J
Chartered Accountant

Corporate Information

BOARD OF DIRECTORS

Non-Independent Non-Executive Chairman

TAN SRI CHE KHALIB MOHAMAD NOH

Managing Director & Group Chief Executive Officer (MD & GCEO)

ANWAR SYAHRIN ABDUL AJIB

Non-Executive Directors

Datuk Rozimi Remeli
Independent Non-Executive Director

Dato' Mohd Naim Daruwish
Non-Independent Non-Executive Director

Dr. Norida Abdul Rahman
Independent Non-Executive Director

Datuk Prakash Chandran Madhu Sudanan
Independent Non-Executive Director

Datuk Wira Roslan Ab Rahman
Independent Non-Executive Director

Puan Lim Tau Kien
Independent Non-Executive Director

Dato' Mohamad Razif Haji Abd Mubin
Independent Non-Executive Director

COMPANY SECRETARIES

Noor Raniz Mat Nor
(MAICSA 7061903)
(SSM Practicing Certificate No. 201908001542)

Zaidatul Neezma Zainal Abidin
(MACS 01677)
(SSM Practicing Certificate No. 202208000740)

BOARD AUDIT COMMITTEE

Puan Lim Tau Kien
Independent Non-Executive Director (Chairman)

Datuk Rozimi Remeli
Independent Non-Executive Director

Datuk Prakash Chandran Madhu Sudanan
Independent Non-Executive Director

Datuk Wira Roslan Ab Rahman
Independent Non-Executive Director

BOARD NOMINATION AND REMUNERATION COMMITTEE

Dr. Norida Abdul Rahman
Independent Non-Executive Director (Chairman)

Datuk Wira Roslan Ab Rahman
Independent Non-Executive Director

Datuk Prakash Chandran Madhu Sudanan
Independent Non-Executive Director

Puan Lim Tau Kien
Independent Non-Executive Director

BOARD RISK AND INVESTMENT COMMITTEE

Datuk Wira Roslan Ab Rahman
Independent Non-Executive Director (Chairman)

Dato' Mohd Naim Daruwish
Non-Independent Non-Executive Director

Datuk Prakash Chandran Madhu Sudanan
Independent Non-Executive Director

Dato' Mohamad Razif Haji Abd Mubin
Independent Non-Executive Director

BOARD PROCUREMENT COMMITTEE

Datuk Rozimi Remeli
Independent Non-Executive Director (Chairman)

Dato' Mohd Naim Daruwish
Non-Independent Non-Executive Director

Dr. Norida Abdul Rahman
Independent Non-Executive Director

Dato' Mohamad Razif Haji Abd Mubin
Independent Non-Executive Director

AUDITORS

KPMG PLT
Level 10, KPMG Tower
No. 8, First Avenue, Bandar Utama
47800 Petaling Jaya, Selangor Darul Ehsan

PRINCIPAL BANKERS

Malayan Banking Berhad
RHB Bank Berhad
Bank Muamalat Malaysia Berhad
AmBank (M) Berhad
CIMB Bank Berhad
Bank Kerjasama Rakyat Malaysia Berhad

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
Registration No: 199601006647 (378993-D)
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Tel : +603-7890 4700
Fax : +603-7890 4670

COMPANY ADDRESS

Level 7, Block 4, Plaza Sentral
Jalan Stesen Sentral 5
50470 Kuala Lumpur
Tel : +603-2263 3388
Fax : +603-2263 3333
Website : www.malakoff.com.my

REGISTERED OFFICE

Level 12, Block 4, Plaza Sentral
Jalan Stesen Sentral 5
50470 Kuala Lumpur
Tel : +603-2263 3388
Fax : +603-2263 3333

Shareholdings Statistics

As at 17 February 2025

Class of Securities : Ordinary shares
Issued and Paid-up Share Capital : RM5,693,055,098 with total number of issued shares of 5,000,000,000 ordinary shares (Inclusive of treasury shares of 113,038,700)
Voting Rights : One vote per ordinary share
Number of Shareholders : 19,024

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	276	1.45	2,939	0.00
100 to 1,000	3,198	16.81	1,784,207	0.04
1,001 to 10,000	9,235	48.54	48,895,177	1.00
10,001 to 100,000	5,471	28.76	174,982,973	3.58
100,001 to less than 5% of issued shares	838	4.41	997,283,067	20.40
5% and above of issued shares	6	0.03	3,664,012,937	74.98
TOTAL	**19,024**	**100.00**	**4,886,961,300***	**100.00**

** Excluding treasury shares of 113,038,700*

DIRECTORS' INTERESTS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Directors' Interest in the Company

	Direct		Indirect	
Name	No. of shares	%	No. of shares	%
Tan Sri Che Khalib Mohamad Noh	420,000	0.01	-	-
Anwar Syahrin Abdul Ajib	-	-	-	-
Datuk Rozimi Remeli	-	-	-	-
Dato' Mohd Naim Daruwish	-	-	-	-
Dr. Norida Abdul Rahman	-	-	-	-
Datuk Prakash Chandran Madhu Sudanan	-	-	-	-
Datuk Wira Roslan Ab Rahman	-	-	-	-
Puan Lim Tau Kien	-	-	-	-
Dato' Mohamad Razif Haji Abd Mubin	-	-	-	-

Shareholdings Statistics

As at 17 February 2025

Substantial Shareholders according to the Register of Substantial Shareholders

No.	Name	Direct		Indirect	
		No. of shares	%	No. of shares	%
1	Anglo-Oriental (Annuities) Sdn Bhd (AOA) [1]	981,341,460	20.08	-	-
2	MMC Corporation Berhad (MMC)	897,695,630	18.37	981,341,460 [2]	20.08
3	Employees Provident Fund Board [3]	564,010,033	11.54	-	-
4	Urusharta Jamaah Sdn Bhd [4]	466,728,000	9.55	-	-
5	Kumpulan Wang Persaraan (Diperbadankan) [5]	440,725,914	9.02	-	-
6	Amanah Saham Bumiputera [6]	313,511,900	6.42	-	-
7	Seaport Terminal (Johore) Sdn Bhd (Seaport) [7]	-	-	1,879,037,090	38.45
8	Indra Cita Sdn Bhd (ICSB) [8]	-	-	1,879,037,090	38.45
9	Tan Sri Dato' Seri Syed Mokhtar Shah Syed Nor [9]	-	-	1,879,037,090	38.45

Notes:

[1] Of which 981,341,460 shares held through Bank Muamalat Malaysia Berhad.
[2] Deemed interested in 981,341,460 shares held by AOA in Malakoff by virtue of its 100% direct shareholding in AOA.
[3] Of which 564,010,033 shares held through various accounts under Citigroup Nominees (Tempatan) Sdn. Bhd.
[4] Of which 466,728,000 shares held through Citigroup Nominees (Tempatan) Sdn. Bhd.
[5] Of which 377,248,814 shares held through its own account and 63,477,100 shares held through various accounts under Citigroup Nominees (Tempatan) Sdn Bhd.
[6] Of which 313,511,900 shares held through Amanahraya Trustees Berhad.
[7] Deemed interested by virtue of its direct major shareholdings in MMC.
[8] Deemed interested through Seaport.
[9] Deemed interested through ICSB.

