



News Release
For Immediate Publication

MALAKOFF RECORDS PBT OF RM588.5 MILLION FOR FY2017

The Group's revenue increased by 16.9% to RM7,130.4 million in the same period

KUALA LUMPUR, Malaysia - 21 February 2018: Malakoff Corporation Berhad ("Malakoff" or "Group"), a member of MMC Group and a leading Independent Power Producer ("IPP") in Malaysia and South East Asia in terms of total generation capacity, recorded RM1,793.4 million in revenue for the quarter ended 31 December 2017, or an increase of 4.7% compared with the corresponding quarter ended 31 December 2016. For the financial year ended 31 December 2017, the Group recorded RM7,130.4 million in revenue, an increase of 16.9% compared with RM6,098.4 million reported in the corresponding period of the preceding year.

The increase in revenue was primarily due to higher energy payments recorded at Tanjung Bin Power Sdn Bhd ("TBP") and Tanjung Bin Energy Sdn Bhd ("TBE") on the back of higher applicable coal price.

The Group's profit before taxation ("PBT") for the quarter decreased to RM47.9 million compared with RM195.7 million reported in corresponding quarter ended 31 December 2016. And for the financial year ended 31 December 2017, the Group's PBT decreased by 7.7% to RM588.5 million from RM637.5 million reported in corresponding period of the preceding year.

The decrease in PBT was primarily due to lower capacity payment recorded at Segari

Energy Ventures Sdn Bhd (“SEV”) following the revision of its PPA which commenced on 1 July 2017. However, the decrease in PBT was partially mitigated by higher fuel margin recorded at TBP and TBE, positive performance from overseas associates and the compensation payment received from settlement of disputes with IHI over TBP’s boiler failure.

The Board of Directors also recommended a final single-tier dividend payment of 3.7 sen per ordinary share in respect of the financial year ended 31 December 2017, subject to the approval of the shareholders at the forthcoming Annual General Meeting. If approved, the total dividends paid for the financial year 2017 would be 6.2 sen per share.

Dato’ Ahmad Fuaad Kenali, Chief Executive Officer of Malakoff said: “Malakoff will continue to pursue growth opportunities locally to expand its generation capacity especially on the renewable energy segment, and will also continue to explore opportunistic investment overseas to complement its local generation business.”

The Malakoff CEO further added that “that company will continue to pursue its efforts to improve efficiency, availability and reliability of the Group’s power plants, including strengthening the cost management aspect of the business in view of the more competitive future landscape of the energy and power industry.”

The Group expects that its performance will remain satisfactory for the financial year ending 31 December 2018.

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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 444,800 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. Contact:

Yusop Abdul Rashid

Email: yusop.rashid@malakoff.com.my Mobile:

+6012 340 1082

Malakoff Corporation Berhad

Level 10, Block 4, Plaza Sentral

Jalan Stesen Sentral 5

50470 Kuala Lumpur, Malaysia

Tel: +603 2263 3388

Fax: +603 2263 3322

Website: www.malakoff.com.my