



News Release
For Immediate Publication

MALAKOFF REGISTERS A NET PROFIT GROWTH OF 16.7% FOR FY2019

Disposal of Macarthur Wind Farm drives the Group's Net Profit to RM320 million

Note: The financial performance presented herein includes financial results of Malakoff's investment in Macarthur Wind Farm in Australia which is presented as discontinued operations in Malakoff's quarterly report for the financial period ended 31 December 2019.

KUALA LUMPUR, Malaysia – 19 February 2020: Malakoff Corporation Berhad (“Malakoff” or “Group”), a member of the MMC Group, recorded a revenue of RM7,422.3 million for the financial year ended 31 December 2019 (“FY2019”), representing a 1% increase compared with RM7,348.2 million for the financial year ended 31 December 2018 (“FY2018”).

This was primarily due to the higher energy payment recorded from Segari Energy Ventures Sdn Bhd (“SEV”), in line with the increase in dispatch factor and higher capacity income recorded from Tanjung Bin Energy Sdn Bhd (“TBE”) given the shorter duration of plant forced outage. In addition, the Group’s overall revenue also consists of a one-month contribution from its newly acquired subsidiary, Alam Flora Sdn Bhd (“AFSB”). The acquisition of AFSB was completed on 5 December 2019.

The Group posted a Profit After Tax and Minority Interests (“PATMI”) of RM320.2 million for FY2019, 16.7% higher compared with RM274.4 million recorded for FY2018. The Group also registered a 24.4% increase in PATMI for the quarter ended 31 December 2019 (“4Q FY2019”) of RM106.4 million against RM85.5 million for the corresponding period in 2018 (“4Q FY2018”).

These were primarily attributed to the net effect of a one-off gain from the disposal of Malakoff Australia Pty. Ltd. (“MAPL”) which was completed on 18 December 2019, amounting to RM557 million. This was partially offset by the net impairment loss on the carrying value of investment in an associate, Kapar Energy Ventures Sdn Bhd (“KEV”).

The Board of Directors also recommended a final single-tier dividend payment of 4.11 sen per ordinary share in respect of FY2019, subject to the approval of the shareholders at the forthcoming Annual General Meeting. Together with the earlier interim dividend of 2.44 sen per share, the total dividend for the year is 6.55 sen per share. This translates to an annualised dividend yield of 7.5%, based on Malakoff's share price of RM0.875 as at 18 February 2020.

Dato' Ahmad Fuaad Kenali, Chief Executive Officer of Malakoff said, "The Group will continue to drive operational excellence in all its power plants to enhance their reliability and efficiency. Our TBE coal power plant had successfully achieved Unscheduled Outage Rate ("UOR") below the 6% threshold as at 31 December 2019, following the completion of major maintenance and rectification works last year."

In line with the Government's target to increase the Renewable Energy ("RE") generation capacity to 20% by 2025, he added that "The Group will continue to expand its footprint in the RE sector. Most recently in December 2019, the Group won the bids for two small hydro power projects with a total capacity of 55MW in Pahang through a competitive Feed-in Tariff ("FiT") e-bidding carried out by the Sustainable Energy Development Authority ("SEDA")."

For more details on Malakoff, please visit www.malakoff.com.my

About Malakoff Corporation Berhad

Malakoff is an independent water and power producer ("IWPP") with core focus on power generation, water desalination and operation & maintenance services. In Malaysia, Malakoff is the largest independent power producer ("IPP") with an effective generating capacity of 5,910 MW from its six power plants.

Malakoff's international assets include power and water ventures in Saudi Arabia, Bahrain and Oman, with an effective capacity of 588 MW of power and 472,975 m³/day of water

desalination. Malakoff is also actively looking to venture further into the Middle East and North Africa region as well as the South-East Asian markets.

Through its wholly-owned subsidiary, Teknik Janakuasa Sdn Bhd, Malakoff has involvements in operation & maintenance services locally and in Saudi Arabia, Kuwait, Oman and Indonesia.

Malakoff believes in working together with all stakeholders in productive partnerships. As such, the Group takes pride in being a responsible operator and a good corporate citizen in all communities where it operates.

Malakoff is a member of the MMC Group.

Enquiries

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About MMC Corporation Berhad

MMC Corporation Berhad (MMC Group) is a leading utilities and infrastructure group with diversified businesses under four divisions, namely Ports and Logistics, Energy and Utilities, Engineering and Industrial Development.

Its key businesses under the Ports and Logistics division include the operations of Pelabuhan Tanjung Pelepas Sdn Bhd, Johor Port Berhad, Northport (Malaysia) Bhd, Penang Port Sdn Bhd, Tanjung Bruas Port Sdn Bhd and Kontena Nasional Berhad. Internationally, MMC Group has presence in Saudi Arabia via Red Sea Gateway Terminal Company Limited, a container port terminal within the Jeddah Islamic Port.

Under the Energy and Utilities division, MMC Group is the single largest shareholder of both Malakoff Corporation Berhad and Gas Malaysia Berhad.

MMC Group's Engineering division has played a leading role for the implementation of the entire project including the underground works package in completing the 51 km Klang Valley Mass Rapid Transit (KVMRT) Sungai Buloh-Kajang project (SBK Line) and is now the main turnkey contractor for the entire Sungai Buloh-Serdang-Putrajaya project (SSP Line). Prior to this, MMC Group has successfully completed the 329 km Ipoh-Padang Besar Electrified Double Tracking Project as well as the innovative Stormwater Management and Road Tunnel (SMART) motorway, the first of its kind, dual-purpose tunnel in the world. MMC Group is currently, undertaking key civil and infrastructure projects in the country namely Langat Centralised Sewerage Treatment Plant and Langat 2 Water Treatment Plant.

Under Industrial Development, MMC Group's Property develops and manages close to 6,000 acres of industrial developments in Iskandar Malaysia, Johor and Kulim, Kedah, which include the Senai Airport City, Tanjung Bin Petrochemical & Maritime Industrial Centre (TBPMIC) and the Northern Technocity (NTC). The Senai Airport City, TBPMIC and NTC developments come under the ambit of Group Property's three operating companies – Senai Airport City Sdn Bhd, Seaport Worldwide Sdn Bhd and Northern Technocity Sdn Bhd respectively.

In other businesses, MMC Group wholly-owns Aliran Ihsan Resources Berhad, a company which specialises in the full spectrum of water treatment and Senai Airport Terminal Services Sdn Bhd, the operator of Senai International Airport in Johor Bahru – a major aviation hub and the main air transportation gateway to Iskandar Malaysia.

Enquiries

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