30 LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	% of Issued Share Capital
1	BANK MUAMALAT MALAYSIA BERHAD PLEDGED SECURITIES ACCOUNT FOR ANGLO-ORIENTAL (ANNUITIES) SDN BHD	981,341,460	20.08
2	MMC CORPORATION BERHAD	897,695,630	18.37
3	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (1)	466,728,000	9.55
4	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	377,248,814	7.72
5	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	370,393,183	7.58
6	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA	313,511,900	6.41
7	LEMBAGA TABUNG HAJI	172,799,000	3.54
8	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	169,182,850	3.46
9	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 2 – WAWASAN	111,235,600	2.28
10	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA	73,977,500	1.51
11	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (PRINCIPAL EQITS)	55,713,000	1.14
12	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 2	26,261,800	0.54
13	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 3 – DIDIK	24,567,400	0.50
14	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (CGS CIMB)	24,434,000	0.50
15	CITIGROUP NOMINEES (ASING) SDN BHD UBS AG	22,317,115	0.46
16	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 3	20,473,600	0.42
17	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA FAMILY TAKAFUL BERHAD (FAMILY)	20,216,700	0.41
18	SERAIMAS BINA SDN. BHD.	14,753,300	0.30
19	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM HOCK FATT (E-SS2)	14,120,000	0.29
20	HSBC NOMINEES (ASING) SDN BHD J.P. MORGAN SECURITIES PLC	13,859,288	0.28
21	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA GENERAL TAKAFUL BERHAD (SHAREHOLDERS FUND - EQ)	11,997,300	0.25
22	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA LIFE INSURANCE BERHAD (LIFE PAR)	10,217,900	0.21
23	AMANAH RAYA BERHAD KUMPULAN WANG BERSAMA	9,576,400	0.20
24	PUBLIC INVEST NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WENDY LAU SIE SIE (M)	8,000,000	0.16
25	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA GENERAL TAKAFUL BHD (GENERAL 2)	7,673,200	0.16
26	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR EMERGING MARKET CORE EQUITY PORTFOLIO DFA INVESTMENT DIMENSIONS GROUP INC	7,226,784	0.15
27	HSBC NOMINEES (ASING) SDN BHD HSBC BK PLC FOR ABU DHABI INVESTMENT AUTHORITY(INSESC)	7,027,900	0.14
28	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR EMERGING MARKETS SMALL CAPITALIZATION EQUITY INDEX NONLENDABLE FUND	6,509,200	0.13
29	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (PRINCIPAL ISLMC)	6,389,400	0.13
30	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR THRIFT SAVINGS PLAN	6,210,300	0.13
TOTAL		**4,251,658,524**	**87.00**

Shareholdings Statistics

As at 17 February 2025

List of Properties

PROPERTIES OWNED BY MALAKOFF CORPORATION BERHAD'S GROUP

The details of lands and buildings owned by us are set out below:

No.	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address/Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2024 RM
1.	Malakoff PN 356979 Lot 12248, Mukim of Pengkalan Baharu, District of Manjung, Perak Darul Ridzuan, Malaysia Persiaran Segari Off Highway 60, Daerah Manjung, 32200 Segari, Perak Darul Ridzuan, Malaysia Leasehold for a period of 99 years, expiring on 30 July 2096	Industrial land/ The land is currently tenanted by Digi Telecommunications Sdn Bhd and is used as at base transceiver station for the operation of Digi Telecommunications Sdn Bhd's cellular telephone network.	N/A	480 sq metre/ 14.5 Ha	The land cannot be transferred, charged, leased without prior approval of the Menteri Besar of Perak.	4,128,881 Refer to note (2)
2.	Malakoff Refer to note (3) Windsor Estate, Ulu Sepetang 34010 Taiping, Perak Darul Ridzuan, Malaysia Freehold	Refer to note (3)/The lands are currently used for oil palm cultivation.	N/A	N/A/ 710.6288 Ha	Nil	20,828,074 Refer to note (2)
3.	Malakoff Parcel no. 2A-8-1, 2A-8-2, 2A-9-1 and 2A-9-2, Plaza Sentral Level 8 and Level 9, Block 2A, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (4)	Four office units on the 8th and 9th floor of a commercial building/Currently are vacant.	23	1,228 sq metre	N/A	374,178
4.	Malakoff Parcel no. CS/3B/12-3, CS/3B/12-3A, CS/3B/12-5, CS/3B/12-6, CS/3B/12-7, CS/3B/13-3, CS/3B/13-3A, CS/3B/13-5, CS/3B/13-6 and CS/3B/13-7, Plaza Sentral Level 12 and Level 13, Block 3B, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (4)	Ten office units on the 12th and 13th floor of a commercial building/Currently are tenanted.	23	1,986 sq metre	N/A	-
5.	SEV HSD 29841 PT 6325, Mukim of Pengkalan Baharu, District of Manjung, Perak Darul Ridzuan, Malaysia Lumut Power Plant, Persiaran Segari Off Highway 60, Daerah Manjung, 32200 Segari, Perak Darul Ridzuan, Malaysia Leasehold for a period of 99 years, expiring on 12 January 2094	Industrial land/The land is currently used for the SEV Power Plant, which includes an administration building, a single-storey simulator training building, a single-storey clubhouse, a guard house, a gas turbine building, a steam turbine building, a fuel oil tank farm, a warehouse and a black start diesel generator building.	29	26,787 sq metre/ 148,400 sq metre	The land cannot be transferred, charged, leased without prior approval of the Menteri Besar of Perak.	3,640,250 Refer to note (2)
6.	GB3 HSD 29843 PT 6327, Mukim of Pengkalan Baharu, District of Manjung, Perak Darul Ridzuan, Malaysia Lumut Power Plant, Persiaran Segari Off Highway 60, Daerah Manjung, 32200 Segari, Perak Darul Ridzuan, Malaysia Leasehold for a period of 99 years, expiring on 12 January 2094	Industrial land/The land is currently used for the GB3 Power Plant. This plant ceased operation on 30 Dec 2022 due to expiry of PPA.	23	12,384 sq metre/ 111,600 sq metre	The land cannot be transferred, charged, leased without prior approval of the Menteri Besar of Perak.	Refer to notes (2) and (5)

