

**NEWS RELEASE
FOR IMMEDIATE PUBLICATION**

**MALAKOFF POSTS A NET PROFIT OF
RM286.6 MILLION FOR FY2020**

Alam Flora and Higher Share of Profit from Associates Continue to Drive Earnings

KUALA LUMPUR– 19 February 2021: Malakoff Corporation Berhad (“Malakoff” or “Group”), a member of the MMC Group, recorded a Profit After Tax and Minority Interests (“PATMI”) of RM286.6 million for the financial year ended 31 December 2020 (“FY2020”), a decrease of 10.5% from RM320.2 million for the financial year ended 31 December 2019 (“FY2019”).

The decline was primarily attributed to the absence of a one-off gain from the disposal of the Group’s investment in Malakoff Australia Pty Ltd (“MAPL”) in the previous financial year. However, this was partially moderated by the absence of a net impairment loss on the Group’s carrying value of investment in 40%-owned Kapar Energy Ventures Sdn Bhd (“KEV”) and the absence of KEV’s share of losses in FY2019.

Excluding the extraordinary items consisting of the Macarthur Windfarm disposal gain, net impairment loss and share of losses from KEV and the gain on remeasurement of the Group’s investment in Shuaibah in FY2019 as well as the Tanjung Bin Energy Sdn Bhd (“TBE”) settlement gain in FY2020, Malakoff’s net profit improved by 20.5% from RM210.1 million in FY2019 to RM253.5 million in FY2020.

The increase in the Group’s earnings excluding the extraordinary items were mainly attributable to the higher share of profit from associates amounting to RM171.8 million in the year under review, compared to a loss of RM21.6 million in the previous corresponding year. Alam Flora Sdn Bhd (“Alam Flora”) continues to be a key driver of the Group’s overall profits, contributing a PATMI of RM64.6 million in the current year.

The Group’s FY2020 revenue of RM6,276.8 million was lower by 15.4% compared to RM7,422.3 million in FY2019. This was mainly due to lower energy payment recorded from Segari Energy Ventures Sdn Bhd (“SEV”) and Tanjung Bin Power Sdn Bhd (“TBP”), given the lower despatch factor and decline in Applicable Coal Price (“ACP”) respectively.

The Board of Directors recommended a final single-tier dividend payment of 2.30 sen per ordinary share in respect of FY2020. Together with the earlier interim dividend of 2.80 sen per

ordinary share, the total dividend for the year is 5.10 sen per ordinary share. This is in line with the Group's dividend policy of distributing not less than 70% of its consolidated PATMI.

Encik Anwar Syahrin Abdul Ajib, Managing Director and Chief Executive Officer of Malakoff said, "Despite a challenging year, Malakoff registered a satisfactory set of results on the back of a better performance of its associates and the maiden full year contribution of Alam Flora. The Group continues to focus on enhancing the operational efficiency of its plants while improving its reliability and availability, notwithstanding the ongoing Movement Control Order. The current Covid-19 pandemic and the recent floods in the East Coast of Malaysia have increased the demand for Alam Flora's disinfection and post-flood cleaning services respectively."

"In addition to the rooftop solar projects that were secured with Johor Port Berhad and Northport (Malaysia) Bhd last year, the Group had recently secured yet another project with Pos Malaysia Berhad for a capacity of 2.34 MW. This is In line with the Government's target to increase the current Renewable Energy ("RE") capacity mix to 20% by 2025," he added. Aside from participating in the 4th cycle of the Large-Scale Solar ("LSS4") tender that was announced by the Government in May 2020, the Group, through its 60%-owned indirect subsidiary Southern Biogas Sdn Bhd, was also awarded a Feed-in Tariff ("FiT") from Sustainable Energy Development Authority ("SEDA") to develop a 2.4 MW Biogas Power Plant in Johor.

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 5,822 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 generation and 472,975 m³ /day of water desalination. Malakoff is also actively looking to venture further into the Middle East and North African region as well as the South-East Asian markets.

Through its wholly-owned subsidiary, Malakoff Technical Solutions Sdn Bhd (formerly known as Teknik Janakuasa Sdn Bhd), Malakoff has involvements in Operations & 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.

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About MMC Corporation Berhad

MMC Corporation Berhad (“**MMC**”) 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 includes the port 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, a logistics provider. Internationally, MMC 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, Malakoff Corporation Berhad is the largest Independent Power Producer in Malaysia and its subsidiary, Alam Flora Sdn Bhd, is one of the leading environmental management companies in the country. Under Gas Malaysia Berhad, MMC is the supplier of reticulated natural gas in Peninsular Malaysia operating and maintaining 2,468 kilometres of gas pipeline. Through Aliran Ihsan Resources Berhad, MMC provides full-fledge water services using high technology treatment in Malaysia.

MMC’s Engineering Division has played a leading role as the Project Delivery Partner and underground works package contractor in completing 51 kilometres Klang Valley Mass Rapid Transit (“**KVMRT**”) Kajang Line (previously known as Sungai Buloh-Kajang Line) including 9.5 kilometres underground works. Currently, MMC is the main turnkey contractor for 52.2 kilometres KVMRT Putrajaya Line (previously known as Sungai Buloh-Serdang-Putrajaya Line). MMC has also successfully completed the 329-kilometre 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 is currently in the final stage of completing the Langat Centralised Sewerage Treatment Plant (which will serve 920,000 Population Equivalent) and Langat 2 Water Treatment Plant (which will supply 1,130 Million Litres of treated water Per Day).

MMC’s Industrial Development Division develops and manages approximately 5,000 acres of industrial developments namely Senai Airport City (“**SAC**”) and Tanjung Bin Industrial Park (“**TBIP**”) in Iskandar Malaysia, Johor and Northern Technocity (“**NTC**”) in Kulim Kedah. The SAC, TBIP and NTC developments come under the ambit of MMC’s Industrial Development division, operating under three companies namely Senai Airport City Sdn Bhd, Seaport Worldwide Sdn Bhd and Northern Technocity Sdn Bhd.

In other business, through Senai Airport Terminal Services Sdn Bhd, MMC is the operator of Senai International Airport in Johor Bahru – the southern aviation hub and an important gateway to Iskandar Malaysia.

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