



***News Release
For Immediate Publication***

MALAKOFF RECORDS PBT OF RM97 MILLION FOR 1Q FY2018

KUALA LUMPUR, Malaysia - 23 May 2018: Malakoff Corporation Berhad (“Malakoff” or “Group”), a member of MMC Group, recorded RM1,604.2 million in revenue for the quarter ended 31 March 2018 (“1Q FY2018”), a decrease of 10% from RM1,781.0 million reported in the corresponding quarter ended 31 March 2017 (“1Q FY2017”). The Group also recorded lower profit before tax of RM97.0 million compared with RM174.7 million reported in 1Q FY2017, a decrease of 44.5%.

The drop in revenue was primarily attributed to lower capacity payment recorded from Segari Energy Ventures Sdn. Bhd. (“SEV”) following the reduction in tariff under the extended Power Purchase Agreement (“PPA”) effective from 1 July 2017.

The drop in profit before tax was also due to lower contribution from SEV as well as lower fuel margin recorded at Tanjung Bin plants.

Dato’ Ahmad Fuaad Kenali, Chief Executive Officer of Malakoff said, “Malakoff will continue in its efforts to improve efficiency, availability and reliability of the Group’s power plants whilst strengthening the cost management aspect of the business in view of the more competitive landscape of the energy and power industry.”

The Malakoff CEO further added that “the Group remains positive on the overall outlook for 2018 in line with the expected growth rate of 2% per annum in the nation’s power demand. The Group is expected to benefit from the positive recovery of Tanjung Bin Energy power plant which is expected to receive normalised capacity payment from the second quarter

2018 onwards.”

Malakoff will also continue to intensify its effort in renewable energy (“RE”) opportunities in tandem with the Government’s aspiration to reduce carbon emissions by 40% in 2050. We will also leverage on our experience and expertise in power and water projects to explore further opportunities in high growth areas overseas.

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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 IPP with a net generating capacity of 6,346 MW from its seven power plants.

International assets include power and water ventures in Saudi Arabia, Algeria, Bahrain, Oman and Australia, with an effective capacity of 690 MW of power and 420,925 m³/day of water desalination. Malakoff is also actively looking to venture further in the fast growing 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 in Saudi Arabia, Algeria, Kuwait, Oman and Indonesia.

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

Malakoff Corporation Berhad is a member of the MMC Group.

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