List of Properties

No.	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address/Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2024 RM
7.	GB3 HSD 29845 PT 6329, Mukim of Pengkalan Baharu, District of Manjung, Perak Darul Ridzuan, Malaysia Lumut Power Plant, Persiaran Segari Off Highway 60, Daerah Manjung, 32200 Segari, Perak Darul Ridzuan, Malaysia Leasehold for a period of 99 years, expiring on 12 January 2094	Industrial land/The land is currently used for the GB3 Power Plant. This plant ceased operation on 30 Dec 2022 due to expiry of PPA.	23	N/A/12,100 sq metre	The land cannot be transferred, charged, leased without prior approval of the Menteri Besar of Perak.	Refer to notes (2) and (5)
8.	GB3 PN 356978 Lot 12247, Mukim of Pengkalan Baharu, District of Manjung, Perak Darul Ridzuan, Malaysia GB3 Sdn Bhd, Lumut Power Plant, Persiaran Segari Off Highway 60, Daerah Manjung, 32200 Segari, Perak Darul Ridzuan, Malaysia Leasehold for a period of 99 years, expiring on 30 July 2096	Industrial land/The land is currently used for the GB3 Power Plant. This plant ceased operation on 30 Dec 2022 due to expiry of PPA.	23	1,095 sq metre/ 1.69 Ha	The land cannot be transferred, charged, leased without prior approval of the Menteri Besar of Perak.	Refer to notes (2) and (5)
9.	PD Power GRN 237771 Lot 13409, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Commercial or industrial land for power plant.	30	5,560 sq metre/ 94,210 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)

List of Properties

No.	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address/Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2024 RM
10.	PD Power GRN 237773 Lot 13411, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Commercial or industrial land for electrical substation/The land is currently used for TNB switch yard and transmission for interconnection facilities.	30	N/A/ 5,459 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
11.	PD Power GRN 237774 Lot 13412, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for office building/The land is currently used for double-storey administration office building for the PDP Plant.	30	510 sq metre/ 4,654 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
12.	PD Power GRN 237776 Lot 13415, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Commercial or industrial land for gas station/ The land is currently used for PETRONAS Energy & Gas Trading Sdn Bhd gas metering equipment station and interconnection facilities.	30	N/A/7,392 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
13.	PD Power GRN 237768 Lot 13406, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for residential/Vacant land.	30	N/A/1,684 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)

List of Properties

No.	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address/Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2024 RM
14.	PD Power GRN 237769 Lot 13407, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for residential/Vacant land.	30	N/A/6,143 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
15.	PD Power GRN 237770 Lot 13408, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Agriculture land/ Vacant land and pond.	30	N/A/6.641 Ha	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
16.	PD Power GRN 237775 Lot 13414, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for kids' playground/The land is currently used for public children playground.	30	N/A/5,345 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
17.	PD Power GRN 237777 Lot 13416, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for residential/The land is currently used for single-storey guard house building for the PDP Plant.	30	42 sq metre/ 3,225 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)

List of Properties

No.	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address/Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2024 RM
18.	PD Power HSD 21135 Lot 484, Mukim and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for multipurpose hall/ The land is currently used for multipurpose public hall.	30	760 sq metre/ 0.554 Ha	Nil	Refer to note (6)
19.	PD Power HSD 21134 Lot 483, Mukim and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for recreational field/ The land is currently used for public football field and multipurpose court.	30	N/A/1.897 Ha	Nil	Refer to note (6)
20.	PD Power 23 parcels of land held under GRN 35822 Lot 6976 to GRN 35830 Lot 6984, GRN 35832 Lot 6986 to GRN 35837 Lot 6991 and GRN 35884 Lot 7041 to GRN 35891 Lot 7048, all located at Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia No. 1 to 9, No. 11 to 16, No. 117 to 124, Jalan Tun Sambanthan, Taman NLFCS, Tg. Gemuk, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building lands for low cost residential/ The land is currently erected with 23 units of low cost houses which are currently tenanted.	30	65 sq metre for each house/ 213 sq metre for GRN 35884 and 111 sq metre for each of the other lot.	Nil	Nil

List of Properties

No.	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address/Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2024 RM
21.	TJSB Parcel no. CS/3B/13A-3, CS/3B/13A-4, CS/3B/13A-5, CS/3B/13A-6 and CS/3B/13A-7, Plaza Sentral Level 13A, Block 3B, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (7)	Five office units on the 13Ath floor of a commercial building. Currently are vacant.	23	975 sq metre/ N/A	N/A	Nil
22.	M Utilities Level no. Minus 9M, Building no. 4, Plaza Sentral Suite 4-G-A, Ground Floor, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (9)	The underground level of a commercial building/Currently used for district cooling plant/system (pumping room).	23	2,507 sq metre/N/A	N/A	Refer to note (8)
23.	M Utilities Level no. 0M, Building no. 4, Plaza Sentral Suite 4-G-A, Ground Floor, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (9)	The ground level of a commercial building/ Currently is tenant for training and office spares.	23	970 sq metre/ N/A	N/A	Refer to note (8)
24.	M Utilities Level no. 5.4M and 4.7M, Building no. 4, Plaza Sentral Suite 4-G-A, Ground Floor, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (9)	The lower ground level of a commercial building/Currently is use for main distribution substation/system (switchgear room).	23	983 sq metre/ N/A	N/A	Refer to note (8)

List of Properties

No.	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address/Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2024 RM
25.	M Utilities Level Minus 6.5M, Building no. 4, Plaza Sentral Suite 4-G-A, Ground Floor, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (9)	The underground level of a commercial building/Currently used as the central control room and centralised chilled water plant room.	23	272 sq metre	N/A	Refer to note (8)
26.	DKSB HSD 30118 PT 34621, Mukim of Sitiawan, Perak Darul Ridzuan, Malaysia Near Jalan Teluk Rubiah, 32040 Seri Manjung, Perak, Malaysia Leasehold for a period of 99 years, expiring on 17 January 2109	Building land for residential/Vacant land.	N/A	N/A/11,684 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (10)
27.	TBE HSD 14674 PTD 2263, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Energy T4, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia Leasehold for a period of 60 years, expiring on 17 September 2077	Industrial land for permanent jetty and any structure related thereto.	6	N/A/0.9454 Ha	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (11)
28.	TBE HSD 14673 PTD 2264, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Energy T4, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia Leasehold for a period of 60 years, expiring on 17 September 2077	Industrial land for permanent jetty and any structure related thereto.	6	N/A/0.3753 Ha	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (12)

List of Properties

No.	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address/Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2024 RM
29.	AFSB HSD 51058 Lot PT No. 6108, Mukim of Sungai Buloh, District of Petaling, Selangor Darul Ehsan, Malaysia No. 74, Jalan SS21/39, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia Freehold	Industrial land/The land is erected with one (1) unit of 3 ½ storey intermediate terrace shop office storey building for commercial building and currently is tenanted.	34	153.29 sq metre	N/A	5,500,000 Refer to note (13)
30.	AFSB Pajakan Negeri 17254, Lot 40326, Mukim of Sungai Buloh, District of Petaling, Selangor Darul Ehsan; Lot 40326, Section U5 Shah Alam, Selangor Darul Ehsan, Malaysia No. 2, Jalan Utarid U5/18A, Mutiara Subang, Section U5, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia Leasehold for a period of 80 years expiring on 11 December 2096	Industrial land Depot for AFSB Wilayah Persekutuan Kuala Lumpur Service Area.	N/A	N/A/15,506 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	16,913,659
31.	AFSB HSD 4497, PT 26, District of Pekan, Pahang Darul Makmur, Malaysia Lot No. G-02, First Floor, Bangunan UMNO Pekan, Jalan Teng Que, 26600 Pekan, Pahang Darul Makmur, Malaysia Leasehold for a period of 99 years expiring on 6 September 2097	1st floor of a commercial building for administration and operation office for AFSB Pahang Service Area.	16	309.34 sq metre	N/A	1,405,333
32.	AFSB HSM 16205, No. PT 22739, Mukim of Sungai Karang, District of Kuantan, Pahang Darul Makmur, Malaysia Leasehold for a period of 99 years expiring on 23 August 2115	Industrial land Depot for AFSB Kuantan Service Area.	N/A	N/A/ 36,420 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	1,510,071

List of Properties

No.	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address/Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2024 RM
33.	AFSB Lot 2619, 2622, 215, 961, 1272, 1273, 1602 & 1791 in Mukim of Bentong, District of Bentong, Pahang Darul Makmur, Malaysia Freehold	Vacant agricultural land.	N/A	N/A/ 52.22 acres	N/A	15,000,000
34.	AFSB Lot Type C, No 90 Rompin, Held Under Individual Title HSM 943, PT No. 1460, Mukim of Bebar, District of Rompin, Muadzam Shah, Pahang Darul Makmur, Malaysia No. 3, Jalan Makmur 7, Presint Niaga, Bandar Satelit Muadzam Shah, 26700 Muadzam Shah, Pahang Darul Makmur, Malaysia Leasehold for a period of 99 years expiring on 7 November 2111	Double-storey building for office use.	13	133 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	432,833
35.	AFES Title No. Pajakan Negeri 2879, Lot 95, Mukim Ulu Telom, District of Cameron Highlands, Pahang Darul Makmur, Malaysia Leasehold for a period of 99 years expiring on 13 September 2039	Vacant land.	N/A	N/A/3,968 sq metre	N/A	79,916
36.	AFES Title No. GM 2289, Lot 2901 and Title No. GM 2335, Lot 2950 both at Mukim 06, District Seberang Perai Tengah, Pulau Pinang, Malaysia No. 1, Jalan Nagasari 4, Taman Nagasari, 13600 Prai, Pulau Pinang, Malaysia Freehold	Industrial land/The land is erected with one and a half (1½) storey semidetached factory which is currently tenanted.	13	1,375 sq metre	N/A	1,900,000 Refer to note (13)

List of Properties

No.	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address/Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2024 RM
37.	AFES Title No. HSD 493845 PTD 76034 of Mukim Tebrau, District of Johor Bahru, Johor Darul Takzim, Malaysia No. 7, Jalan Firma 3/1, Lot PLO 255, Kawasan Perindustrian Tebrau IV, 81200 Johor Bahru, Johor Darul Takzim, Malaysia Freehold	Industrial land/The land is erected with a three (3) storey office building with an annexed single storey warehouse building which is currently tenanted.	9	4,903.4 sq metre/ 9,995.7 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	7,900,000 Refer to note (13)
38.	AFES Title No. HS(D) 116410 PT 237 of Bandar Sultan Sulaiman, District of Klang, Selangor Darul Ehsan, Malaysia Lot 33, Lebuh Sultan Mohamed 1, Kawasan Perindustrian Bandar Sulaiman, 42000 Port Klang, Selangor Darul Ehsan, Malaysia Leasehold for a period of 99 years expiring on 30 June 2105	Single storey detached factory which is currently vacant.	18	23,370 sq metre	N/A	25,456,941
39.	MRAD Title No. GRN 57532 of Mukim Pulau Sebang, District of Alor Gajah, Melaka, Malaysia Lot 16277, Mukim Pulau Sebang, Alor Gajah, Melaka, Malaysia Freehold	Freehold agriculture land together with oil palm cultivation.	N/A	N/A/ 71.44 Ha	N/A	154,468,588

List of Properties

PROPERTIES OWNED BY OUR GROUP (CONTINUED)

The details of lands and buildings owned by us are set out below (continued):

Notes:

1) These industrial lands are occupied by third parties.

2) Excluding buildings and fixtures on the land.

3) Malakoff is the registered proprietor of 42 parcels of land ("Windsor Lands") which are collectively known as the Windsor Estate. The Windsor Estate is managed by Tradewinds Plantech Sdn. Bhd. for the provision of palm oil plantation, operation and management services. The said lands are used as agricultural land for commercial planting - oil palm, which are consistent with the express conditions in their respective issue document of title:

No.	Land titles no
i.	GM 297 Lot 4615, GM 7229 Lot 4309, GRN 49012 Lot 5408^, GRN 53898 Lot 5538, GRN 53899 Lot 5539, GRN 59198 Lot 2665, GRN 66379 Lot 4136, GRN 66619 Lot 2790, GRN 154270 Lot 130401, GRN 154271 Lot 130402, GRN 154272 Lot 130403, GRN 154273 Lot 130405, GRN 155631 Lot 130393, GRN 155632 Lot 130394 and GRN 155633 Lot 130409

All lands are located at Mukim of Batu Kurau, Districts of Larut and Matang, Perak Darul Ridzuan, Malaysia

No.	Land titles no
ii.	GM 445 Lot 315, GM 446 Lot 332, GM 448 Lot 317, GM 451 Lot 316, GM 454 Lot 364*, GM 459 Lot 359, GM 460 Lot 361, GM 507 Lot 421, GM 511 Lot 437, GM 512 Lot 440, GM 516 Lot 473, GM 517 Lot 474, GM 518 Lot 475, GM 519 Lot 476, GM 520 Lot 477, GM 521 Lot 480, GM 522 Lot 481, GM 523 Lot 490, GM 549 Lot 629, GRN 45878 Lot 462, GRN 45879 Lot 690, GRN 45880 Lot 691, GRN 60574 Lot 504, GRN 62453 Lot 502, GRN 65982 Lot 408, GRN 59203 Lot 446, GRN 181778 Lot 20924

All lands are located at Mukim of Kamunting, Districts of Larut and Matang, Perak Darul Ridzuan, Malaysia

Malakoff is currently in the process of disposing Lot 5408, Lot 2790 and Lot 130393 to AFES, a subsidiary of Malakoff. The disposal is subject to the fulfillment of the conditions precedent in the Sales and Purchase Agreement which have not been fulfilled as of the date of this report.

4) Pursuant to the sale and purchase agreements dated 3 December 1999 and 21 June 2005 between Kuala Lumpur Sentral Sdn Bhd and Malakoff, respectively, the parcels identified above are held under the master title GRN 46226, Lot 78 Section 0070, Town of Kuala Lumpur and currently pending issuance of strata titles.

List of Properties

PROPERTIES OWNED BY OUR GROUP (CONTINUED)

The details of lands and buildings owned by us are set out below (continued):

Notes (continued):

5) The audited NBV as at 31 December 2024 of the properties under items no. 6 to 8 stood at RM1,707,356. These properties were not audited on an individual basis.

6) The audited NBV as at 31 December 2024 of the properties under items no. 9 to 19 stood at RM12,896,000. These properties were not audited on an individual basis.

7) Pursuant to the sale and purchase agreement dated 17 December 1996 between Kuala Lumpur Sentral Sdn Bhd and TJSB, the parcel identified above is held under the master title GRN 46226, Lot 78 Section 0070, Town of Kuala Lumpur and currently pending issuance of strata titles.

8) On 3 February 2025, MCB entered into a conditional Sale and Purchase Agreement ("SPA") with a third party, KT Technical Services Sdn. Bhd., a wholly-owned subsidiary of KJTS Group Berhad for the proposed disposal of its entire 100% equity interest in MUSB includes properties under items no. 22 untill 25.

9) Pursuant to the sale and purchase agreement dated 14 April 2005 between Kuala Lumpur Sentral Sdn Bhd and M Utilities, the parcels identified above are held under the master title GRN 46226, Lot 78 Section 0070, Town of Kuala Lumpur and currently pending issuance of strata titles.

10) The audited NBV of the property under item no. 26 as at 31 December 2024 is RM1, as the cost of the land was charged out as part of project expense.

11) The NBV of the property under item no. 27 as at 31 December 2024 is RM537,851. The land was recognised as part of Jetty asset and was not audited on an individual basis.

12) The NBV of the property under item no. 28 as at 31 December 2024 is RM288,996. The land was recognised as part of Jetty asset and was not audited on an individual basis.

13) The values of properties under items no. 29, 36 and 37 as at 31 December 2024 were based on valuation reports.

None of the properties disclosed above are in breach of any land use conditions and/or are in non-compliance with current statutory requirements, land rules or building regulations which will have a material adverse impact on our operations or the utilisation of our assets on the said properties.

List of Properties

No.	Name of lessor/lessee or landlord/ tenant or grantor/ grantee/ Lot. no./ Postal address	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Tenure/ Date of expiry	Rental RM
1.	TNB (as lessor)/PPSB (as lessee) HSD 50349 PT 10 and HSD 55959 PT 13, Bandar Prai, District of Seberang Perai Tengah, Pulau Pinang, Malaysia Prai Power Plant, Prai Power Station, Jalan Perusahaan, 13600 Prai, Pulau Pinang, Malaysia	Industrial land for power station/The land is currently used for the Prai Power Plant complex which includes turbine building, demineralisation plant, chemical lab, pump room, chlorination room, guard house, hydrogen cylinder store, H-boiler pump power station, fuel gas station, fuel oil pump house, foam station, programmable logic controller, building and electric fuel gas, inflammable material store, administration building and sheds and IPP pumphouse for Jetty area. Land of approximately 2,088.706 sq metre is sub-leased to PETRONAS as per Sub Lease Agreement.	22	6,954 sq metre/ 46.168 acres	A lease for a period of 3 years, commencing from 8 Nov 2024 and expiring on 7 Nov 2027	Payment of 1,776,000 per annum
2.	Seaport (as lessor)/TBP (as lessee) HSD 11438 PTD 1859, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Power Plant, Lot 1769 & Lot 1770, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Industrial land for heavy industries of power station only/The land is currently used for the TBPP complex and other related purpose.	19	238,716 sq metre/ 69.963 Ha	A lease for a period of 45 years, expiring on 31 January 2048	Refer to note (1)
3.	Seaport (as lessor)/TBP (as lessee) HSD 10927 PTD 1773, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Power Plant, Lot 1769 & Lot 1770, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Building land for coal ash disposal pond/Vacant land with mudflat area.	19	N/A/ 156.533 Ha	A lease for a period of 45 years, expiring on 31 January 2048	Refer to note (1)

List of Properties

No.	Name of lessor/lessee or landlord/ tenant or grantor/ grantee/ Lot. no./ Postal address	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Tenure/ Date of expiry	Rental RM
4.	Seaport (as lessor)/TBP (as lessee) HSD 10924 PTD 1771, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Power Plant, Lot 1769 & Lot 1770, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Commercial or industrial land for permanent jetty and any structure related thereto/ The land is currently erected with a permanent jetty and the structures related thereto including conveyor belt and coal unloaders.	19	N/A/ 1.730 Ha	A lease for a period of 45 years, expiring on 31 January 2048	Refer to note (1)
5.	Seaport (as lessor)/TBP (as lessee) HSD 13031 PTD 2098, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Power Plant, Lot 1769 & Lot 1770, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Industrial land for coal ash disposal pond/The land is currently used as ash pond for the TBPP.	19	N/A/ 91.024 Ha	A lease for a period of 45 years, expiring on 31 January 2048	Refer to note (1)
6.	Seaport (as lessor)/TBP (as lessee) HSD 13032 PTD 2099, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Power Plant, Lot 1769 & Lot 1770, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Industrial land for coal ash disposal pond/The land is currently used as ash pond for the TBPP.	19	N/A/ 0.597 Ha	A lease for a period of 45 years, expiring on 31 January 2048	Refer to note (1)
7.	Seaport (as lessor)/TBE (as lessee) HSD 13028 PTD 2095, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Energy T4, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Industrial land for power station and other related purposes only/The land is currently used for the TBE Power Plant.	9	N/A/ 8.118 Ha	A lease for a period of 45 years, expiring on 31 January 2048 Refer to note (2)	Refer to note (1) plus a nominal value of 10

List of Properties

No.	Name of lessor/lessee or landlord/ tenant or grantor/ grantee/ Lot. no./ Postal address	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Tenure/ Date of expiry	Rental RM
8.	Seaport (as lessor)/TBE (as lessee) HSD 13029 PTD 2096, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Energy T4, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Industrial land for coal yard/The land is currently used for the coal yard of the TBE Power Plant.	9	N/A/ 21.996 Ha	A lease for a period of 45 years, expiring on 31 January 2048 Refer to note (2)	Refer to note (1) plus a nominal value of 10
9.	SWW (as lessor)/TBE (as lessee) HSD 13393 PTD 2150, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Energy T4, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Industrial land for the petrochemical centre and the maritime industry/The land will be used for any other contingency to the TBE Power Plant.	9	N/A/ 0.444 Ha	A lease commencing from 7 March 2012 to the day before 21 March 2041 Refer to note (3)	Nil Refer to note (3)
10.	Lembaga Tabung Haji (as landlord)/ Malakoff (as tenant) Part of GRN 46226, Lot 78 Section 0070, Town of Kuala Lumpur, Level 7 to Level 13, Building no. 4, Plaza Sentral, Brickfields, Kuala Lumpur, Malaysia Level 7, 8, 10, 11, 12 and 13, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia	Six office units each on the 7th, 8th, 10th, 11th, 12th and 13th floor of a commercial building/ Currently used as office space by Malakoff.	23	6,732 sq metre/ N/A	Period of tenancy from 1 July 2024 until 30 June 2027	369,556 per month
11.	Lembaga Tabung Haji (as landlord)/ M Utilities (as tenant) Part of GRN 46226, Lot 78 Section 0070, Town of Kuala Lumpur, Level Ground, Building no. 4, Plaza Sentral, Brickfields, Kuala Lumpur, Malaysia Suite 4-G-A, Ground Floor, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia	The ground level of a commercial building/Currently used as office space and as a Customer Service Center by M Utilities.	23	222 sq metre/ N/A	Period of tenancy from 1 July 2024 until 30 June 2027	20,332 per month

List of Properties

Notes:

1) Pursuant to the lease agreement dated 18 February 2003 and its supplemental agreements dated 1 October 2003 and 19 August 2014, respectively, between Seaport and TBP, the total rental of the lease for all four lots (and a parcel of land held under PTD 1858, which has been transferred to and registered with TNB in 2006 pursuant to the terms of the TBP PPA and is currently erected with a switchyard used for the Tanjung Bin Power Plant) is RM102,050,000 and has been paid by TBP in the manner as set out in the said agreements, with the final payment made on 14 March 2005 (i.e. prior to the registration of the lease). A portion of land title no. HSD 11438 PTD 1859 is sub-leased to TBE pursuant to a sub-lease agreement dated 29 February 2012 between TBP and TBE.

2) A presentation for registration of lease in favour of TBE and creation of charge over the lease in favour of TBE's financing parties for Lot PTD 2095 and PTD 2096 have been made to the Johor Land Office on 11 February 2015. The issuance of the new document of titles to TBE was completed on 12 March 2015.

3) Pursuant to the land lease agreement entered into between TBE and SWW dated 6 January 2016, a presentation for registration of lease in favour of TBE and creation of charge over the lease in favour of TBE's financing parties for Lot PTD 2150 have been made to the Johor Land Office on 16 February 2016. The issuance of new document of title to TBE was completed on 16 March 2016. The consideration for the lease of RM1,194,794 has been paid by TBE to SWW.

Save as disclosed above, where an application has been made to change the conditions of the land use, none of the properties disclosed above are in breach of any land use conditions and/or are in non-compliance with current statutory requirements, land rules or building regulations which will have a material adverse impact on our operations or the utilisation of our assets on the said properties.

GRI Content Index

Statement of use : Malakoff Corporation Berhad has reported the information cited in this GRI content index for the period 1st January 2024 to 31 December 2024 with reference to the GRI Standards.

GRI 1 used : GRI 1: Foundation 2021

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Notice of 19th Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE 19TH ANNUAL GENERAL MEETING (AGM) OF MALAKOFF CORPORATION BERHAD (COMPANY) WILL BE HELD ON TUESDAY, 29 APRIL 2025 AT 10.00 A.M. AT GLENMARIE BALLROOM, GLENMARIE HOTEL & GOLF RESORT, JALAN USAHAWAN U1/8, GLENMARIE GOLF & COUNTRY CLUB, 40250 SHAH ALAM, SELANGOR, MALAYSIA FOR THE PURPOSE OF CONSIDERING AND, IF THOUGHT FIT, PASSING THE FOLLOWING RESOLUTIONS:

ORDINARY BUSINESS

1. "**THAT** the Audited Financial Statements of the Company for the financial year ended 31 December 2024 and the Directors' Report and Auditors' Report thereon be and are hereby received."

   (Please refer to Explanatory Note 1)

2. "**THAT** the following Directors who retire in accordance with Article 105 of the Company's Constitution be and are hereby re-elected as the Directors of the Company:

   (i) Dr Norida Abdul Rahman; and — **Resolution 1**
   (ii) Datuk Prakash Chandran Madhu Sudanan" — **Resolution 2**

   (Please refer to Explanatory Note 2)

3. "**THAT** the following Directors who retire in accordance with Article 111 of the Company's Constitution be and are hereby re-elected as the Directors of the Company:

   (i) Puan Lim Tau Kien; and — **Resolution 3**
   (ii) Dato' Mohamad Razif Haji Abd Mubin" — **Resolution 4**

   (Please refer to Explanatory Note 2)

4. "**THAT** the payment of Directors' fees up to an amount of RM1,350,000 to the Non-Executive Directors (**NED**) with effect from the conclusion of the 19th AGM until the next AGM of the Company be and is hereby approved." — **Resolution 5**

   (Please refer to Explanatory Note 3)

5. "**THAT** the payment of the following Directors' benefits with effect from the conclusion of the 19th AGM until the next AGM of the Company be and is hereby approved:

   (i) Directors' benefits up to an amount of RM1,600,000 to all NEDs by the Company; and — **Resolution 6**
   (ii) Directors' benefits up to an amount of RM270,000 by the subsidiaries of the Company to the Directors." — **Resolution 7**

   (Please refer to Explanatory Note 3)

6. "**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 until the conclusion of the next AGM, AND THAT the remuneration to be paid to them be fixed by the Board of Directors." — **Resolution 8**

Notice of 19th Annual General Meeting

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolution with or without modifications:

7. **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)** **Resolution 9**

"**THAT**, subject to Paragraph 10.09 of the Main Market Listing Requirements (**MMLR**) of Bursa Malaysia Securities Berhad (**Bursa Malaysia**), 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 28 March 2025, 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."

(Please refer to Explanatory Note 4)

8. To transact any other business of which due notice shall have been given in accordance with the Act and the Company's Constitution.

BY ORDER OF THE BOARD
Noor Raniz Mat Nor (MAICSA 7061903/SSM Practicing Certificate No. 201908001542)
Zaidatul Neezma Zainal Abidin (MACS 01677/SSM Practicing Certificate No. 202208000740)
Company Secretaries

Kuala Lumpur
28 March 2025

Notice of 19th Annual General Meeting

Notes:

1. The proxy form, to be valid, must be deposited at the office of Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for the meeting or any adjournment thereof. Alternatively, the proxy form can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Portal at https://investor.boardroomlimited.com before the proxy form lodgment cut-off time as mentioned above.
2. A member of the Company entitled to participate and vote at this meeting is entitled to appoint a proxy or proxies or attorney or other duly authorised representative to participate and vote at his stead. A member of the Company may appoint up to two (2) proxies to participate at the same meeting. Where a member of the Company appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
3. In case of a corporation, the proxy form should be under its common seal or under the hand of an officer or attorney duly authorised on its behalf. A proxy need not be a member of the Company and a member may appoint any person to be his proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
4. In the case of joint holders, the signature of any one of them will suffice.
5. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless it specifies the proportion of its shareholding to be represented by each proxy.
6. Only depositors whose names appear on the Record of Depositors as at **21 April 2025** shall be entitled to register and participate in the meeting or appoint proxies to participate and/or vote on their behalf.
7. Unless voting instructions are indicated in the spaces provided in the proxy form, the proxy may vote as he/she thinks fit.
8. Registration of members/proxies attending the meeting will commence at 8.00 a.m. on the day of the meeting and shall remain open until the conclusion of the AGM or such a time as may be determined by the Chairman of the meeting. Members/proxies are required to produce identification documents for registration.

Explanatory Notes on Ordinary Business:

1. Explanatory Note 1
Audited Financial Statements for the financial year ended 31 December 2024

This agenda item is meant for discussion only as provided under Section 340(1) of the Act and the Company's Constitution. The Audited Financial Statements do not require the shareholders' approval and hence, the matter will not be put forward for voting.

2. Explanatory Note 2
Re-election of Directors retiring in accordance with Articles 105 and 111 of the Company's Constitution

The proposed ordinary resolutions 1 and 2 under Agenda 2 and ordinary resolutions 3 and 4 under Agenda 3 of the 19th AGM are to seek the shareholders' approval on the re-election of the Directors standing for re-election in accordance with the Company's Constitution, who being eligible, have offered themselves for re-election.

i) Dr Norida Abdul Rahman and Datuk Prakash Chandran Madhu Sudanan who retire in accordance with Article 105

In deliberating the eligibility of the Directors standing for re-election at the 19th AGM, the Board Nomination and Remuneration Committee (**BNRC**) had taken into consideration the performance and contribution of each Director based on the outcome of the annual Board assessment conducted for the financial year 2024, the criteria prescribed by Paragraph 2.20A of MMLR of Bursa Malaysia on the qualification of Directors, fit and propriety as well as their active participation on the Board deliberations. The retiring Directors met the performance criteria required for an effective and committed Board.

Notice of 19th Annual General Meeting

Based on the outcome of the self-independent assessment, the BNRC is satisfied that Dr Norida Abdul Rahman and Datuk Prakash Chandran Madhu Sudanan have complied with the independence criteria as required by the MMLR of Bursa Malaysia and continue to bring independent and objective judgment to the Board deliberations.

ii) Puan Lim Tau Kien and Dato' Mohamad Razif Haji Abd Mubin who retires in accordance with Article 111

Puan Lim Tau Kien was appointed as an Independent Non-Executive Director of the Company on 1 June 2024. The BNRC's recommendation to re-elect Puan Lim Tau Kien was supported by her experience in the oil and gas and infrastructure sectors. She is a Chartered Accountant registered with the Institute of Chartered Accountants of Scotland and a member of the Malaysian Institute of Accountants. She has held various senior management positions over a period of 25 years within the Royal Dutch Shell Group and was the Country Chief Finance Officer, Country Controller and Finance Director in Shell China before her retirement in 2008. Having held several key professional roles, including as a director and chairman/ member of the board committees in various private and public companies since 1997, she brings a valuable perspective and unbiased view on the management and operations of the Group.

Dato' Mohamad Razif Haji Abd Mubin was appointed as an Independent Non-Executive Director of the Company on 11 March 2025. He brings nearly three decades of leadership in energy, economic planning, and sustainability, with expertise in policy-making, regulation, and strategic development. Having served in senior government roles, including as Chairman of the Energy Commission and board member of key agencies, he has vast industry knowledge, strong regulatory insights, and an extensive network across government and industry. His background in energy transition, ESG, and waste management governance aligns well with Malakoff Group's growth strategy. Overall, he brings the right mix of strategic expertise, governance experience and ESG knowledge and network to add significant value to the Company.

The Board, after having considered the recommendations of the BNRC, is recommending the re-election of the abovementioned Directors for the shareholders' approval.

3. Explanatory Note 3
Directors' Remuneration

Section 230(1) of the Act stipulates that the fees and any benefits payable to the directors of a listed company and its subsidiaries shall be tabled at a general meeting for the shareholders' approval.

The proposed ordinary resolutions 5, 6 and 7, if passed, will allow the payment of the following Directors' remuneration to the Directors on a monthly basis and/or as and when incurred within the approval period after the Directors have discharged their responsibilities and rendered their services to the Company and the subsidiaries.

(i) Directors' remuneration payable by the Company to all NEDs comprises the following:

a) Directors' fees; and
b) Benefits such as Board Committee allowances, meeting allowances, annual leave passage and/or annual supplemental fees, including allowance to the Chairman;

Notice of 19th Annual General Meeting

The proposed Directors' remunerations payable to the NEDs are summarised in the table below:

Board/Board Committees		Directors' fees/allowances (per member)		Meeting Allowances (per member)	
		Non-Executive Chairman (NEC)/ per month (RM)	NED/per month (RM)	NEC/per meeting (RM)	NED/per meeting (RM)
i)	Board	30,000	9,000	2,500	2,500
ii)	Board Audit Committee	4,000	2,500	2,500	2,500
iii)	Board Nomination & Remuneration Committee	3,000	2,000	2,000	2,000
iv)	Board Risk & Investment Committee	3,000	2,000	2,000	2,000
v)	Board Procurement Committee	3,000	2,000	3,000	2,000

Items		Other benefits	
		NEC (RM)	Per NED (RM)
i)	Annual leave passage & annual supplemental fees	25,000 per annum	25,000 per annum
ii)	Car Allowance (petrol, toll and car maintenance) (Board Chairman only)	10,000 per month	N/A

(Note: each of the foregoing payments being exclusive of the others)

(ii) Directors' benefits payable by the subsidiaries of the Company to the Directors, comprising fixed allowances, meeting allowances or any other benefits.

The details of the Directors' fees and benefits paid to each Director for the financial year 2024 are disclosed in the Corporate Governance Overview Statement in the Integrated Annual Report 2024.

Explanatory Notes on Special Business:

4. Explanatory Note 4
Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (RRPTs)

The proposed resolution 9, if passed, will empower the Group to enter into RRPTs with the related parties as set out in Section 2.4 of the Circular to Shareholders dated 28 March 2025 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 proposal includes the proposed renewal of the existing shareholders' mandate for RRPTs that was approved by the shareholders at the 18th AGM.

Details of the Proposed Shareholders' Mandate are set out in the Circular to Shareholders dated 28 March 2025 which is circulated together with the Integrated Annual Report 2024 of the Company.

Notice of 19th Annual General Meeting

5. Abstention from Voting

The Directors who are shareholders of the Company shall abstain from voting on the resolution concerning remuneration of the Directors and the Proposed Shareholders' Mandate (applicable to interested directors only), at the 19th AGM.

NOTICE OF BOOK CLOSURE AND NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT shareholders who are registered in the Record of Depositors at the close of business on 30 April 2025 shall be entitled to the final dividend which will be paid on 29 May 2025.

A depositor shall qualify for dividend entitlement only in respect of:

a) Shares transferred into the Depositor's securities account before 4.30 p.m. on 30 April 2025 in respect of ordinary transfers; and

b) Shares bought on Bursa Malaysia on a cum entitlement basis according to the Rules of Bursa Malaysia.

Statement Accompanying Notice of the 19th AGM

(Pursuant to paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

The Directors retiring in accordance with the Company's Constitution and seeking for re-election are as follows:

Pursuant to Article 105 of the Company's Constitution
1. Dr Norida Abdul Rahman
2. Datuk Prakash Chandran Madhu Sudanan

Pursuant to Article 111 of the Company's Constitution
1. Puan Lim Tau Kien
2. Dato' Mohamad Razif Haji Abd Mubin

The profiles of the abovenamed Directors are stated in the Directors' Profile on pages 212 to 216 of the Integrated Annual Report 2024.

Administrative Details

ADMINISTRATIVE DETAILS FOR THE 19TH ANNUAL GENERAL MEETING (AGM) OF MALAKOFF CORPORATION BERHAD (MALAKOFF OR THE COMPANY) TO BE HELD ON TUESDAY, 29 APRIL 2025 AT 10.00 A.M. AT GLENMARIE BALLROOM, GLENMARIE HOTEL & GOLF RESORT, JALAN USAHAWAN U1/8, GLENMARIE GOLF & COUNTRY CLUB, 40250 SHAH ALAM, SELANGOR, MALAYSIA.

PARKING

Parking is available at the parking bay of the Hotel.

REGISTRATION

- Registration will start at 8.00 a.m. and registration counters will remain open until the conclusion of the AGM or such time as may be determined by the Chairman of the meeting.
- Please read the signage placed around the Hotel to ascertain where you should register for the AGM and join the queue accordingly.
- Please produce your original Identity Card (IC) during the registration for verification and ensure that you collect your IC thereafter. No person will be allowed to register on behalf of another person even with the original IC of that person.
- After the verification and registration, you will be given an identification tag and a food coupon (limited to one per shareholder/ proxy present at the AGM regardless of the number of shareholder he/she represents). No lost food coupon or unclaimed food coupon will be replaced by the Company.
- Shareholders or proxies who are not present at the AGM are not entitled to the food coupon. If both the shareholder and his/ her appointed proxy(ies) are present at the AGM, only one food coupon will be given to the shareholder or his/her proxy who registers first.
- No person will be allowed to enter the Ballroom without the identification tag.

F&B

- Light refreshment will be served before the AGM.
- Lunch will not be provided.

DOOR GIFT

No door gift will be distributed at the AGM.

RECORD OF DEPOSITORS FOR ATTENDANCE AT THE AGM

Only depositors whose names appear on the Record of Depositors as at 21 April 2025 shall be entitled to attend the AGM or appoint proxy(ies) to attend and/or vote on their behalf.

VOTING PROCEDURE

- All resolutions as set out in the Notice of the AGM of the Company will be put to vote by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- The Company's share registrars/poll administrator, Boardroom Share Registrars Sdn Bhd, will assist to conduct the poll by way of electronic voting and the independent scrutineers will verify and validate the results of the poll at the AGM.
- For proxy enquiries, kindly contact Boardroom Share Registrars Sdn Bhd at 03-7890 4700.

Proxy Form

Malakoff Corporation Berhad
(Registration No. 200601011818/731568-V)

No. of Ordinary Share(s) Held	
CDS Account No.	

I/We ..... NRIC/Passport/Registration No:.....
(Full name in block letters)
of ..... Tel No:.....
(Address in full)
being a member/members of Malakoff Corporation Berhad, hereby appoint:

Full Name (in Block):	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	**(%)**
Address:			
Email address:	Telephone/ Mobile Phone No.:		

and/or

Full Name (in Block):	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	**(%)**
Address:			
Email address:	Telephone/ Mobile Phone No.:		

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the 19th Annual General Meeting (**AGM**) of the Company to be held on Tuesday, 29 April 2025 at 10.00 a.m. at Glenmarie Ballroom, Glenmarie Hotel & Golf Resort, Jalan Usahawan U1/8, Glenmarie Golf & Country Club, 40250 Shah Alam, Selangor, Malaysia and at any adjournments thereof, on the following resolutions referred to in the Notice of the 19th AGM:

(Please indicate with an "X" in the space provided below how you wish your votes to be cast on the resolutions specified in the notice of meeting. If you do not do so, the proxy/proxies will vote or abstain from voting on the resolutions as he/they may think fit)

1.	To receive the Audited Financial Statements of the Company for the Financial Year Ended 31 December 2024 and the Directors' Report and Auditors' Report thereon		
ORDINARY BUSINESS		**FOR**	**AGAINST**
2.	Re-election of Dr. Norida Abdul Rahman who retires in accordance with Article 105 of the Company's Constitution **(Resolution 1)**		
3.	Re-election of Datuk Prakash Chandran Madhu Sudanan who retires in accordance with Article 105 of the Company's Constitution **(Resolution 2)**		
4.	Re-election of Puan Lim Tau Kien who retires in accordance with Article 111 of the Company's Constitution **(Resolution 3)**		
5.	Re-election of Dato' Mohamad Razif Haji Abd Mubin who retires in accordance with Article 111 of the Company's Constitution **(Resolution 4)**		
6.	Payment of Directors' fees to the Non-Executive Directors with effect from the conclusion of the 19th AGM until the next AGM of the Company **(Resolution 5)**		
7.	Payment of Directors' benefits to the Non-Executive Directors with effect from the conclusion of the 19th AGM until the next AGM of the Company **(Resolution 6)**		
8.	Payment of Directors' benefits by the subsidiaries to the Directors with effect from the conclusion of the 19th AGM until the next AGM of the Company **(Resolution 7)**		
9.	Re-appointment of Messrs. KPMG PLT as Auditors of the Company **(Resolution 8)**		
SPECIAL BUSINESS			
10.	Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPTs") and Proposed New Shareholders' Mandate for Additional RRPTs **(Resolution 9)**		

Signed this ..... day of 2025

.....
Signature of member / Common Seal

Notes:

1. The proxy form, to be valid, must be deposited at the office of Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for the meeting or any adjournment thereof. Alternatively, the proxy form can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Portal at https://investor.boardroomlimited.com before the proxy form lodgement cut-off time as mentioned above.
2. A member of the Company entitled to participate and vote at this meeting is entitled to appoint a proxy or proxies or attorney or other duly authorised representative to participate and vote at his stead. A member of the Company may appoint up to two (2) proxies to participate at the same meeting. Where a member of the Company appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
3. In case of a corporation, the proxy form should be under its common seal or under the hand of an officer or attorney duly authorised on its behalf. A proxy need not be a member of the Company, and a member may appoint any person to be his proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
4. In the case of joint holders, the signature of any one of them will suffice.
5. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless it specifies the proportion of its shareholding to be represented by each proxy.
6. Unless voting instructions are indicated in the spaces provided in the proxy form, the proxy may vote as he/she thinks fit.
7. Registration of members/proxies attending the meeting will commence at 8.00 a.m. on the day of the meeting and shall remain open until the conclusion of the Annual General Meeting or such a time as may be determined by the Chairman of the meeting. Members/proxies are required to produce identification documents for registration.
8. Only depositors whose names appear on the Record of Depositors as at **21 April 2025** shall be entitled to participate in the AGM or appoint proxies to participate and/or vote on their behalf.

Please fold here to seal

Malakoff Corporation Berhad
19th Annual General Meeting

STAMP

To: Boardroom Share Registrars Sdn Bhd
(Registration No. 199601006647/378993-D)
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya, Selangor Darul Ehsan,
Malaysia

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50470 Kuala Lumpur, Malaysia

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